

  
**NEURONES**  
Forward together...®





## Thank you

... to staff members who kindly allowed us to take photos of them at work for inclusion in this annual report. This document focuses solely on the nearly 6,400 stakeholders behind the Group's achievements in 2022 - though of course only a small proportion of them appear in its pages.

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## 37 years of profitable growth

With close to **6,400 employees** and **revenues of €665 million**, NEURONES has worked its way up the French market to be one of the top 8 market capitalizations of in the Consulting and Digital Services sectors (including companies mainly involved in Technology Consulting).

Created from scratch in 1985 and listed since 2000, the Group has:

- achieved sustained, **profitable growth** for 37 years,
- formed a proven, **solid core**, mostly through organic development,
- acquired, through external growth, some fifteen companies with **complementary businesses**,
- recorded an **average annual growth rate in excess of 10%** over the last ten years.

NEURONES has grounded its enduring success on a continually tailored line of services, currently focused on “**digital transformation**”, along with a **dynamic human resources policy** and a novel organization of **shareholder-entrepreneurs**.



€665m

2022  
REVENUES



11%

2022  
OPERATING MARGIN



6,400

STAFF  
AT 12/31/2022

# Overview of 2022

## Applications

### Be happy

For the sixth year in a row, the entity specialized in document management has received the **"HappyIndex® AtWork"** label. This award is given by employees who recommend their company for the quality of its management and work environment.



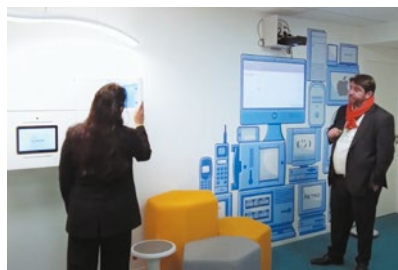
## Consulting

### Transformers

A company specializing in Human Resources Transformation has joined the Group's consulting division. With the aim of helping HR Directors and CEOs to **think about and implement the organizations of tomorrow**, it offers a wide range of services such as support for social dialogue, continuity plans and the management of expertise.

## Infrastructure

### 365 days inside



After a year of opening, Inside®, the immersive journey of user support experts, has been a great success: more than **600 client participants** have visited the showroom to discover the technological innovations (now 16 in all) and innovations in use for the "employee experience".

## Infrastructure

### Welcome on board



The User Experience specialists have launched **"myStation"**, an ephemeral docking station based on modular furniture that can be integrated into any workspace, facilitating technical assistance, HR support and employee onboarding.

## Infrastructure

### Emerging company

A new company reinforces the Group's digital offering. It specializes in developing custom **Cloud Serverless architectures** (Azure, Amazon Web Services, etc.) and **collaborative solutions** based on the Microsoft 365 ecosystem (SharePoint, Teams, etc.).

## Consulting

### Climate first

The expert consulting entity took part in the **"Convention des Entreprises pour le Climat"** dedicated to consulting. This confirms its position as a player in the ecological transition, with the aim of developing an ambitious action plan to help companies comply with the Paris Agreement.

## Infrastructure

### Cyber workshop

The entity specialized in Cybersecurity, member of the **Club des Experts de la Sécurité de l'Information et du Numérique (CESIN)**, spoke at the tenth annual congress of the association, which was held this year in the Champagne region. Its teams led a workshop entitled "Towards a world without passwords?".

## Applications

### Good living

Two companies were awarded the **"Great Place to Work"** label (France). A high level of recognition, designating via statistical survey the companies where it is good to work, thanks to a managerial framework and a high-quality working environment, both of which guarantee a successful employee experience.





## Infrastructure

### Podium

The group's specialist in user experience has been awarded a prize by the European reference organization that establishes the rankings (in London). It was awarded 2<sup>nd</sup> prize in the **"Best Pan-European Contact Center Operation"** category. This is in recognition of the quality of the services provided by its European service centers.

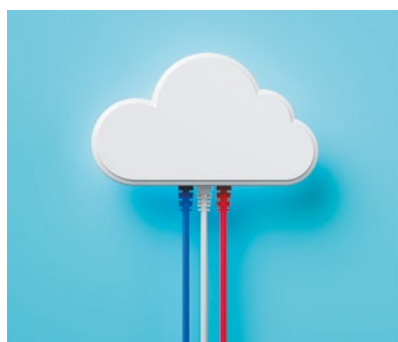
## Applications

### Green IT

The entity specialized in Finance worked in collaboration with the computer science research laboratory of a prominent Parisian university to study the **main existing blockchains and their energy consumption**. After identifying the most energy-efficient protocol, an improved version was developed, based on a good balance between energy efficiency and performance.

## Infrastructure

### In Cloud we trust



The **"sovereign cloud"** service offered by one of the group's companies, an expert in this field, is now available on the platform of France's main public procurement agency. It enables government agencies, local authorities and user institutions to access an automated, trusted cloud that meets their sovereignty, security and upgrading needs.

## Group

### French tech

According to a study conducted by Frenchweb magazine, in partnership with the digital recruitment firm Altaïde, NEURONES is **ranked 4<sup>th</sup> among "ESNs that recruit the most in the digital sector"**. This illustrates the group's ongoing drive (more than 2,200 employees joined it in 2022!).



## Infrastructure

### Certification x 3

Three entities of the Infrastructures division are now **HDS (Health Data Hosting)** certified. This selective qualification is used to host and operate the information systems of organizations and companies that process health-related data.



## Applications

### SAP like never before

With the **"SAP 10steps2S4"** certification, the group's SAP experts, Gold Partner certified by the publisher, took part in the **USF Convention**, the must-attend event for all French-speaking SAP users. In particular, they led a workshop on DataConversion and S/4Hana, which was illustrated by client feedback: "Complete overhaul of Finance worldwide".

## Infrastructure

### Improved quality

The company specializing in managed services on private and public clouds has passed its **ISO 9001 certification audit**. Its quality management system thus demonstrates compliance with the requirements of the standard. The latter was created to guarantee clients the reliability and security level of the practices implemented by digital services professionals.

## Consulting

### Mission possible

One year after becoming a “société à mission” (purpose-driven company) — whose aim is to **integrate CSR issues and indicators** into each of the support projects it undertakes — the group’s consulting entity held a meeting of its Mission Committee to take stock of its commitments to clients, while involving its employees in the matter.

## Infrastructure

### Start-up

A new subsidiary specializing in **IT and telecom convergence** has started work within the Infrastructures division, bolstering the group’s global digital services offering. Its lines of business cover complementary services, ranging from fixed and mobile networks, through Cloud infrastructures, to the “modern workplace”.

## Applications

### Climate Fresk

Training specialists are running a new “Climate Fresk” module, which aims to introduce and **raise awareness of climate issues among employees** of client companies. An engaging approach for organizations in their ongoing transformation towards a more ecological model.



## Consulting

### Consulting at the top



As proof of its expertise in this area, the group’s consulting firm took part in the National Assembly to answer questions from deputies on the **workings of the energy markets**. They were also given an insight into possible short and long-term solutions to the energy crisis.

## Infrastructure

### Sovereign discussions

Les **Assises de la Cybersécurité 2022**, a key event for all public and private sector cybersecurity experts, was held at the end of the year in Monaco. The three intense days of events and discussions provided an opportunity for the experts of the group’s SecNumCloud certified entity to discuss the role of the sovereign Cloud and its responses to current and future digital security issues.



## Infrastructure

### Tech care

The Digital Workplace specialist entity is now a **signatory of Planet Tech'Care**. It has joined this innovative initiative, which aims to support companies wishing to integrate digital technology, a source of major opportunities for innovation in the service of the ecological transition, into their environmental development.



## Consulting

### Going green

The Consulting entity coordinated and hosted (in partnership with France Invest, Green Unvers and Maddyness) the seventh edition of **Invest in Smart Grids**, an event enabling innovative companies contributing to energy transition to meet potential investors.

## Infrastructure

### French cloud



One of the group's entities has obtained one of the four highly selective **"SecNumCloud"** certifications awarded to date in France. This benchmark is defined by the National Cybersecurity Agency of France (ANSSI) and recognizes cloud hosting operators that respect stringent security practices and are committed to locating their data within the European Union.

## Applications

### ISO-compliant

The subsidiary specialized in Document Management, has been certified **ISO 27001:2013**. Faced with recurring cyber threats, this international standard guarantees clients maximum protection of information confidentiality, integrity and availability, at a time when physical documents are becoming increasingly digital.

## Infrastructure

### Mix-IT

Two of the group's entities are now among the signatories of the **"Manifeste pour la reconversion des femmes dans les métiers du numérique"** (manifesto for the retraining of women in digital professions), an initiative that is part of an ongoing effort to promote gender diversity in IT professions.

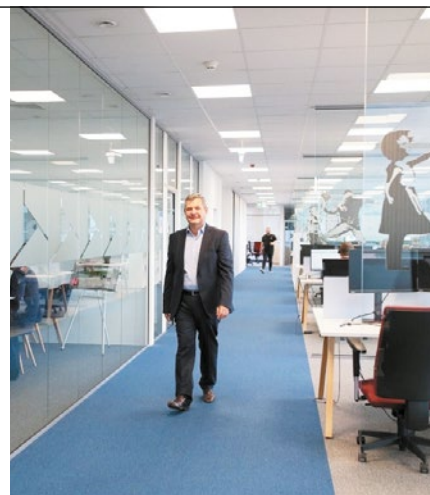
# MANIFESTE

#ReconversionFemmesNum

## Infrastructure

### New in the East

The expert entity in User Support is expanding its operations in Romania, with the opening of a **new service center in Bucharest**. The new location in the capital is in addition to its long-standing presence in Timisoara, providing it with a larger employment pool and increased proximity to the decision-making centers of major companies.



## Consulting

### Innov'action

The Management Consulting entity has created **"Change Leaders' Circles"**. For its first event, this community of change management experts brought together some fifteen transformation managers from private and public organizations to share their experiences and broaden their thinking on innovation.

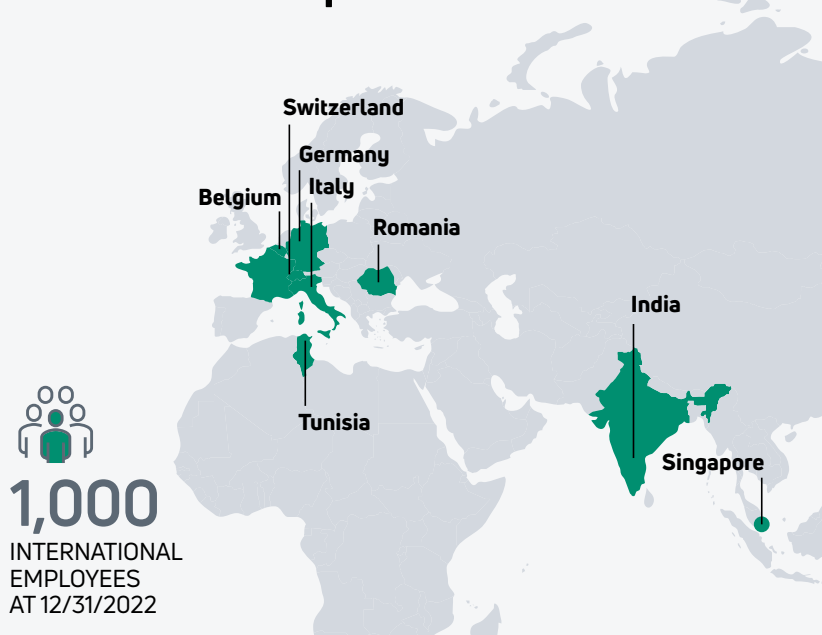
## Infrastructure

### Rising star

Already active in Tunisia, one of the entities **specialized in Cloud** computing has created a new subsidiary. Initially intended exclusively to recruit engineers for the group, it now offers other companies its services in human resources management, from sourcing to retaining employees, through their integration or management of contractual aspects.

## Group

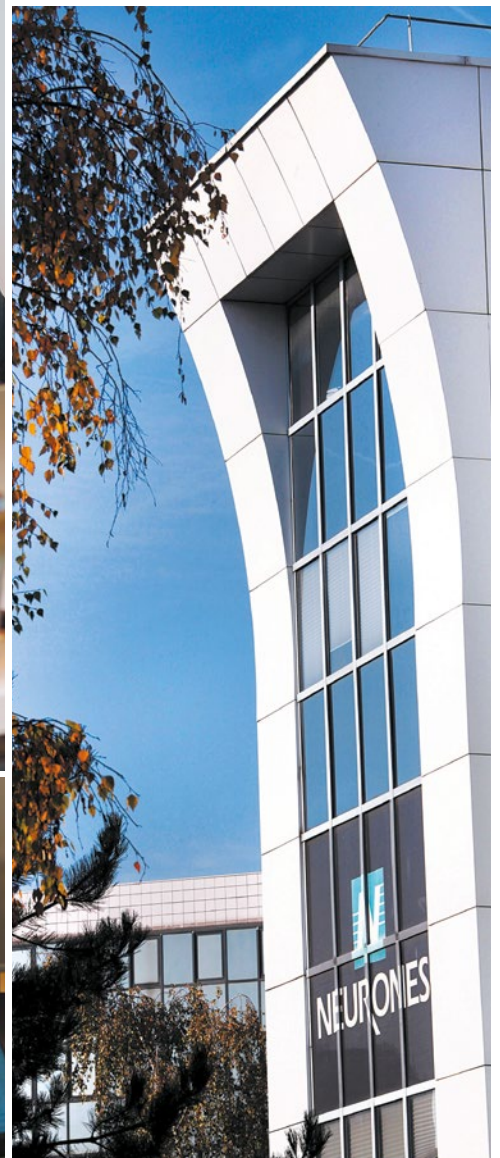
### International presence





# NEURONES in 2022

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# Chairman's message

*"The whole truth and nothing but the truth."*

Yes, this is the right place to find out the essentials of NEURONES and the 2022 financial year.

There is nothing like an Annual Report (an "information gold-mine" as a detective would say) to form an idea and expand one's knowledge of a company. Whether you want to build a successful career, or are looking for partners who master the most useful technologies, or are an investor looking for a good return over time.

In addition to a review of the past year, this document describes the company's trajectory. It also provides an opportunity to evaluate the present achievements in light of the forecasts and explanations of the previous twenty-two reports (online).

And, since few readers have the time to read these 146 pages, it is the duty of those who make public announcements to highlight the most useful information. Here is a three-page summary, which is as objective as possible.

## 1. First, the numbers for 2022 financial year

Numbers obviously reflect the vitality, attractiveness and health of a company. And, in the predictable professions of Consulting and Digital Services, comparisons over several consecutive years (see pages 46 and 48), form a good basis for forecasting the future.

### *Vitality?*

As the first proof of NEURONES being in good shape, organic growth is:

- the strongest (+14.5%!) in more than ten years,
- growing faster than last year's +10.1%,
- one of the best performances in the sector in France.

### *Attractiveness?*

Operating profit reflects the value of our services to clients:

- in 2022 it grew by 18.3%,
- the 11% rate broke all records over the last twenty years!
- at €72.9 million, this represents a 15-fold increase since the group was first listed on the stock exchange (May 2000).

### *Good health?*

The regular generation of cash and its level provide solid support:

- after financing growth, free cash flow of €37.6 million remains high,
- at €272 million (virtually free of financial debt), the level of cash is more than just robust;
- so the past announcement of the regular increase in the dividend is implemented: from €1 to €1.10 per share, a return close to 3%.

### *Indicator of the future?*

These 2022 achievements are, of course, also the result of careful choices made in previous years. Similarly, to prepare for the future, the following investments were initiated during the year:

- €10.6 million, almost half of which was used to build a sovereign cloud (recognized as such by Anssi, see glossary on page 140) to protect corporate data;
- on-boarding more than 2,600 new talents to build the future with new expertise;
- performance actions (expenses of €4.1 million) and other motivational tools to build and share the benefits of tomorrow's success.

To avoid complacency, we hasten to add that:

- the 5.2% inflation in 2022 (1.6% in 2021) boosts the growth rate figures;
- with its strongest growth (+5.1%) in two decades, the market is "taking off";
- even if it is lower than that of the profession, staff turnover remains high, so unstoppable is the inclination of certain clients to value and hire our consultants!
- capital allocation is still less than optimal, some external growth projects were deemed to create too little value;
- although entrepreneurs joined NEURONES during the year, the balance of available cash is still too abundant.

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**"There are always  
flowers for those  
who want to see them."**

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In the end, even if the financial markets are often right only in the medium or long term, the shareholders "voted". They have again boosted the share price in 2022 (after +62% in 2021, +13.6% in 2020 and +9% in 2019).

## 2. A look at the 2022 figures

Obviously, there is no "magic potion" but:

- a great market and predictable execution,
- high quality human capital.

The Digital Consulting and Services market brings to mind this quote by a well-known painter: "There are always flowers for those who want to see them". These "flowers" are, for your company, the new solutions created in a continuous stream by the technology manufacturers.

Everything points to an inexhaustible market: the acceleration of innovation, the demands of “time to market”, new business models, new regulations, the need to align the comfort of clients and internal users with the standards to which they are accustomed in their personal lives...

Moreover, no sooner is a process in place than a new application can make it more efficient and more interconnected, by modifying the organization and making a new investment in infrastructure, security, coaching and training, and user support, all of which are complementary specialties of the group.

In an environment that is sustainable for all, the difference is obviously in the execution. That is to say, NEURONES’ ability to have specialized know-how and skills in large supply. And that is how in 2022 the group began to take advantage of past investments to:

- build, with the level of security one can imagine, one of the few sovereign clouds available in France (“SecNumCloud”);
- expand its services through the creation of start-ups dedicated to data exploitation, telecoms, cloud-native development and risk and compliance in banks;
- be ever more attractive to the best professionals, who are obviously in great demand, and this was recognized again this year by various labels (“Great Place to Work®”, “ChooseMyCompany®”... awarded by external bodies);
- confirm its original organization in specialized entities, with partners in the capital and with the greatest possible autonomy to adapt, as close as possible to the field, to the pace of clients’ evolution towards digital.

But it is above all the staff of NEURONES who deserve the credit for the 2022 results.

The shareholder-directors of the group’s companies have invested their courage, energy and training capacity in following the advice of a well-known American business leader: *“Management is nothing more than motivating other people”*.

They shed light on the future, make decisions when necessary and, to put it bluntly, do what others do not want to do and which is necessary for the company’s medium and long term.

Fortunately, in their role as unifiers, they are supported by managers who know how to make each member of their team aware of their strengths, distribute responsibilities and release potential to create the conditions for personal and collective achievement. In this way, they work continuously to promote autonomy and create a climate of initiative that enhances the day-to-day provision of services in the best interests of clients. By highlighting and sharing successes, they are applying the words of a contemporary best-selling author: *“Happiness is about making people happy. Success is about making people succeed.”*

Finally, each staff member deserves a huge thank you for a job well done in 2022. The group is committed to providing you with training and guidance, and to helping you to survive and grow (as the people on pages 41 to 43 will testify). The group is also a place of social interaction.

### 3. What to expect after 2022?

It is probably easier to assess the prospects of a company and a sector than those of the economy, which is exposed to many uncertainties and other “black swans”.

The Consulting and Digital Services market benefits from favorable constants:

- its efficiency levers are indispensable assets for economic competition. Investment in new digital solutions should therefore continue to outpace GDP growth;
- to install, manage and update technical environments that are more complex and sophisticated (multi-clouds, containers, volumes of data, increasingly frequent updates, etc.), an increasing number of specialists are needed;
- the scope of digital applications is expanding. After improving competitiveness, then the “customer experience”, the “employee journey” is becoming a new source of revenue for the group’s main company;
- making data “talk” has always been a challenge, but it is becoming even more important in the face of client volatility (which is facilitated by digital technology) or in the management of government spending;
- technological disruptions, like earthquakes, sometimes have powerful aftershocks, as the shake-up brought about by Artificial Intelligence promises to be. Incorporated into everyday tools, it offers new opportunities and is already involving teams at NEURONES;
- the structural shortage of resources will probably sustain salaries and service prices.

Consequently, your company is one of the essential links for businesses to support the spread of new forms of digital technology, without any visible limits, as quickly as possible and wherever possible.

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**“Management  
is nothing more than  
motivating other people.”**

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In 2023 and beyond, the challenges will primarily concern clients and employees.

For the former, your company will:

- develop the added value that generates the margin that is needed to trigger the virtuous circle of good salaries that attract the best talent helping clients to integrate and use a successful digital environment;
- continue the widespread certification of its highly qualified consultants by technology manufacturers (see page 53);
- invest, both internally and through external expansion, in emerging technologies to increase its ability to deliver ever greater results to its clients;



- expand quality assurance programs for a growing number of processes to achieve higher levels of service excellence;
- hire at least 2,200 new employees, as it is clear that growth is dependent on the talent available or to be trained by the group's dedicated structure, a leader in Training.

**“Happiness is about making people happy. Success is about making people succeed.”**

As for the stakeholders involved in future successes, there is no shortage of challenges. In addition to intensifying recruitment efforts, with greater recourse to less saturated employment areas (regions, nearshore), they will have to:

- continue to adapt to the new “codes” of the labor market, in particular the growing appeal of self-employment for some (see the development described on page 54);
- manage the growing sense of individualism and a certain loss of the collective mindset, which has been compounded by telecommuting;
- after the investments made in “cool” workspaces (designer offices, relaxation areas, flex-office, coworking areas, hybrids areas, etc.), to be genuinely concerned about the future of each employee, to be at their disposal and help them to take charge of their career path;
- ensure that a good work-life balance is maintained and also prevent isolation and the breakdown of relationships that excessive teleworking creates;
- offer opportunities to those who want to supplement their jobs with social or environmental projects and contribute to making the world a better place;

- be a model company that creates sustainable value, monitors its carbon footprint and respects the environment, based on the initial measures set out in the Statement of Non-financial Performance on page 60.

Last but not least, persevere in identifying entrepreneurs who have an objective interest, either alone or with their company, in joining the NEURONES “armada” to achieve their ambition and enable us to be stronger together.

Year after year, digital technology drives and stimulates the profound transformation of companies. Increasingly fierce economic competition and the need for everyone to anticipate changes make Digital Consulting and Services one of the most important support activities.

Against this backdrop of the gradual datafication of the world, NEURONES’ guiding principle remains modest: harnessing efficiency to benefit clients, motivating each employee, committing to a virtuous digital world and generating regular results for shareholders in return for their trust.

So thank you to everyone who contributed to the 2022 performance, including the technology partners and those involved in recruitment. It is indeed the combined efforts of all those involved that have made it possible to write this wonderful new chapter.

And, since technologies evolve faster than organizations, in 2023 there is still a clear path for those who want to continue to serve clients, to conquer, to succeed, to contribute to and to lead an adventure, thus proving the saying of the Greek philosopher that *“action speaks louder than words”*.



**Luc de CHAMMARD**  
Chairman and CEO



## KEY SHAREHOLDER-DIRECTORS

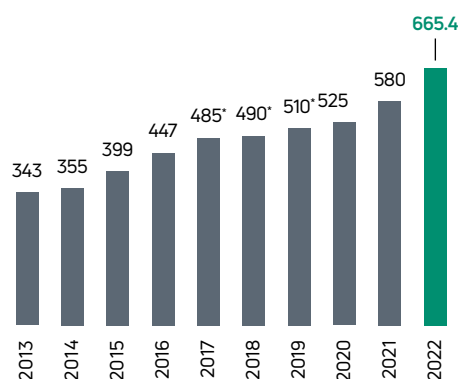
*From left to right. First row:* Bertrand DUCURTIL and Luc de CHAMMARD.

*Second row:* Franck DUBRAY, Elsa CUISINIER, Jean-Pierre LAFONT, Jean-François HALLOUËT, Bernard LEWIS, Vincent GRZECZKOWICZ and Guillaume BLANCHETIÈRE.

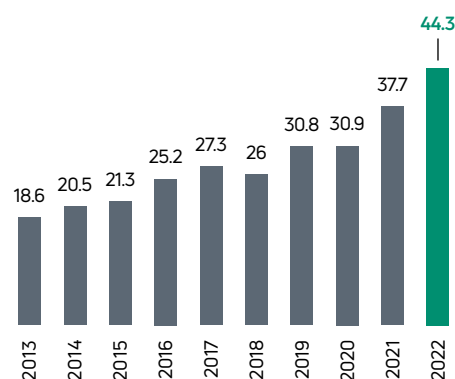
*Third row:* Cyrille BARTHÉLÉMY, Alain LE BRAS, Benjamin PONS, Joseph KHOURI, Charles BLANCHOT, Jérôme PEREZ, Stéphane RAILLARD, Jérôme LEHMANN, Jean VELUT, Olivier LE BAILLY and Jérôme BELZACKI.

# Key figures

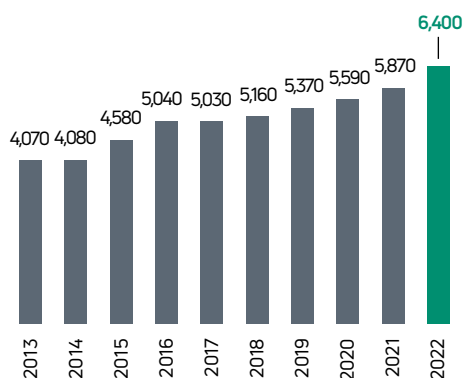
CONSOLIDATED REVENUES  
(in millions of euros)



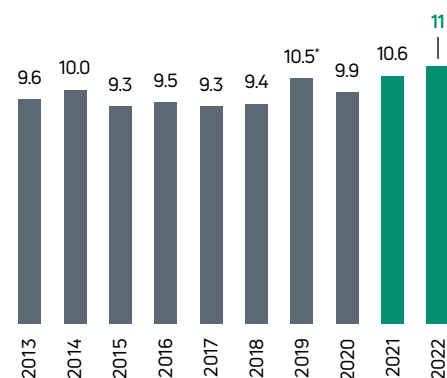
NET PROFIT – GROUP SHARE  
(in millions of euros)



HEADCOUNT  
(year-end)



OPERATING MARGIN  
(%)



\* Changes in the scope of consolidation (€23 million of revenues sold) and accounting method IFRS 15 (€10 million of revenues less from 2018).

\* 9.6% excluding capital gains on disposals.



**+14.2%**

ORGANIC REVENUE  
GROWTH IN 2022



**+7.8%**

COMPOUND ANNUAL GROWTH RATE  
OVER 10 YEARS (2012-2022)



## CONSOLIDATED INCOME STATEMENT (in millions of euros)

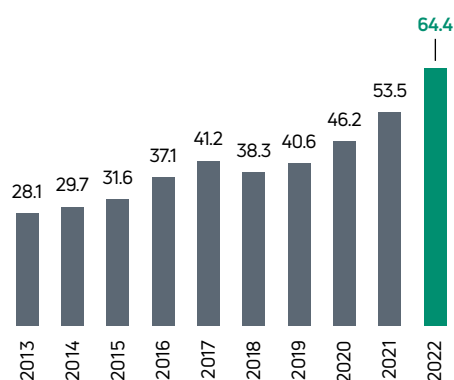
	2021	2022
Revenues	579.9	665.4
<b>Business operating profit*</b>	<b>64.2</b>	<b>77</b>
% of revenues	11.1%	11.6%
<b>Operating profit</b>	<b>61.6</b>	<b>72.9</b>
% of revenues	10.6%	11%
Financial profit	0.2	0
Tax on earnings	(18.8)	(21.1)
<b>Net profit for the period</b>	<b>42.9</b>	<b>51.8</b>
% of revenues	7.4%	7.8%
- of which net profit – Group share	37.7	44.3
- of which minority interests	5.2	7.5

\* Prior to cost of bonus shares and impairment of assets.

## SIMPLIFIED CASH FLOW STATEMENT (in millions of euros)

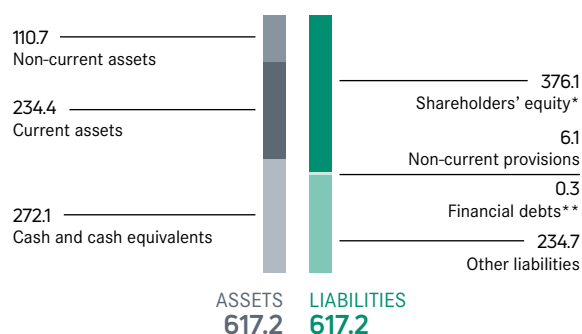
	2021	2022
Net profit	42.9	51.8
Non-cash items	10.6	12.6
Change in WCR (increase)/decrease	4.7	(16.2)
Net industrial investments	(6.4)	(10.6)
<b>Free cash flow</b>	<b>51.8</b>	<b>37.6</b>
Net financial investments	(5.6)	(4)
Net capital increase and disposal of securities	1.6	2.2
Other (dividends, etc.)	(49.2)	(28.9)
<b>Change in cash and cash equivalents</b>	<b>-1.4</b>	<b>+6.9</b>
<b>Cash and cash equivalents at year-end</b>	<b>265.1</b>	<b>272</b>

## CASH FLOW FROM OPERATING ACTIVITIES\* (in millions of euros)



\* Net profit + non-cash items  
(mainly net depreciation and provisions).

## CONSOLIDATED BALANCE SHEET AT 12/31/2022 (in millions of euros)



\* Of which minority interests: 45.

\*\* Short-term and long-term financial liabilities, including bank overdrafts: 0.1.



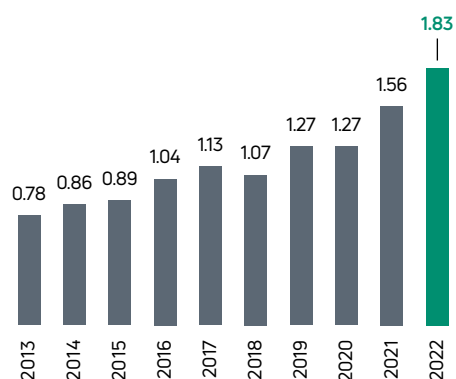
**11.6%**  
2022  
OPERATING MARGIN



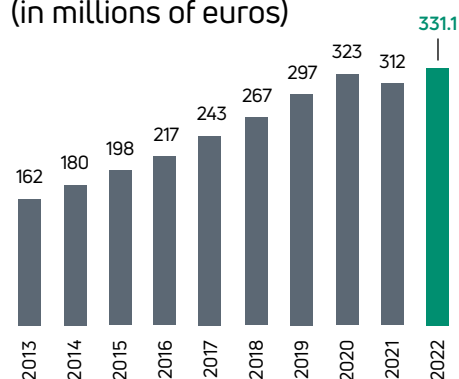
**€271.8m**  
NET CASH  
AT 12/31/2022

# Shareholder information

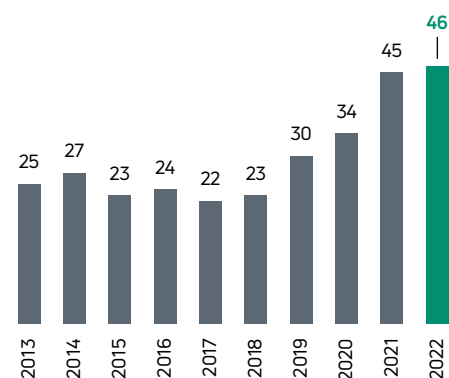
NET PROFIT – GROUP SHARE  
BY SHARE (in euros)



CONSOLIDATED SHAREHOLDERS'  
EQUITY GROUP SHARE  
(in millions of euros)

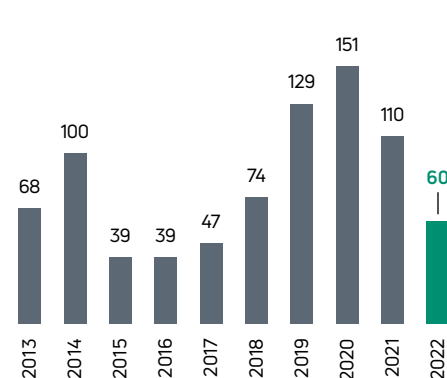


RETURN ON CAPITAL EMPLOYED\*  
(%)



\* Operating profit after deduction of income tax (calculated at the applicable rate) divided by capital employed (goodwill + fixed assets + working capital requirement).

CASH CONVERSION RATE\*  
(%)



\* Before payment of dividend.



## 46%

RETURN ON CAPITAL EMPLOYED  
IN 2022



## €1.10

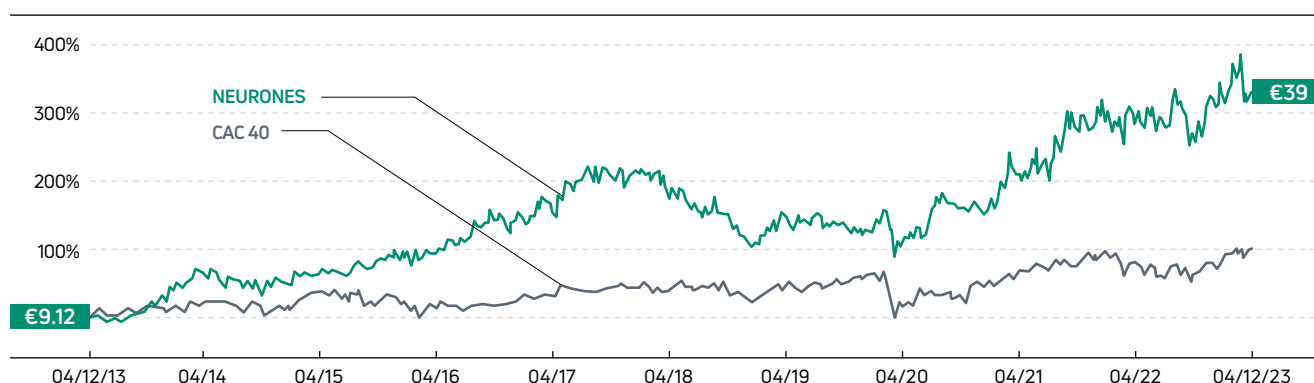
PER SHARE DIVIDEND PROPOSED AT THE  
SHAREHOLDER'S MEETING ON JUNE 8, 2023



## STOCK MARKET INDICATORS OVER THE PAST 10 YEARS (share price, capitalization, number of shares)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Highest price (in euros)	13.58	16.00	18.35	24.70	29.80	29.00	23.30	26.00	38.10	39.95
Lowest price (in euros)	8.30	12.30	13.50	16.25	21.50	18.20	18.30	16.95	23.00	30.20
Closing price (year-end - in euros)	12.59	13.86	17.41	22.36	28.80	18.90	20.60	23.40	38.00	39.25
Market capitalization (year-end - in millions of euros)	302	332	422	542	698	459	500	567	921	951
Number of shares (year end - in millions)	23.9	23.9	24.2	24.2	24.2	24.3	24.3	24.2	24.2	24.2

## CHANGES IN NEURONES' SHARE PRICE OVER THE PAST 10 YEARS (from April 12, 2013 to April 12, 2023)



## INVESTOR RELATIONS

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www.neurones.net

## CALENDAR

### Shareholders' Meeting:

Thursday June 8, 2023

### 2<sup>nd</sup> quarter revenues:

Wednesday August 2, 2023\*

### 1<sup>st</sup> half profit:

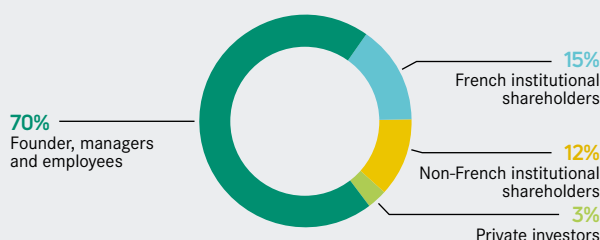
Wednesday September 6, 2023\*

### 3<sup>rd</sup> quarter revenues:

Wednesday November 8, 2023\*

\* Published after close of trading.

## SHAREHOLDING (breakdown of capital)



## NEURONES SHARE (data sheet)

Share price*	€39
Market capitalization*	€945m
Number of shares*	24,228,216
Average daily volume** traded in 2022	7,200 shares
Indexes	Euronext Paris (Compartment B - NRO) Euronext Tech Leaders – SRD mid-caps

\* At April 12, 2023. \*\* Euronext, Multilateral Trading Facilities (MTF) and OTC platforms.

# Line of services and strategy

The Group continuously adapts its Consulting and Digital Services to clients' issues and builds an entrepreneurial project with partner managers and executives in order to build sustainable and profitable growth for all stakeholders.



## 55%

SHARE OF GUARANTEED-  
PERFORMANCE SERVICE  
CONTRACTS IN TOTAL  
BUSINESS VOLUME

## At the heart of digital transformation

Digital transformation has become a major stake and area of investment for businesses and public organizations alike. The group therefore devotes most of its activities to digital transformation. They are designed for projects that leverage digital technology to:

- design or rethink service lines,
- digitalize the “customer journey” (using mobile apps, UX/UI design, “mobile first” sites, digital marketing, etc.);
- use connected devices and big data to leverage data (analytics, business intelligence),
- improve operational and support processes (BPM, ESB, dematerialization, RPA, etc.),
- integrate the first concrete applications of Artificial Intelligence: chatbots for support processes, smart automations to better anticipate security or IT operation incidents.

NEURONES also supports IT departments undertaking multi-year programs to migrate part of their applications to public, hybrid or private clouds. To optimize time-to-market, it has also become necessary to radically shake up their organization and work in DevOps mode to release a virtually continuous string of new app versions. This means smaller, tightly knit teams handling a group of apps from A to Z (“you build it, you run it”), agile and Kanban methods, integrated development environments, software factories, continuous deployment toolchains, infrastructure automation, etc.

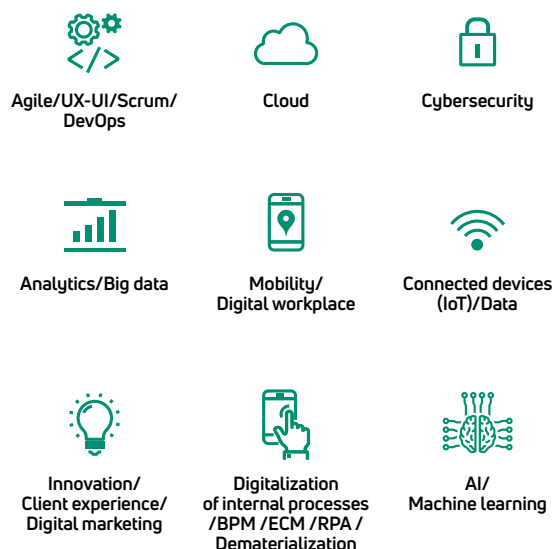
Alongside the new digital apps, they also need to continue maintaining their legacy apps with a traditional organization (engineering, integration and operation).

## An unwavering strategy

### Strategic policy directions

- expand our presence with corporate clients by helping them leverage new digital technologies;
- maintain the entrepreneurial spirit of specialized entities in their field of business;
- increasingly broaden the range of services, in particular those related to digital transformation;
- industrialize everything that can be and adapt the Group’s organization and cost structure to the market.

## THE DIGITAL TRANSFORMATION “BUILDING BLOCKS” OFFERED BY NEURONES



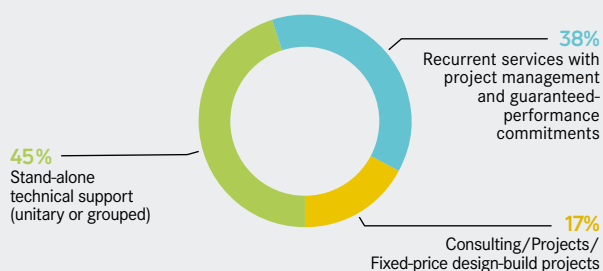
### Resources

- increase (in organic growth) faster than the market, occasionally bolstered by acquisitions;
- expand the presence in and outside of France (client needs, available consultants, new markets, etc.);
- invest independently of the economic climate (€272m of available cash, no debt);
- continue to apply a decentralized model, close to clients and employees.

### Core principles

- focus on profitability (an indicator of client satisfaction) rather than size alone;
- align managers’ and shareholders’ capitalist interests;
- open up the capital to managers to build the long term;
- keep the fundamental business processes under quality assurance.

## BREAKDOWN OF 2022 REVENUES BY TYPE OF SERVICE



## WORKFORCE BREAKDOWN 2022 BY GEOGRAPHIC ZONE





# Core businesses

**17** A comprehensive line of digital services

**18** Infrastructure services

**22** Applications services

**26** Consulting

**30** Industrialized service centers

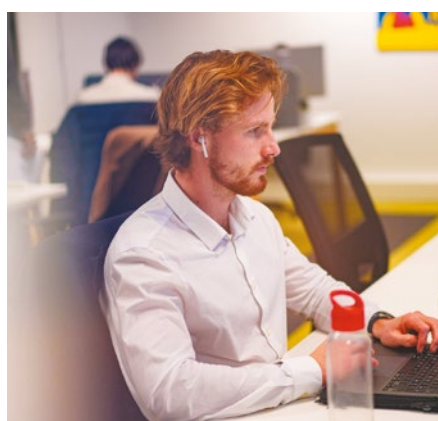
**32** References and achievements



# A comprehensive line of digital services

Digital transformation feeds into all of NEURONES' core businesses, underpinning both Consulting and Digital Services. The specialized line-of-business entities, which combine Consulting services and the Integration of state-of-the-art technological solutions, are divided into three segments:

## Infrastructure services



63%

this segment's share  
in total revenues

Public, private, hybrid clouds,  
DevOps,  
Cybersecurity  
User support, digital workplace  
IT service management,  
infrastructure automation

## Application services

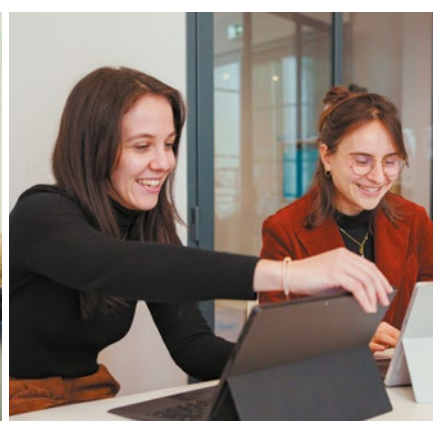


30%

this segment's share  
in total revenues

Digital, Agile, UX/UI, mobility, data, IoT  
SAP  
BPM, ECM, EDM, RPA,  
dematerialization, archiving  
Market finance  
IT training

## Consulting



7%

this segment's share  
in total revenues

Management and  
digital transformation consulting  
Digital marketing consulting  
RH transformation consulting

## Client relationship management with selected corporate clients

To support the various line of business sales forces, this team fulfills the following assignments:

- organize and coordinate sales actions
- sounding out new business opportunities,
- consolidate completed projects and assignments,
- prepare reports for corporate clients.

## Coordination of major global contracts

Duties include:

- organizing multi-entity proposals with selection of a lead entity,
- coordinating cross-functional contracts during the handover, operation and reversibility phases,
- capitalizing on experiences and regularly updating the Group's standards.

## Infrastructure services

Guaranteeing high availability and secure access to IT infrastructures, managing them, making them profitable and developing them is the task of this business segment boasting over 4,900 employees.

### THIS SEGMENT'S DIGITAL TRANSFORMATION-RELATED OPERATIONS



Public, private, hybrid and multi-cloud computing, containers



CI/CD, infrastructure automation and DevOps



Cybersecurity



Mobility and the digital workplace

### Design/Build

As private, public and hybrid cloud computing gradually enters the mainstream, along with new DevOps-type organizations, infrastructure management is becoming increasingly automated. Migration projects to the public cloud take a long time (more than a year), while cybersecurity issues have never been so crucial. The infrastructures also support legacy applications that have accumulated over time. With open information systems and multiple terminals, user assistance, which is still vital, is also undergoing major innovations (RPA, “App” for response technicians, predictive analysis, self-help, chatbots, etc.). The Group carries out major transformation projects, as well as one-off responses, in multiple fields.

### Managed services

The Group provides recurring services for infrastructures located in public and private clouds, as well as for applications located in

containers. It also manages groups of on-site servers and provides for installed bases (of all sizes) of workstations and other terminals (user and local interventions).

Managed services (formerly partially known as “Outsourcing”) are a mode of response characterized by a multi-year contract (3 to 5 years), under which NEURONES provides project management and guaranteed service levels. For each contract, the service delivery manager ensures ongoing compliance and manages the improvement plan based on a benchmark and a catalog of standard operations.

In this line of business, it is crucial to continuously capitalize on knowledge and best practices. The Group has set up standard processes for all of its contracts, applying tried-and-tested ITIL practices. The drive to industrialize these services is reflected in a growing proportion of operations performed through service centers.



# €419.5m

REVENUES GENERATED BY THIS SEGMENT IN 2022, REPRESENTING **63%** OF TOTAL BUSINESS



# 10.5%

2022  
OPERATING MARGIN



# 4,870

EMPLOYEES IN THE INFRASTRUCTURE SERVICES SEGMENT AT 12/31/2022





### Core businesses

- Public, private, hybrid clouds, DevOps
- Cybersecurity
- User support, digital workplace
- IT service management, infrastructure automation



### Typical projects

- Migration to the public cloud
- Set-up and management of private clouds and containers
- Managed infrastructure services
- Implementation of tools and production automation
- Workstation management
- Information systems security (including SOC, CERT, Threat Intelligence)
- Continuous Integration and Continuous Delivery
- Infrastructure automation: Cloud Management Platforms, SDDC

## IN 2022...

Growth in various forms of **cloud computing** and **automated infrastructures** (infra as code, DevOps, etc.).

Signing of major multi-year contracts to **support users**.

Anssi qualifications obtained in 2022 (only 4 players in France):

- SecNumCloud (sovereign cloud),
- Pris (response to security incidents).

## OUTLOOK...

Growing importance of **cybersecurity**.

Strong progress in **public cloud** (build and run), **containers**, **DevOps**, infrastructure automation.

Automated **private cloud computing** still has its advantages (PaaS services, CMP, sovereign cloud).

Widespread use of the **hybrid cloud** and **multi-cloud**.

## INTERVIEW WITH...

**Sylvain**, *Strategy and Innovation Director (User support)*

# Helping transform the employee experience

The changing relationship with work and the upheaval of uses are making the employee experience a decisive issue for companies. In supporting its clients, NEURONES places employees at the center of innovations.

**The quality of the employee experience is becoming increasingly important. Is this only due to the hybridization of work?**

This is one of the reasons, but not the only one. Long before the health crisis and its impact on uses, companies understood the interest of investing in the quality of the employee experience within the framework of “symmetry of attention”. This managerial concept, developed over the last 15 years, consists of placing employee-employer relationship quality on the same level as business relationship quality. The company has everything to gain: if it takes good care of its employees, the latter will take care of their clients.

**We are seeing the emergence of new equipment dedicated to the “employee experience”. Is this a sign of a profound change in mindset?**

Changing mindsets takes time, but an increasing number of organizations are recognizing the importance of employee experience. Faced with a shortage of skills and recruitment difficulties, in a competitive environment where the threat of job quitting also looms, it is crucial to attract and retain talent. From the first contact between the company and the future employee (in the recruitment process), and then at all stages of their development, the quality of their experience

contributes to their level of commitment. Employees are primary brand ambassadors, but they have also become genuine “internal clients.” It is therefore essential to narrow the gap between the brand promise and the employer promise.

**What are employees’ expectations in terms of digital experience, and how can they be met?**

Employees are increasingly comfortable with digital technology and are much more autonomous since the rise of remote work. They expect simple, fluid, efficient and fast processes. They are also more demanding of the service desk, needing more responsiveness and expertise from their contacts. In companies that are still organized in silos, the answer to these new needs lies in cross-functional processes and solutions that allow to hide the complexity of the organization.

In the future, we should also have privileged points of contact, where employees can find answers to all their requests concerning the company, whether they are IT or non-IT.

**What is NEURONES’ approach to supporting organizations in their transformation process?**

Since the creation of the Digital Workplace entity, it has been marked by a novel stance: the employee is put at the center of the approach. The fact that we

position ourselves not on the IT side, but on the user’s side, allows us to reason about use cases as they are experienced. All stages of the support process are covered: from process design and interface construction to solution implementation and adoption. This is the key to innovative transformation processes, adapted to both the context and the user typology. The same applies to the personalization of support services: an engineer on a construction site is not assisted in the same way as a sales force on the move, or an accountant during the closing period. Innovations must be able to offer useful advances to the core businesses.

**Can you give an example?**

We have created and implemented an internal “Teams4IT”. This solution gives access, from the application, to all support resources, from any terminal: contact with the helpdesk by telephone, access to the knowledge base via the search engine, chat channels for exchanging with the support team, etc. Having tested it, this innovation is now being offered to clients.

**In what way does this novel system help clients make the right choice for their transformation?**

It’s an immersive journey dedicated to the Digital Workplace. Clients can discover and experience all the solutions and applications on offer in real-life conditions, “à la carte”. This allows them to see for themselves how relevant and useful they are, and how they can be adapted to their business and client profiles. This experience, which is close to reality, has a great impact. More than 300 clients have already experienced it!



### How do you see the employee experience evolving?

There are two main avenues. The first is a technological one, based on Artificial Intelligence. It will be a matter of handling all the low value-added tasks, so that users can become increasingly autonomous. The second, complementary area will require

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**"Employees are primary brand ambassadors, but they have also become genuine internal clients."**

---

us to meet the need for demanding business expertise for our value-added support services, both for functional issues and for management rules and business processes. These are all areas of development that the NEURONES teams are already preparing, to benefit clients and their future success.



## Application services

This segment of almost 1,300 employees represents more than twenty years of experience in application projects, serving clients who are engaged in successive improvements to their information systems and in their digital transformation.

### THIS SEGMENT'S DIGITAL TRANSFORMATION-RELATED OPERATIONS



Complex applications with BPM, Enterprise Service Bus (ESB) and Robotic Process Automation (RPA)



Connected devices (IoT, including industrial plant): models, implementation and operation



Design and roll-out of big data architectures (Hadoop, Hbase)



"Mobile first" websites and mobile development



Agile methodologies (Scrum, Kanban, etc.)



Implementation of DevOps chains (IDE, software forges, deployment orchestrators)

### Design/Build

NEURONES is active in both software package integration (ERP, CRM, ECM/BPM, EDM) and custom application development (including: mobile applications, Web projects etc.).

Several teams work daily in DevOps mode. Emphasis is placed on the initial phases of functional analysis and the methodology of project development (standard documentation, software engineering, standards, etc.).

SAP TMA centers, BPM/EDM applications and web developments use DevOps components. Some of the teams are assigned to combined infrastructure and application maintenance contracts.

Training includes the "user support" component, in particular during ERP deployments.

### Managed services

This service line includes support, Third-Party Application Management (TPAM) and Third-Party Operations Maintenance (TPOM). The fifty or so contracts cover batches of several applications, interfaces or even entire application asset bases.



# €200.5m

REVENUES GENERATED BY THIS SEGMENT IN 2022, REPRESENTING **30%** OF TOTAL BUSINESS



# 11.3%

2022  
OPERATING MARGIN



# 1,270

EMPLOYEES IN THE APPLICATION SERVICES SEGMENT AT 12/31/2022



### Core businesses

- Digital, Agile, UX/UI, mobility, data, IoT
- SAP
- BPM, ECM, EDM, RPA, dematerialization, archiving
- Market finance
- IT training



### Typical projects

- Digital projects: design and implementation
- Development of mobile applications, IoT projects
- Provision of dedicated teams working in Agile and DevOps mode
- SAP: integration and deployment of new modules and applications (including Fiori)
- Big data projects in Finance
- Communication and training plans to support the deployment of major software systems (ERP, etc.)

## IN 2022...

Growth driven by digital and data-related projects, BPM applications, middleware (Kafka, EAI, etc.).

Start-up projects (UX/UI, custom development, etc.) with new entrepreneurs.

Strong growth in SAP: utilities, ramping up of S/4Hana migrations (big potential).

## OUTLOOK...

Continued strong development of digital, in design as well as in implementation, testing and deployment.

Dynamics around SAP thanks to the transition to S/4Hana, whose migrations are spread out over time.

Real potential in the rebuilding of existing apps to make them "cloud and DevOps-compatible".

## INTERVIEW WITH...

**Joseph**, *Department manager (ECM, EDM and BPM)*

# Case Management, an agile solution for business process management

Providing improved customer service (both in terms of speed and reliability), optimized organization and communication between employees, Business Process Management (BPM) is a powerful tool for improving efficiency.

What are the use cases and contributions of Case Management, the latest BPM tool?

## What are business processes?

Companies have always carefully analyzed their operating processes. These processes always include a triggering event (for example: “the arrival of a customer at a car rental company’s counter”), a sequence of basic tasks to be carried out, with, for each, a person in charge (or “stakeholder”), input data, actions, choices to be made, controls to be carried out, and, finally, output data (updating files, integrating a digitized document into an application, sending a message to another stakeholder for action, etc.).

Within a process, the general case, which is quite simple, coexists with particular complex sub-cases (“the customer does not have their driving license or the credit card used for the reservation”). In the end, these successive steps lead to a final result (in the above example: “the customer starts their rental car”!).

Other examples of traditional processes include hiring an employee, processing a vacation request or opening a credit file.

## What are BPM applications used for?

In order to function properly, companies rely on a growing number of structuring applications (CRM, ERP, operations management, etc.) that are increasingly feature-rich. These applications have made it possible to digitize many processes, either partially or completely.

BPM solutions complete the system by digitizing the steps that are still manual and interfacing with other information system applications. They are also able to distribute tasks to different members of the same work team (e.g. for an insurance company, allocation of incoming mail that has been digitized and sorted by type: subscription requests, letters relating to claims, etc.).

The most frequent cases of application of BPM are regulatory, industrial or administrative processes.

## What new benefits does Case Management bring?

BPM models process in a “deterministic” way, by focusing on the processing



(elementary tasks). The sequence of actions is therefore somewhat rigid. For example, when preparing a mortgage application, documents must be supplied in a specific order and with designated managers.





Case Management focuses on the input or output data (in this case, the correct completion of the credit file), while being indifferent to the people who produce the documents and their order of arrival. Contingencies (such as someone being

absent or unavailable) are allowed. In the previous example, the bank advisor will thus be able to trigger certain actions in advance, even if the credit file is not yet complete. The solution therefore gives users more flexibility and freedom.

---

**“Organizations must streamline, industrialize and digitize their processes to become more efficient.”**

---

This new modeling is referred to as data-centric, as opposed to BPM, which is processing-centric (elementary tasks).

Case Management is better suited to modeling processes that are not very predictive or that require collaborative work.

#### How does the NEURONES approach to business process optimization work?

Regardless of whether the approach is BPM or Case Management, this type of project must be entrusted to an experienced process analysis specialist and not to a project manager who is too “tool” oriented. The first mapping phase, then the modeling phase, must be carried out in sufficient depth. It should not be too detailed (to avoid the risk of getting bogged down), nor too synthetic. This is the most important key factor for success.

Moreover, to get users on board, a support and ownership phase is always necessary. It is important to explain that the future tool is not there to monitor or replace, but to streamline, simplify work, offload actions that have no real added value and allow users to devote more time to their core business.

## Consulting

Managed by consultants with previous experience in major international firms, this business segment, with a staff of over 250 consultants provides consulting services in management and digital transformation, digital marketing and HR transformation.

### THIS SEGMENT'S DIGITAL TRANSFORMATION-RELATED OPERATIONS



Design and facilitation  
of innovation labs



Data science and  
data visualization



Management  
of Data Management  
Platforms' marketing data



Modeling of multi-channel  
client journeys



Connected sales  
outlets

NEURONES supports complex projects for groups or organizations currently engaged in transformation, in order to help them incorporate new regulations and digital technologies, and generally become more efficient and effective.

The Group makes a point of building knowledge from the methods and expertise developed through more than 1,000 assignments supporting business strategy and decision-making. Over the years, the division has developed expertise in the following areas:

- Definition of transformation road maps;
- Cross-functional communication and consensus-building between teams;
- Strategic alignment;
- Assessment of resources and scoping of activities;
- Definition of new leadership models;
- Coaching of management boards;
- Impact analysis and change management;
- Digital marketing.

Digital transformation consulting concerns all sectors, in depth, and has become a specialty in its own right, along with digital marketing.

HR transformation consulting deals with a variety of subjects: support for social dialogue, continuity plans, expertise channels, shared service centers, etc.

Consulting services are provided to the operational or functional divisions of corporate clients. Projects sometimes include a component that requires expertise in information systems.



# €45.4m

REVENUES GENERATED BY THIS  
SEGMENT IN 2022, REPRESENTING  
7% OF TOTAL BUSINESS



# 13.5%

2022  
OPERATING MARGIN



# 260

EMPLOYEES IN THE  
CONSULTING SEGMENT  
AT 12/31/2022



### Core businesses

- Management and digital transformation consulting
- Digital marketing consulting
- RH transformation consulting



### Typical projects

- Assessment of strategic options, proposal of scenarios
- Guidance and support for the provision of digital technologies for core businesses
- Support for governance of digital transformation programs, coordination
- Leadership and operational management for projects
- Impact studies on regulatory and technology changes
- Definition of strategies for pooling IT systems

## IN 2022...

Growth driven by transformation programs (mergers, etc.) in energy and finance.

Upmarket in energy with strategy consulting missions.

Successful integration of the HR Transformation Consulting firm.

## OUTLOOK...

Continue to diversify accounts and sectors, through organic and external growth.

Step up the “responsible consulting” shift already underway (energy transition and CSR, ESG in banks, sustainable real estate, responsible digital technology, etc.).

Strengthen partners’ ecosystems to increase resilience.



## INTERVIEW WITH...

**David**, Associate Director (Management and organization consulting)

# Responsible digital technology, a key approach

Faced with the climate emergency and the societal and ethical issues arising from the use of digital technology, but also with the prospect of more stringent regulations, we can no longer afford to ignore the implementation of a responsible digital approach.

## What does “responsible digital” mean?

The Institut du Numérique Responsable defines it as a “continuous improvement approach that aims to reduce the ecological, economic and social footprint of information and communication technologies”. In the approach chosen for the group’s Consulting entity, we prefer to speak of an “ethical dimension” rather than an “economic dimension”.

## Why have you made this a major focus of your business consulting activity?

First of all, helping organizations to adopt technology in a positive way is one of the CSR commitments of a “société à mission” (purpose-driven company).

Secondly, given the urgency of climate change, digital technology has no choice but to become responsible. This is also the prerequisite if we want it to continue to drive business performance. Tomorrow’s digital technology will either be responsible or it will not be.

## What do we know about the environmental impact of digital technology today?

Like a “pharmakon” – a Greek term that refers to both remedy and poison – digital technology’s benefits are increasingly offset by its effects on the environment.

It is a major source of greenhouse gas emissions, accounting for about 3.8% of global emissions, more than civil aviation! It could even overtake the automotive sector by 2025, which accounts for 8% of emissions.

## How did we get here?

It is partly due to the acceleration of uses and the growth in the volume of data exchanges. But the main factor is the manufacture of equipment, which is now extremely high: it accounts for 80% of the sector’s carbon footprint. Within the space of 10 years, the global installed base has become “obese”: more than 34 billion devices are currently in circulation, compared to only 1 billion in 2010! And every year, 10 billion devices are produced. We also know that 30% of the technical capabilities developed for these devices will not be used. Faced with these staggering figures, we can see the urgency of the challenge.

## Is digital technology, as it is currently being used, on the way out?

The era of the digital carte blanche is indeed behind us. And the environmental aspects are not the only ones on which organizations must take action. While 70% of sites still exclude people with disabilities, the issue of inclusion is also essential. The 100% digital shift of administrations limits the access of the most vulnerable

to public services. Moreover, developing artificial intelligence and data protection raises many ethical questions...

## Are organizations becoming aware of this issue?

Awareness has already been raised and has led to a set of good practices and streamlined uses. Efforts have been focused on energy consumption, equipment lifespan and reconditioning. But ethical and social aspects are still not taken into account. Furthermore, efforts to integrate the cost of digital externalities into the choice process and the thinking of organizations are still limited. And yet, they cannot escape it. With each new transformation, the question of responsible digital technology must be addressed.

## What are the benefits of such an approach for companies?

Beyond reducing the carbon footprint, digital responsibility has many benefits. It helps to improve customer experience and employee commitment, to secure data, to make services more accessible, to enhance brand reputation and employer image... All of this makes it a decisive lever for organizations’ performance.

---

**“Digital technology has no choice but to become responsible if we want it to continue to drive business performance.”**

---



### Should we expect stricter regulations?

Absolutely. There is already a law on reducing the environmental footprint of digital equipment (Réduction de l'Empreinte Environnementale du Numérique - REEN) which was adopted at the end of 2021.

In addition, the International Sustainability Standards Board (ISBB) includes responsible use of digital technology in its standards. It is therefore in the best interest of companies to anticipate and quickly initiate their transformation. This requires a structured roadmap, adapted to their specific environment and DNA.

### How do you implement this transformation with your clients?

An initial awareness phase highlights the importance of the approach and the need to drive change. A review of the current situation is then offered to assess the company's level of maturity in each area.

As there is no complete reference system on the market, the NEURONES Consulting entity has drawn up its own assessment framework.

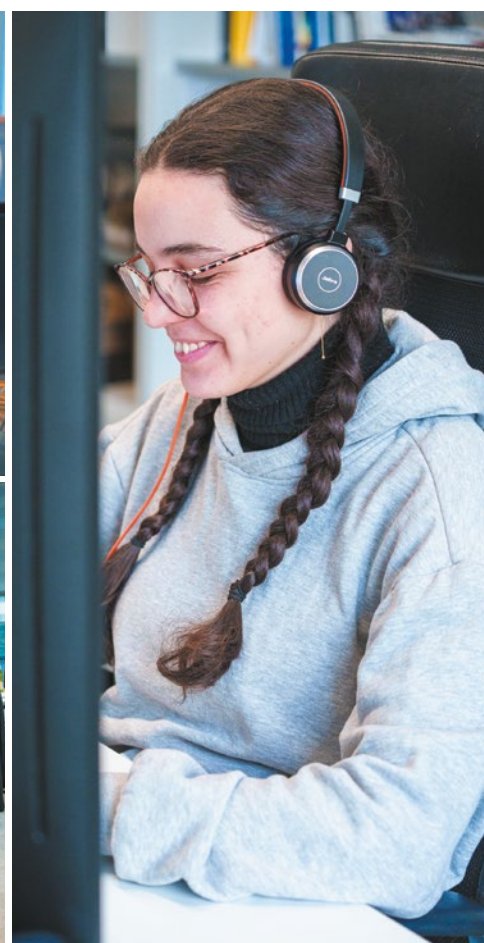
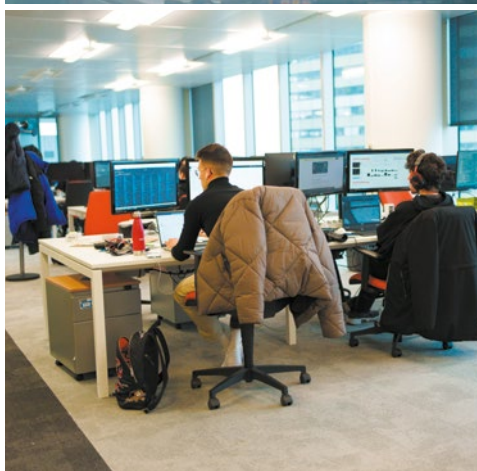
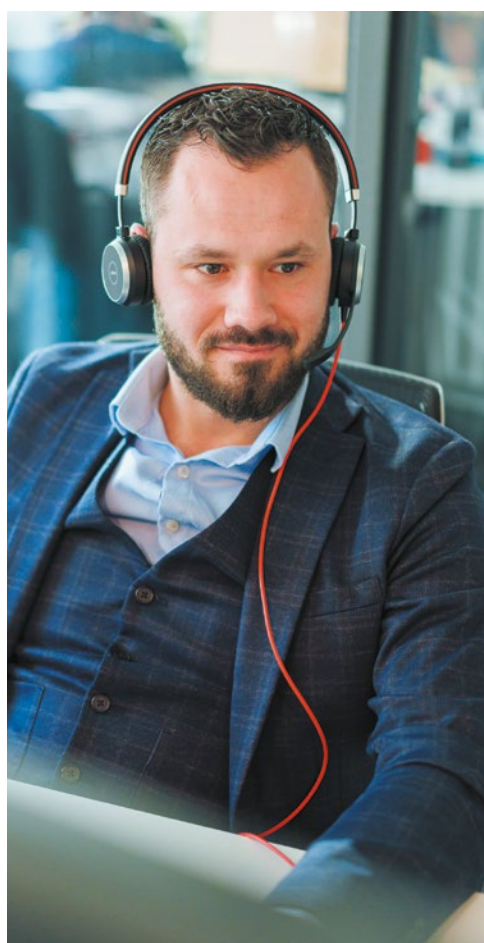
### What does it consist of?

It includes 140 questions and measurement points, covering the various aspects of

responsible digital, regulatory constraints, support for employees and good practices, responsible purchasing, service sobriety, etc. In this way, clients are able to assess their own position very precisely. Their target is then jointly defined and a roadmap is given to them. In three months, they have all the information needed to carry out a responsible transformation, while maintaining the advantage of a competitive digital environment. Beyond these transformation plans, NEURONES consultants are constantly looking to identify the actions to be implemented in the framework of the missions they carry out, so that the clients' projects and services integrate this responsible dimension in the future.

# Industrialized service centers

Since 1995, recurring infrastructure-related service contracts have been based on shared service centers (hosting, servers and applications, workstation management and support). Third-party Application Maintenance is performed from dedicated centers.



400

MANAGED SERVICE CONTRACTS  
FOR INFRASTRUCTURE  
AND CYBERSECURITY



19

SERVICE CENTERS  
DEDICATED TO INFRASTRUCTURE  
SERVICES

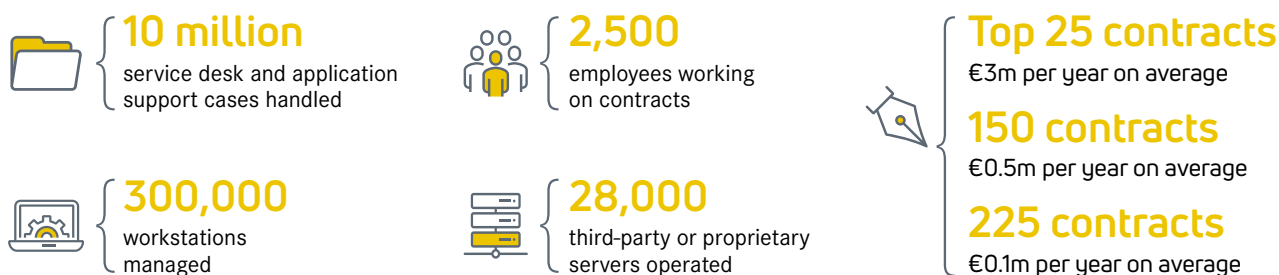


6

SERVICE CENTERS  
DEDICATED  
TO APPLICATIONS



## MANAGED INFRASTRUCTURE SERVICES



11

## SERVICE DESKS

- 1,800 professionals
- 24/7 availability
- Multilingual
- Nanterre, Angers, Lille, Lyon, Nantes, Brussels, Bucharest, Frankfurt, Milan, Timisoara and Tunis

7

## SERVICE CENTERS FOR SERVERS AND APPLICATIONS

- 600 specialists
- Supervision, management
- Scheduling, operations plan
- Release management
- Nanterre, Courbevoie, Lyon, Tours, Bangalore, Singapore and Tunis

1

## POOLED DIGITAL WORKPLACE CENTER

- 15 people
- Mastering, packaging
- Remote software distribution
- Patching, antivirus
- Nanterre

11

## HOSTING CENTERS

- 14,000 active virtual machines (VM)
- Independent Internet service provider
  - All telecom operators
- Telecom infrastructure as failover
- 5 highly certified (Tier 3+) partner hosting companies (multi-centers)

6

## THIRD-PARTY APPLICATION MAINTENANCE CENTERS

- All ERP and applications
- Knowledge base, test tools, versioning
- Nanterre, Amiens, Angers, Levallois, Nantes and Orléans



Labels by ANSSI:  
SecNumCloud  
Passi (Lpm) and Pris



ISO 27001 -  
Managed services from  
infrastructure service centers



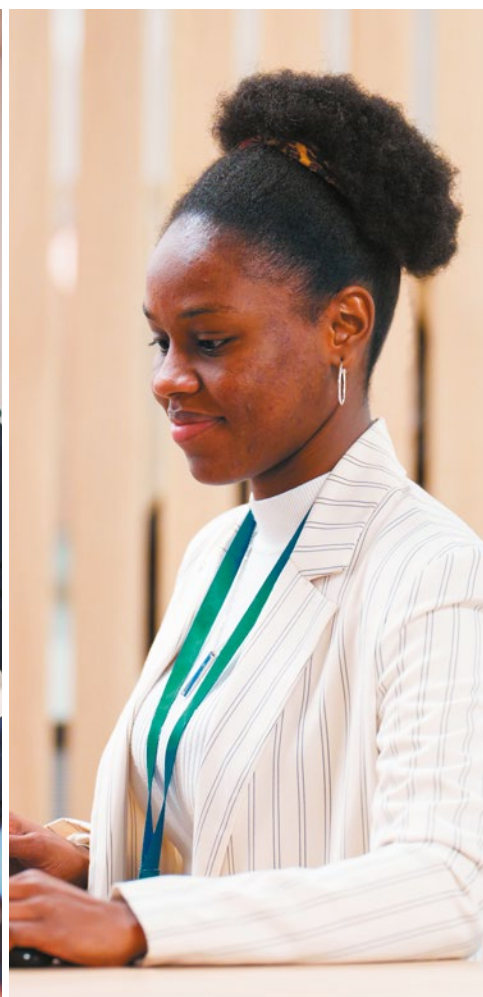
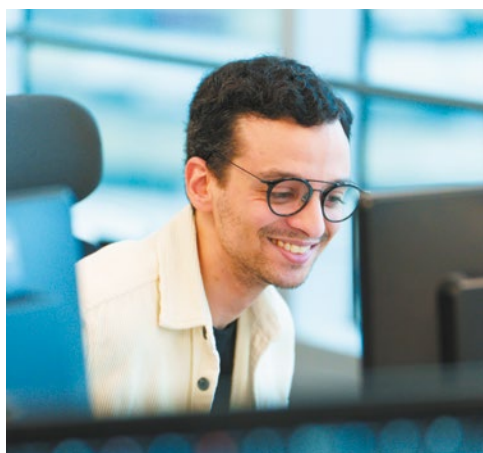
CERT certification of the  
Security Operations Center  
Founding member



Certification of Health  
Data Hosting  
infrastructure services

# References and achievements

Around 1,000 companies and public bodies of all sizes trust NEURONES.  
Some have been loyal clients for many years.



75%

OF CAC 40 COMPANIES  
PLACE THEIR TRUST  
IN NEURONES



9.6%

SHARE OF THE NO. 1 CLIENT  
IN REVENUES

## Taken from our list of references

### BANKING – INSURANCE

AG2R LA MONDIALE  
AVIVA  
AXA  
BNP PARIBAS  
BPCE  
CRÉDIT AGRICOLE  
EURONEXT  
GENERALI  
GROUPAMA  
MONTEPASCHI GROUP  
MACIF  
MALAKOFF HUMANIS  
MY MONEY BANK  
SOCIÉTÉ GÉNÉRALE  
TEXA SERVICES

### SERVICES – TRANSPORTATION – CONSUMER GOODS

ACCOR  
ADEO (LEROY MERLIN, etc.)  
BEL  
CHANEL  
EDENRED  
HERMES  
KERING  
KPMG  
L'ORÉAL  
LVMH  
MCDONALD'S  
NESTLÉ  
OPCO AKTO  
PUBLICIS GROUP  
TRANSDEV

### ENERGY – UTILITIES – HEALTHCARE

ALPIQ  
DELPARM  
EDF  
ENGIE  
ENI  
EQUANS  
EXPANSCIENCE  
ORANO  
RESAH  
REXEL  
SERVIER  
STAGO  
SUEZ  
TOTALENERGIES  
VEOLIA

### TECHNOLOGY – MEDIA – TELECOMS

ALCATEL  
BOLLORÉ  
BOUYGUES TELECOM  
CLEAR CHANNEL  
DOCTOLIB  
LEFEBVRE SARRUT  
EUTELSAT  
GÉNÉRALE DE TÉLÉPHONE  
GROUPE M6  
NOKIA  
ORANGE  
SAMSUNG  
SFR  
TIBCO  
TV5 MONDE

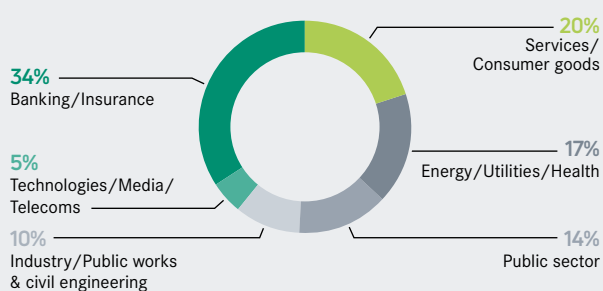
### INDUSTRY – CONSTRUCTION & CIVIL ENGINEERING

ALTAREA  
AVRIL  
BOUYGUES  
BRENNTAG  
DAHER  
EGIS  
ERAMET  
IMERYS  
INGENICO  
INVIVO  
NEXITY  
SAFRAN  
SAINT GOBAIN  
THALES  
VINCI

### PUBLIC SECTOR

AGENCE FRANÇAISE DE DÉVELOPPEMENT  
APAVE  
ANDRA  
AUTORITÉ DES MARCHÉS FINANCIERS  
BANQUE DE FRANCE  
CAISSE DES DÉPÔTS  
CONSEIL DÉPART. DES HAUTS-DE-SEINE  
LA FRANÇAISE DES JEUX  
LA POSTE  
OECD  
PMU  
RADIO FRANCE  
RÉGION ILE-DE-FRANCE  
SNCF  
UGAP

## 2022 REVENUE BREAKDOWN BY SECTOR



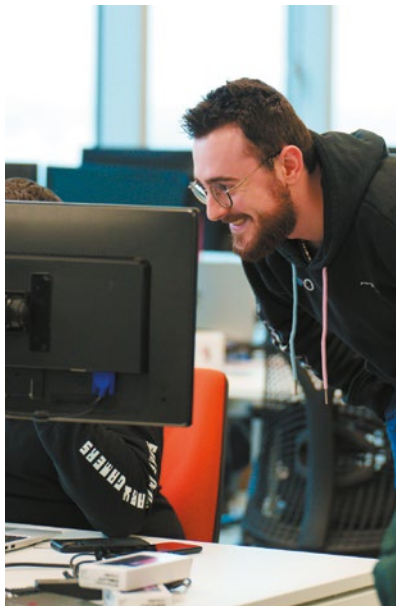
# 1,000

CLIENTS CONTRIBUTE EACH YEAR  
TO REVENUE GROWTH

## Selected achievements in 2022

### Infrastructure

#### For a government ministry.



As part of its compliance with the Military Programming Law (Army budget): helping to carry out a code audit campaign, conducted on a portfolio of critical applications, as well as in the preparation of the accreditation file.

### Applications

#### For a biological research institute.

Improving the visitor reception process and tightening security on the premises: implementation of “Easy-Welcome” (a Group solution available in “SaaS” mode), including the development of new features on self-registration kiosks and the reading of identity documents.

### Consulting

#### For a manufacturing group.

Helping to create a subsidiary dedicated to solutions integrating Artificial Intelligence (e.g. maintenance optimization software) for Industry 4.0. Providing operational support at all stages: design of the offer, business plan of the start-up, marketing and launch of the activity.

### Applications

#### For a group that operates aircraft fleets.

With a view to providing a mobile solution to its clients: scope definition, design and ergonomics development, then development of a flight reservation application on smartphone, integrating numerous features (aircraft availability planning, adding passengers, travel history, etc.).

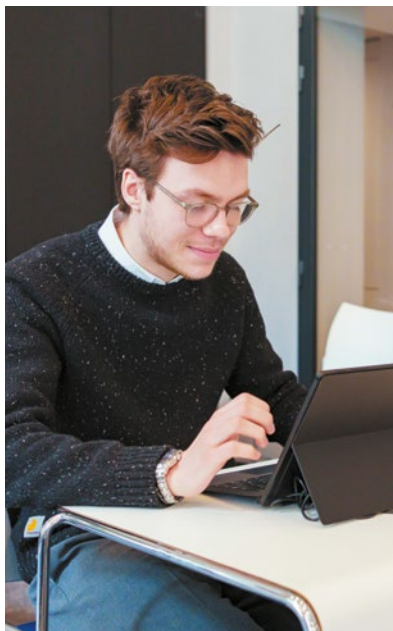
### Infrastructure

#### For a leader in fast food.

With a view to optimizing the management of cash register incidents (which can seriously disrupt restaurant operations), a multi-level support system was set up, based at the Lille service center and local operations at headquarters, and operated by over 180 business experts.

### Consulting

#### For a large private bank.



Providing consultancy and developing the roadmap for rolling out the data management policy at all levels of the company (including “on-boarding” teams and providing best practices in data governance).

### Consulting

#### For a home furnishings retailer.

Developing a roadmap for the cost-effective rollout of new store concepts adapted to their catchment area. Managing the project and developing deliverables (documents and processes) in collaboration with internal teams.

### Applications

#### For a consortium of investment banks.



Within the framework of a European financing initiative for eco-responsible projects: a team of dedicated experts created a blockchain platform for bond issuance, including developing the protocol, generating the token and the smart contracts.

### Infrastructure

#### For a French shipbuilding company.

Improving the security of the Information System by migrating part of the infrastructure to the group’s SecNumCloud (“trusted cloud”) environment. The entire scope was deployed using “Infrastructure as Code” and in a highly secure manner.



### Applications

#### **For a major player in the cosmetics industry.**

As part of the overhaul of the Finance Information System and the “cloudification” of applications: implementation of a platform for the integration and exchange of data between different clients, partners and suppliers at a global level.

### Consulting

#### **For an environment-related public institution.**

In order to improve the information provided to local authorities on the use of renewable gases for their buildings and means of mobility: creation of a guide for elected officials and their departments, with management of the project (from the framing to the final validation, including the conduct of interviews).

### Infrastructure

#### **For a company specializing in biometrics.**



Mission: to identify (and correct) vulnerabilities related to its digital exposure. Achievement: providing full coverage in Cyber Threat Intelligence, including research and monitoring, on all layers of the Internet, of possible technical data leaks and fraud affecting its brands.

### Consulting

#### **For a player in the gambling industry.**



Within the framework of a new commercial offer aiming at developing its client portfolio: support for the launch (with project management in “agile” mode), business support on legal issues, customer service and marketing and construction of an internal and external communication plan.

### Applications

#### **For a manufacturer of connected solutions.**

Mission: to provide cyclists with information on the status of their bikes, as well as features for their use. Achievement: designing a mobile application that allows users to be notified, via Bluetooth, of upcoming servicing, to consult their routes, or to act as an anti-theft device by deactivating the pedals.

### Infrastructure

#### **For an institution of the French Republic.**

Mission: to enable the elected officials of the new Parliament (and their collaborators) to benefit from a simplified, unified, and more secure user experience. Achievement: supporting the transition strategy to the new version of Office 365, setting up the architecture and rolling out the new Windows 11 system.

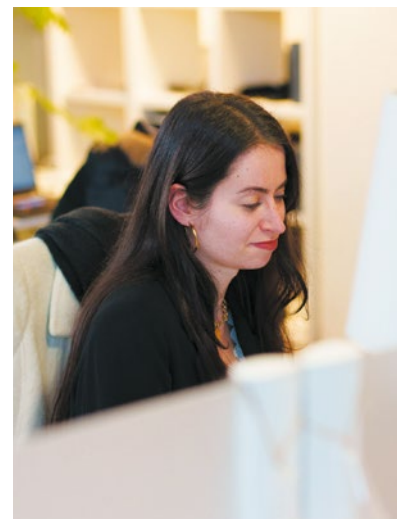
### Infrastructure

#### **For a large-scale distribution group.**

Mission: to improve the quality of service provided to members. Achievement: improving the professionalism of the Information System operation by transferring operations to a managed services center, structuring a configuration management database (CMDB) and rolling out supervision and automation measures.

### Applications

#### **For a state-approved training organization.**



Mission: to streamline training requests from companies for their employees and improve access to them. Achievement: replacing a business application with a complete and configurable “in-house” management software package, allowing the processing of fund collection, reference systems and files.

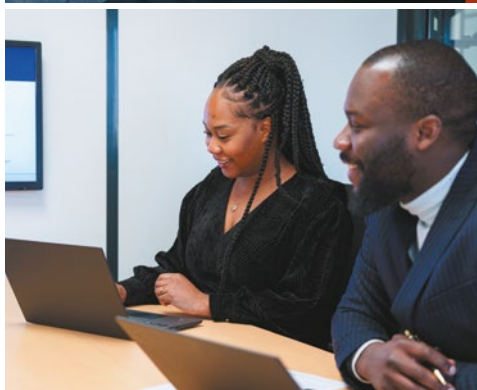
### Consulting

#### **For a major French bank.**

Mission: to integrate sustainable and positive impact finance in its market activities. Achievement: collecting data from its various entities and then consolidating them, defining ESG indicators that will be integrated, after independent control, in the evaluation criteria and the calculation of the variable remuneration of the members of the management committee.

# Responsible and sustainable development

- 37** A socially responsible Group
- 38** A committed company
- 41** What our people have to say





# A socially responsible Group

The employer's social responsibility is a priority for NEURONES' managers and executives. It is also in the interests of both the company and its clients.



In the long term, the financial performance objective and the desire to factor in Environmental, Social and Governance criteria converge.

## Corporate Social and Environmental Responsibility (CSER)

For the tenth consecutive year, the Non-Financial Performance Statement – NFPS (page 60 of this document), followed by the auditor's opinion:

- addresses environmental, social and societal aspects, since NEURONES is convinced that success is achieved by including all stakeholders in the eco-system, not just the clients and employees: sub-contractors, other service providers (including fellow companies), training organizations (including engineering and business schools), public authorities, local authorities, civil society and shareholders;
- enables the Group to move forward with:
  - indicators with precise definitions,
  - the verification of processes and data-reporting tools,
  - the establishment of the Group's carbon footprint.

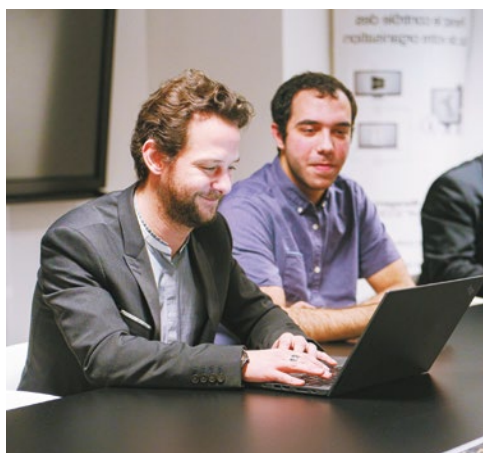
It is a natural part of a proactive drive for continuous improvement.

## Governance

NEURONES governance (described on pages 124 and following) complies with most of the recommendations of the MiddleNext code for medium-sized companies. The compensation of company officers (pages 132 to 134) and other information concerning them are indicated in accordance with the recommendations of this same code.

# A committed company

Since its inception in 1985, NEURONES has endeavored to pursue responsible and sustainable development within its environment. This is one of the company's key commitments.



537

NET JOBS CREATED IN 2022  
(WITH CONSTANT STRUCTURES)



64

NATIONALITIES REPRESENTED  
AMONG THE GROUP'S PAYROLL





Two group companies  
certified in 2022



One entity certified  
in 2022



One subsidiary awarded  
in 2022



Eight business units  
are signatories



Two group companies  
are signatories

## Our number 1 asset: human resources

Right from the outset, the Group established an ambitious and innovative Human Resources policy that fosters diversity: 64 nationalities represented, a variety of academic backgrounds, including young, seasoned and senior professionals, 385 apprentices, interns and professionalization contracts in 2022, of which more than 94% were open-ended contracts.

### Numerous job creations:

- net job creation each year (in 2022: +537 with constant structures), in addition to the jobs created at subcontractors,
- company growth and acquisitions are handled without ever using layoff plans,
- an IT retraining program helps young graduates to find a job.

### Longstanding capital sharing scheme:

- association of about 200 business leaders, executives and managers in the capital of the companies they develop,
- distribution of bonus shares to the most committed employees,
- new key executives are regularly given the opportunity to acquire stakes in their companies and/or the Group.

### Ongoing career management:

- lateral moves encouraged between different business lines and different functions, preference for internal promotion (especially for managerial and executive positions),
- annual performance reviews and interviews every few years are standard practice.

### Long-term training policy:

- sustained advanced training actions (technical, management, languages, etc.),
- training plans are easier to carry out because they use the Group's own training centers,
- we encourage employees to obtain qualifying certification (editors, new technologies, etc.).

### Motivating working environment:

- a managerial environment that empowers people and lets them build their future,
- permanent adaptation to the new forms of work of the premises, of their layout and decoration,
- shareholder structure permitting decentralized decisions to be made in the interest of the employees.

In addition, the Group promotes diversity, gender equality and strives to be disability friendly. It has also implemented the corruption prevention mechanism provided for in the Sapin II Law.

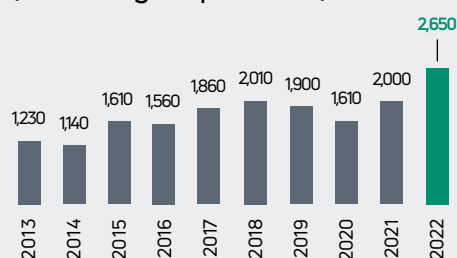
## Clients

Service lines are continuously improved in all activities in an effort to constantly adapt solutions to decision-makers' needs.

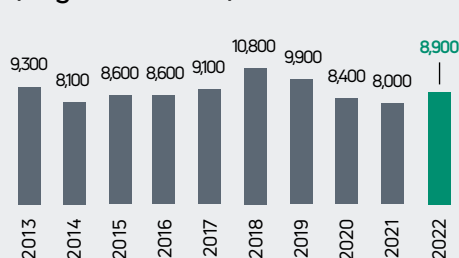
### Pooled services on an industrial scale:

- In 2022, €10.6m of industrial investments were channeled primarily into the service centers (extension in France and abroad) and the cloud computing line of services (hardware and software, and reserved areas with third-party hosters).

## NEW HIRES (excluding acquisitions)



## TRAINING PLAN (days x trainees)





NEURONES is a member  
of the United Nations  
Global Compact



NEURONES is regularly  
evaluated by EcoVadis (CSR)



NEURONES answers  
the Gaia survey (ESG)  
every year



One group entity  
is a signatory

#### Active quality development:

- The three main companies in the Infrastructures business are ISO 9001 certified.
- The three companies in the Infrastructures segment with their own managed service centers and regular ISAE 34-02 audits are ISO 27001 certified.
- One entity is Health Data Hosting (HDH) certified.
- One subsidiary specialized in the Cloud is SecNumCloud certified

#### Constant tailoring to needs:

- the creation of specialized companies and mergers with fellow companies with complementary areas of expertise are continually enhancing the quality of the services and expanding the scope of expertise.

#### Subcontractors

- the company includes CSR criteria in the evaluation of its main subcontractors,
- employees of companies employing disabled people in protected and special facilities are integrated into the Group's teams on recurring contracts via temporary business groups (TBG).

#### Markets and shareholders

##### Profit reinvestment:

- for a very long time, all earnings were reinvested (when the company was not listed). Today, earnings are largely set aside

to give the Group the means to achieve its ambitions, regardless of the situation in the financial markets, the economic climate or credit conditions.

#### Regular, transparent communications:

- the annual and half-yearly results (audited) are published within ten weeks of the fiscal year end. The (unaudited) results are published every quarter. The Group has also issued a twice-yearly Shareholders' Newsletter since 2000.

#### Proven resistance to cyclical uncertainties:

- the diversified business portfolio and the recurrent nature of certain core businesses have allowed the company to go through the years of market contraction without too great an impact on profitability and without having to resort to staff cuts.

#### The environment

Given the nature of its core businesses, NEURONES' environmental footprint is only marginal. However, the Group:

- calculates its carbon footprint,
- ensures that it uses data centers with good energy performance (low PUE),
- has installed low-energy systems (lighting, HVAC, etc.),
- systematically recycles consumables (printer toners, electric batteries, etc.),
- recruits, as far as possible, in labor market areas close to its service centers to limit daily commutes,
- encourages the use of videoconferencing and teleworking.



73%

OF THE LAST 10 YEARS' PROFITS  
PLACED IN RESERVE TO FUND  
FUTURE DEVELOPMENTS



€10.6m

INVESTED IN 2022  
IN CLOUD COMPUTING  
AND SERVICE CENTERS

## What our people have to say

### ASPIRATIONS, PASSIONS, CAREER PATHS AND MORE

#### Clara,

Senior consultant (Management consulting and digital transformation)  
With NEURONES since 2019



"It is a pleasure to be part of a company that, like the group, is constantly evolving."

After graduating from a business school with a master's degree in finance, I wanted to find a career path that was open enough. Management and organization consulting seemed to be the perfect way to develop cross-cutting skills, without being limited to a particular job or sector.

NEURONES group's specialized consulting entity stood out for its commitment to social, societal and environmental issues, and for the possibility for its employees to get involved in these subjects. I therefore chose to do my end-of-studies internship there, which turned into a permanent contract. At first, I carried out PMO and change management projects for large French banks and insurance companies. These assignments evolved into the scoping and management of strategic transformation projects. What is stimulating is the variety and quality of the exchanges with my contacts and the challenges to be met. I also love being able to get involved in internal projects, such as the "CSR Lab", which I have recently been managing. The company is indeed leading various initiatives in this regard, as it is implementing an energy saving plan, developing an in-house training course and running a competition dedicated to students. These are all strong commitments that give meaning to one's career.

It is a pleasure to be part of a company that, like the group, is constantly evolving. My entity recently grew from 150 to 250 employees and was able to rely on NEURONES' good practices. It is a breeding ground for innovative initiatives, always a source of inspiration and motivation!

#### Raphaël,

IT Services Director (IT Service Management)  
With NEURONES since 2010



« My career is proof that for NEURONES, employees have real value. »

After attending a business school, I went to work in Australia for a year. Upon my return to France, with a background in finance, I found myself faced with a multitude of career opportunities. The meeting with a manager of a group entity was decisive: he offered me a position as a recruitment officer. I was young and not very experienced, but he believed in me.

With the constant support of my manager and my own determination, I quickly acquired the necessary skills, as well as the best practices of the group and the market. In 2013, I expressed an interest in becoming a Business Engineer. I was gradually entrusted with several important accounts. Two years later, I was appointed key account manager for two CAC 40 groups, with new management responsibilities. I went on to manage an agency in 2017, then a position as director of an IT Services business unit the following year. I was responsible for structuring the business and developing the skills of branch managers, sales representatives, recruiters and consultants in order to achieve the expected objectives. Thirteen years after my arrival, I have just been appointed Deputy CEO.

My career is proof that for NEURONES, employees have real value. The group's sincere commitment to the people it employs has always been equal to their own involvement. I therefore wish, in my turn, to pass on the values of kindness, excellence and collective success which constitute its wealth and surely account for a large part of its success.



## What our people have to say

# ASPIRATIONS, PASSIONS, CAREER PATHS AND MORE

### Lorena,

*Client Governance Director (public and private clouds)*  
With NEURONES since 2016



"The essential values of kindness, commitment, trust and respect are clear to see."

After arriving from Spain aged 25, my career in France started in a shipping company, where I was in charge of meeting clients' commitments. Then, feeling the need to study again, I took a master's degree in a Parisian management school.

After graduating, I joined one of the group's companies that was an expert in Cloud computing. I was quickly entrusted with several strategic accounts, more specifically to work with clients who were under pressure, in order to set up improvement plans and reinforce long-term trust. In these situations, turning things around is a team effort. Everyone has a role to play: my technical knowledge and client-focused approach have helped me get back on track.

In 2019, as part of a restructuring, I was offered to lead the Account Management team. It was a wonderful opportunity, which shows the confidence that NEURONES has in its employees! It was at this same time that it was decided to convert the Account Managers into real Consultants to serve the clients. The entity has strong ambitions: to achieve them, we are maintaining the course of service excellence.

I love my job, which combines a rigorous approach to figures and creative relationships. In my entity and within the group, the essential values of kindness, commitment, trust and respect are clear to see. I draw from them what is necessary for my personal and professional development.

### Olivier,

*Director of Operations (Innovation, Digital workplace)*  
With NEURONES since 2005



"A willingness to listen is an asset that is part of NEURONES' DNA and allows you to blossom in your projects."

My career started in a completely different field, but an injury forced me to change path. With a bachelor's degree in electronics and electrical engineering and some knowledge of computer science, I went to an ESN, where I began to work in user support. Three years later, co-opted by an acquaintance, I joined the group's entity, specialist and leader in France in this activity, as Operational Site Manager.

In 2007, a company joined us and I was given a new challenge as Operations Manager. This also gave me the opportunity to join the Management Committee, becoming the youngest member at the age of 32.

Ten extremely rewarding years followed: the company evolved on several levels (geographical, service lines, clients addressed, etc.) and I was lucky enough to contribute to this. Two years ago, eager for something new, I was asked to help develop a business unit focused on innovation. The scope of my responsibilities has expanded and I now deal with sales, marketing and product management issues, all in a start-up spirit with about 50 consultants. Today, the objective is to develop the brand, both in its autonomy and in its contribution to the other entities of the group.

I have always benefited from management's willingness to listen. This is an asset that is part of NEURONES' DNA and allows you to blossom in your projects, while regularly taking on new challenges.



## Rooshidah,

Sales & HR Director (B.I., Big Data and Cloud)  
With NEURONES since 2018



"I am lucky to have been supported by mentors who put their trust in me."

While studying in a Parisian management school (HR program), I worked in parallel to finance my studies. It was during this time that I had the opportunity to discover several business sectors, including the digital sector. Once I graduated, I started working as a Business Manager in an ESN specializing in engineering consulting. Following this first experience, the head of a NEURONES group entity invited me to join him, in a sales position.

Little did I know that a few months later, I would be presented with a rewarding challenge which would be to help launch a new entity specializing in Big Data within the group, and to manage its sales and HR. The current projects are very exciting and no two days are alike. Clients operate in a variety of industries — luxury goods, banking, insurance and energy — and the ambition is to eventually cover all business sectors. I recruit various profiles for them: Big Data architects, DevOps experts, PMO specialists, Business Analysts, developers... I feel close to the consultants, with whom I like to work in "startup" mode, but also to my clients. What I particularly like is to find them the highly specialized, qualified and scarce profiles they are looking for!

I am lucky to have been supported by mentors who put their trust in me. Coming from a working-class family, driven by a desire to succeed and sheer determination, I am also immensely proud to be one of the first women to head up a subsidiary of this fine group, where diversity is essential. In my opinion, this is what makes NEURONES so strong today.

## Julien,

Administrative and Financial Manager (SAP)  
With NEURONES since 2009



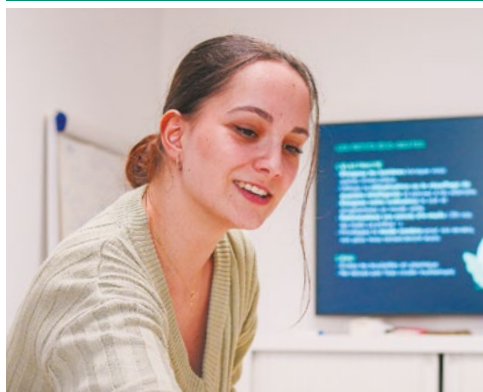
"NEURONES' motto, «Forward together...»®, couldn't be truer for me!"

At the end of a double degree course in finance and management at a business school in Dijon, I was given a job as a management control assistant in a company that was then a client of NEURONES' SAP entity. During this initial rewarding experience, I had the opportunity to work with its consultants and to discover their missions, which interested me a lot. So much so that I finally joined the group company in 2009... as a Consultant myself!

Thanks to the projects entrusted to me, the support and the kindness I received, my first ten years in the company were highly active. I progressed steadily until I became a Consultant Manager. Then, in search of new challenges, I proposed the creation of a position of Management Controller, a function that did not yet exist in the company. My suggestion was approved and I returned to the "user" side of the software package. The company has grown from 40 employees to over 200 today. Since 2021, I have been the Administrative and Financial Manager, assisted by a complete team including sales administration, accounting and management control functions. Although I work in a "support" function, I am not in a rut. There are constant challenges and this dynamic environment drives me.

I am full of ideas to invent new ways of doing things, to improve and develop the financial department in the interest of the company and the group, and I have many prospects for the future. With the desire to succeed, NEURONES' motto, "Forward together...®", couldn't be truer for me!

# 2022 Universal registration document and financial report



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# 1 Group Businesses

## 1.1. GENERAL PRESENTATION

### Identity and background

With 6,400 employees and revenues of €665 million for FY 2022, NEURONES is ranked in terms of market capitalization among the top 10 publicly listed groups in the sector (IT Consulting & Services and Technology Consulting):

(in millions of euros)	Capitalization (12/31/2022)*	2022 worldwide revenues
1 Capgemini	27,070	21,995
2 Alten	4,038	3,783
3 Sopra Steria	2,901	5,101
4 Atos	1,000	11,341
5 <b>NEURONES</b>	<b>951</b>	<b>665</b>
6 SII**	907	829
7 Wavestone**	871	470
8 Aubay	647	514
9 Assystem	636	494
10 Econocom***	635	2,718

\* including Technology Consulting companies (Alten, SII, Assystem).

\*\* 12 months at 03/31/2022.

\*\*\* listed in Brussels but generates more than half of its revenues in France.

Sources: company press releases and Euronext.

Created from scratch in 1985, the Group has experienced steady growth (over 10% per year over the last twenty years).

The Group was built by setting up and acquiring specialized subsidiaries, with unique technical know-how and using their own commercial brand. These companies' mission is to rapidly attain a significant size in their field and provide the best level of services at controlled fixed costs. A cross-functional team coordinates the different entities working on contracts involving several complementary businesses and manages the overall relationship with certain "key accounts".

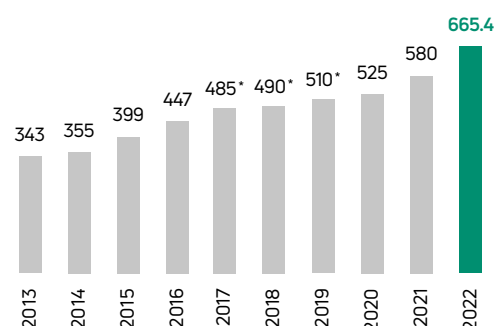
NEURONES has thus based its business on proven, sound foundations to further its internal development and grow through acquisitions of companies with the same or complementary core businesses.

The Group has made around fifteen significant acquisitions, representing about one third of the business to date, since the IPO (May 2000).

### Key figures

#### Consolidated revenues

(in millions of euros)

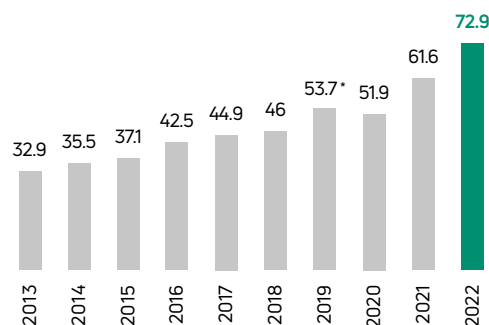


\* Changes in the scope of consolidation (€23 million of revenues sold).

The adoption of IFR15 reduces annual revenues by approximately €10 million from 2018.

#### Operating profit

(in millions of euros)



\* Including capital gain on disposal of €4.6 million.

Trends in key figures (in millions of euros)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues	343.2	355.2	399.4	446.8	485	490.1	510.1	524.5	579.9	665.4
Operating profit	32.9	35.5	37.1	42.5	44.9	46	53.7	51.9	61.6	72.9
Operating margin	9.6%	10%	9.3%	9.5%	9.3%	9.4%	10.5%	9.9%	10.6%	11%
Net profit	21.4	23.6	24.5	29	31.6	29.6	35.2	35	42.9	51.8
Net margin	6.2%	6.6%	6.1%	6.5%	6.5%	6%	6.9%	6.7%	7.4%	7.8%
Net profit – Group share	18.6	20.5	21.3	25.2	27.3	26	30.8	30.9	37.7	44.3
Staff at year-end	4,065	4,082	4,580	5,044	5,028	5,160	5,372	5,589	5,869	6,406

Note :

• Since 2018, IFRS15 has been applied (only the gross profit has been recognized in revenues for purchases/resales of hardware and market software). The effect of applying this standard was a drop of about €10 million in revenues per year, with no impact on operating profit.

• Since 2019, IFRS16 (restructuring rental contracts as debt) has been applied. It has resulted in four years of improved operating profit (€0.3 million in 2019, €0.1 million in 2020, €0.2 million in 2021, €0.2 million in 2022) and increased financial expenses (€0.8 million in 2019, €0.7 million in 2020, €0.7 million in 2021, €0.8 million in 2022).

• The Corporate Tax rate alone has been steadily decreasing from 2016 (33.33%) to 2022 (25%). Recorded in Income Tax, the CVAE decreased significantly in 2021 (from €5.2 million to €3.1 million).

## 1.2. BUSINESS OVERVIEW

### NEURONES, active player in digital transformation

With the arrival of the latest technologies and their effective use by new “disruptive” players, investment in digital has become a priority for virtually all economic players.

This digitalization trend has accelerated with the widespread use of remote work in various forms.

Digital transformation includes projects that use digital technology to design or rethink their offers, to digitalize the “client journey” (UX/UI, mobile applications, platforms, digital marketing), to use connected objects and big data to enhance the value of data (analytics, business intelligence, etc.) and, finally, to improve operational and support processes (BPM, ESB, RPA, dematerialization, etc.). See the glossary at the end of this document.

It also provides a significant benefit to IT departments, which can now put new applications into production more quickly and thus optimize the “time to market”. Today one can also use close iterations to upgrade the successive versions of the same application, which quickly leads to:

- agile methods and the use of new development tools,
- the implementation of DevOps “chains” so new versions can be released almost continuously,
- the widespread adoption of various forms of cloud computing and the automation of IT infrastructures.

In recent years, Artificial Intelligence (AI) has given rise to new hopes and perspectives in Digital Services, well beyond the current “chatbots” for support processes or smart automations predicting security incidents or IT operations.

Digital transformation is permeating most of the group's businesses, some of which have already benefited from it for several years. For example, typical digital applications include process management applications, incoming or outgoing paperless processes, Electronic Document Management (EDM), etc. Cybersecurity and private cloud have also been

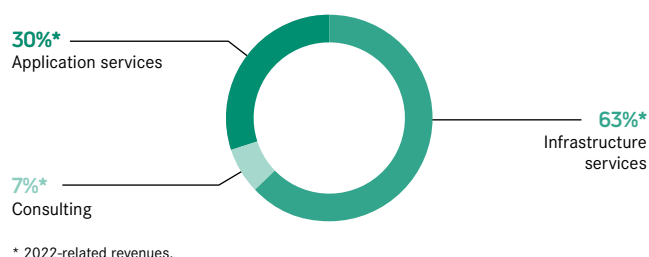
around for a long time and the far-reaching digital transformation trend is giving them a significant boost. Other businesses are more recent (big data architectures, DevOps chains, connected devices, chatbots, block-chain, etc.).

Concurrent with the new applications, major organizations have to keep managing substantial legacy applications developed over time with different technologies. IT departments are thus forced to make a traditional organization (studies, integration, production) coexist with an operation adapted to digital, as described above.

The Group businesses, which eventually will be considered as 100% related to digital transformation, are detailed below, business by business.

### Business segments

With the regular progression of Agile/DevOps and the Cloud, the frontier between application services and infrastructure management will be less pronounced in the future. In the medium and long-term, infrastructures will become increasingly automated (“infra as code”). Thus some people argue that eventually 30% of the people managing infrastructures will be programmers (or encoders). Nevertheless, the breakdown of NEURONES' revenues into three segments (Infrastructures/Applications/Consulting) remains the most relevant, the most used by colleagues and, above all, has the merit of ensuring comparability with prior reporting periods:



The relative shares of the application services and consulting divisions are growing:

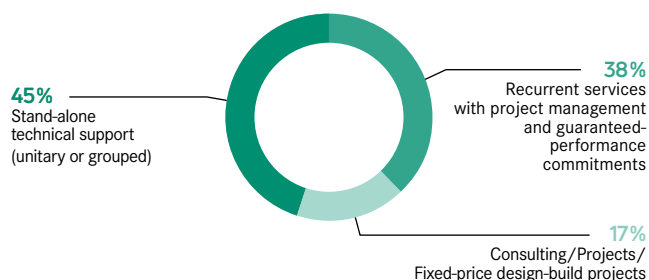
Breakdown by business segment (in millions of euros)	2018		2019		2020		2021		2022	
	Revenues	%	Revenues	%	Revenues	%	Revenues	%	Revenues	%
Infrastructure services	335.8	69%	350.3	69%	358.5	69%	380.6	66%	419.5	63%
Application services	129.6	26%	132.1	26%	137.7	26%	167.2	29%	200.5	30%
Consulting	24.7	5%	27.7	5%	28.3	5%	32.1	5%	45.4	7%
<b>TOTAL REVENUES</b>	<b>490.1</b>	<b>100%</b>	<b>510.1</b>	<b>100%</b>	<b>524.5</b>	<b>100%</b>	<b>579.9</b>	<b>100%</b>	<b>665.4</b>	<b>100%</b>

### Types of service, recurrence

The digital services businesses (Infrastructures and Applications segments) break down as follows:

Type of activity carried out	Information System Domain	
	Infrastructures	Applications
Design/Build	Architecture, projects, migrations, deployments Cybersecurity (audits, consulting)	Application design, software package integration, tailored developments, tests
Run/recurrent services	Managed services, outsourcing, service desk, hosting, cloud computing, Cybersecurity (subscriptions, SOC)	Support and Third-Party Application Maintenance Business Process Outsourcing (BPO)

According to its recurrence and the type of service (fixed price or on a time basis), the activity breaks down as follows:



Recurrent services with project management and guaranteed-performance commitments are long-term contracts and concern two business segments:

- Infrastructures: Managed services,
- Applications: Third-Party Application Maintenance (TPAM)

They require the intervention of reliable pre-sales teams, significant supervision, rigorous management control and ad hoc interventions by experts: proper application of Group methods, contract audit and search for improvements in the quality of service and profitability. These contracts are signed for initial periods of three or five years and are formally or tacitly renewable. Their average term is therefore often longer.

Technical assistance missions and certain projects, extending over more than twelve months, are considered recurrent.

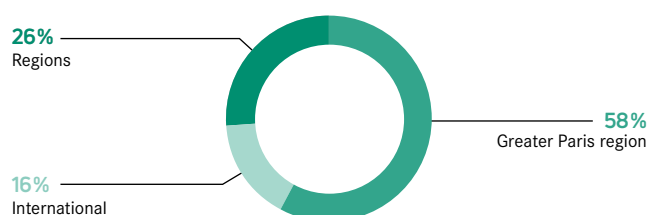
By consensus, all Consulting work is considered to be a non-recurrent project activity.

Overall, the revenue recurrence rate is estimated at approximately 70%.

Intervention mode analysis is derived from the business management systems of the various entities. It is not derived from the accounting consolidation system. The above information is therefore given as an indication.

### Activities by geographic zone

The Greater Paris region accounts for 58% of the employees, while the portion of employees in other regions and outside France continues to grow regularly:



Breakdown of staff (year-end)	2018		2019		2020		2021		2022	
	Staff	%	Staff	%	Staff	%	Staff	%	Staff	%
Greater Paris region	3,599	70%	3,574	66.5%	3,587	64%	3,588	61%	3,728	58%
Regions	1,005	19%	1,125	21%	1,258	23%	1,381	23.5%	1,680	26%
International	556	11%	673	12.5%	744	13%	900	15.5%	998	16%
<b>TOTAL STAFF</b>	<b>5,160</b>	<b>100%</b>	<b>5,372</b>	<b>100%</b>	<b>5,589</b>	<b>100%</b>	<b>5,869</b>	<b>100%</b>	<b>6,406</b>	<b>100%</b>

Outside France, at December 31, 2022, staff were distributed as follows: Tunisia (392 people), Romania (384 people), Italy (85 people), Germany (50 people), Singapore (31 people), Switzerland (24 people), Belgium (23 people), India (8 people) and USA (1 person). The vast majority work in service centers for services requested by clients located in France. The Group also contracts partners in around 20 countries under global contracts.

## 1.3. THE CORE BUSINESSES IN DETAIL

### Core businesses making up the various segments

The business segments group together one or more professions, concerning both the design/integration and recurring phases. Each core business is housed in one or more dedicated companies, which enables the Group to have a simple legal structure that reflects its organization. Minority interests are held exclusively by the directors and executives of the subsidiaries, veritable shareholder-entrepreneurs.

The activity figures below are the contributions to the Group's consolidated revenues, after restating intra-Group transactions. Therefore these are not the revenues of the companies these core businesses are assigned to.

Segment	Core Businesses
Infrastructure services	<ul style="list-style-type: none"> <li>• Cloud, Infrastructure management, DevOps</li> <li>• Cybersecurity</li> <li>• User support</li> <li>• IT service management, Information System governance, automation</li> </ul>
Application services	<ul style="list-style-type: none"> <li>• Digital, UX/UI, agile, DevOps, mobility, Data, IoT</li> <li>• SAP integration and outsourcing</li> <li>• Content management (ECM, EDM), business process management (BPM, RPA) and paperless processes</li> <li>• IT consulting for the finance, big data, AI and Blockchain core businesses</li> <li>• IT training and working with change</li> </ul>
Consulting	<ul style="list-style-type: none"> <li>• Management and digital transformation consulting</li> <li>• Digital marketing consulting</li> <li>• RH transformation consulting</li> </ul>





## Core businesses of the Infrastructure services segment

### Cloud, infrastructure management, DevOps

(in millions of euros)	2021	2022	22/21
REVENUES	153.2	165.2	+ 8%

The increase in cloud activities offsets the decrease in managed services on legacy infrastructures.

#### Background

Over the last few years, there has been spectacular growth in public cloud services (often provided by global giants: Amazon Web Services, Microsoft Azure and Google Cloud) and private cloud services.

The group's business lines have therefore evolved in step with this expansion of infrastructure solutions. So, in addition to their traditional architecture, which remains relevant for applications that have been in production for a long time, companies are increasingly relying on different forms of cloud (public, private, hybrid, multi-cloud, SaaS, etc.).

The use cases for the public cloud have become clearer:

- for their new developments ("cloud native"), large accounts benefit from the functional richness of the dozens of services made available by the major players in the public cloud (e.g. managed databases),
- start-ups and some technology companies, without any IT background (and therefore "digital natives"), naturally prefer the public cloud,
- applications with peak loads (e-commerce, video streaming, etc.) are also natural candidates for the public cloud,
- development or test machines, with their limited loads (non-critical workloads) are suitable for pay-per-use in the public cloud,
- an international presence encourages the use of global platforms, with data centers on all continents,
- more generally, it is tempting for any company to free itself from the physical management of infrastructures in order to no longer own them (Capex to Opex) and with, in addition, the prospect of reducing the size of the internal teams responsible for their management.

At the same time, corporate customers continue to automate their private clouds where the majority of their applications are located. Thus, in their latest generation private clouds (PaaS), they have access to services similar to those offered by the public cloud: largely automated resource allocation thanks to programming interfaces (API – Application Programming Interface) and/or implementation of an integrated software suite that administers, monitors, controls and automates their various infrastructures (CMP – Cloud Management Platform).

Moreover, relying on high-performance public or private cloud solutions, companies that are constantly carrying out new developments (banks, insurance companies, platforms, etc.) are increasingly using DevOps chains (integrated development environments, software factories, continuous deployment, infrastructure automation, containers, self-service, etc.).

Finally, Software as a Service (SaaS) applications from software publishers are becoming increasingly popular, as they transfer infrastructure management and security to the latter.

#### Group services

They have evolved with the expansion of market services.

#### i) Public cloud

Assistance with migration to the public cloud is a key area of activity. It includes different steps:

- detailed analysis of the application assets (and the possible eligibility of each application for the planned move). This long phase is essential: the transfer of virtual machines in their initial state would result in an additional expense, without benefiting from the future context. Often, at this stage, old applications are removed and rewritten.
- preparation of the "landing area", i.e. the new public environment that will host the transferred programs.

Once the migration has been completed, it remains to assist customers in controlling the billing applied to them by public cloud providers (Finops). And, of course, to provide recurring managed services, even if the volume is much lower than in private clouds.

#### ii) Private cloud

The automation of private clouds also represents a significant part of the activity, with the following missions:

- automated deployments (Ansible, Terraform), APIs, Cloud Management Platforms,
- self-service (Python development, Go)
- design of virtual architectures with automatic and software-based allocation of datacenter resources (SDDC, SDN, SDS),
- integration of container-based solutions (Docker, Kubernetes).

In addition, the group provides its own private clouds (total of about 14,000 active virtual servers) which means:

- for customers: by an "all-inclusive" rent (hosting, use of servers and services);
- for the group: by renting space from a dozen hosting specialists (data centers), acquiring various equipment, implementing and managing virtual servers, optimizing productivity (using its proprietary platform management tool, for example) and securing them.

In this respect, the The National Cybersecurity Agency of France (ANSII) has awarded the "SecNumCloud" qualification (granted to less than half a dozen service providers) to the cloud managed by the group's specialized subsidiary, thus recognizing it as a "sovereign cloud" or "trusted cloud".

The group's private clouds are also HDS (Health Data Hosting) approved.

Of course, third-party hosts, who provide their own space and related safety equipment (access, electrical, fire, etc.) do not have access to the spaces (private cages) rented by the group.

#### iii) Specialized services

In addition to the above offers, on site or remotely, the group boasts all the profiles required for IT operations and production: pilots, operations analysts (support, piloting, preparation), production engineers, systems engineers, production project managers, datacenter architects and PMO (Project Management Office) profiles. These specialists master Unix and Windows, the market's schedulers, supervision tools and backup tools. Good integration of the applications in operation (fine-tuning of processes and controls, documentation) and efficiency in change management remain the main key factors of success.

Recurring infrastructure management is carried out in different ways: stand-alone technical support (unitary or grouped), complete operation including project management and service level agreements. The services are carried out either on client sites or remotely, from the Group's service centers or in mixed mode, on site and remotely.

#### Businesses linked to digital transformation:

- public, private (including SecNumCloud), hybrid, multi-cloud,
- containers,
- APIs, automation, infrastructure self-service,
- DevOps: supply of infrastructure services and tools.

### Cybersecurity

(in millions of euros)	2021	2022	22/21
REVENUES	21.8	20	- 8%

In 2022, the cybersecurity entity's corporate revenue is expected to grow by 25%. The proportion of its business carried out as a subcontractor for other Group companies is included in the latter's revenues. This part of the business is increasing sharply.

The demand for cybersecurity is sustained and clearly long-term. Information systems are now more open and readily accessible – and

hence more vulnerable – than ever before, with e-mail, systematic Internet connections, interconnections between a company's head office, agencies, clients, suppliers and partners, the widespread practice of remote access from portable computers or devices and interconnections with industrial systems and connected devices. The growth in this market generates strong pressures on the expertise resources in this business.

Qualified as an Information Systems Security Audit Service Provider (PASSI, about 40 actors in France qualified by the ANSSI) and Security Incident Response Service Provider (PRIS, only 4 specialists certified by the ANSSI), the cybersecurity entity of the group provides the following complementary missions:

- consulting: global support for IT security, policy definition, awareness, compliance,
- Implementation of solutions: antivirus, EDR (Endpoint Threat Detection and Response), SIEM (Security Information and Event Management), phishing awareness, anti-phishing software, vulnerability scanning, patch management, etc.,
- managed services, SOC (Security Oversight Center), CERT (Computer Attack Response Center) and Threat Intelligence.
- assessment: audits and intrusion testing,

In 2022, the Information Systems Recovery Teams following an attack (CERT) intervened in around 50 claims.

#### Businesses linked to digital transformation:

- all business activities set out above.

#### User support

(in millions of euros)	2021	2022	22/21
REVENUES	179.5	204.8	+ 14%

The current societal transformation and the evolution of the relationship with work place the “employee experience” at the core of corporate strategy:

- for the employee, each important moment – recruitment, integration, training, collaboration – becomes a determining factor in reinforcing their feeling of belonging to the organization and therefore their level of commitment to work,
- for the company, it is a matter of attractiveness, of employer brand and therefore of competitiveness, because the latter is directly correlated to employee involvement.

Thus, each employee must be able to find the same ease of use of digital technology in the workplace as they do as a “digital consumer” in their personal life.

It is therefore in the interest of managers to consider the “employee experience” as important as the experience of their clients, by ensuring that everyone has a simple, personalized, fluid and efficient digital experience. The employee takes an active role in their own career development and becomes an “internal client” in their own right.

The services provided cover:

- the entire work environment: workstations, mobility and collaboration solutions as well as business application support:
  - technical and functional service desk,
  - adoption and assistance to new uses,
  - local support, space and IT concierge services,
  - engineering of workstations and infrastructures (“on premise” or “cloud”) on all technologies,
  - logistics and deployment,
- all the key moments in the employee's career path: onboarding, skills development, hybrid work, mobility, knowledge sharing, etc.
- the entire life cycle of client projects:
  - consulting as an employee experience architect,
  - transformation and improvement projects,

- outsourcing with commitment to results.

These services are based on industrial processes and resources:

- 12 interconnected service centers in Europe and in nearshore,
- skills available in more than 20 countries,
- a center of excellence dedicated to the implementation of innovations.

Thus, users benefit from:

- seamless omnichannel support: via telephone, e-mail, Teams, interactive chat, chatbot, voicebot, web call back, multi-service digital space, self-service platform, etc.,
- at any time (24 / 7) and in a choice of more than twenty-five languages,
- on a wide technical and functional scope: workstations, infrastructures, applications, business processes,
- from high-performance, modern, secure terminals that are managed in a unified manner (tablet, smartphone, laptop, etc.)

The IT and Digital Departments benefit from:

- Knowledge Management to capitalize on technical and application knowledge, processes and business management rules, thus enhancing and sharing information and knowledge;
- the Change Management practice to facilitate the adoption of new solutions and new digital practices;
- the best technological expertise on high-performance solutions through in-depth partnerships (Microsoft, Apple, AWS, Service Now, EasyVista, Nexthink, Interact, Lookout, etc.);
- Continuous improvement plans, based on ITIL best practices, aimed at reducing incidentology and developing employee autonomy: self-help solutions, chatbots, proactive user experience monitoring solutions and RPA (Robotic Process Automation) tools;
- progress plans (based on nearly 30 years of feedback from more than 200 clients) that enable productivity gains of 20% to 25% in two to three years. These are shared fairly with clients in the form of a reduction in fees or an increase in service levels.

#### Businesses linked to digital transformation:

- use innovation (chatbot, voicebot, artificial intelligence),
- digital space,
- engineering and management of the digital workplace.

#### IT Service Management, information system governance, automation

(in millions of euros)	2021	2022	22/21
REVENUES	26.1	29.6	+ 13%

The areas covered include managing services and assets for an IT department (IT Service Management, ITSM). The missions carried out improve cost control and structure IT services, in order to increase their quality and the satisfaction of information system users.

The interventions carried out are of several natures:

- consulting: defining organization and setting up ITIL processes, benchmarking,
- providing assistance to project owners: defining projects, drafting specifications, managing change,
- operational IT process management and project management,
- implementing ITSM software solutions and managing project portfolios (partnerships with ServiceNow, HP Software, EasyVista and others),
- Third-party application maintenance.

The line of services was recently enriched in the following complementary domains:

- applications life cycle management (ALM): set up availability, performance and load testing tools for applications (HP Load Runner, etc.),
- IT operations management (ITOM): set up provisioning orchestration and automation tools for IT operations,
- certificate training courses for ITIL (EXIN accreditation).

### Service centers for the infrastructures segment

- 11 hosting centers: reserved space at 6 "Tier 3+" level third-party hosting partners in 11 different data centers,
- 7 remote operation centers for servers and applications Nanterre, Courbevoie, Lyon, Tours, Bangalore, Singapore and Tunis,
- 11 user support centers: Nanterre, Angers, Brussels, Bucharest, Frankfurt, Lille, Lyon, Milan, Nantes, Tunis and Timisoara,
- 1 digital workplace in Nanterre.



### Core businesses of the Application services segment

#### Digital, UX/UI, agile, DevOps, mobility, Data, IoT

(in millions of euros)	2021	2022	22/21
REVENUES	28.1	41.7	+ 48%

With the IT and Digital Departments (CDOs) of major accounts as contacts, NEURONES designs, pilots and carries out digital projects (Web, Mobile, IoT and data) subject to high volume and high availability requirements.

Using Agile methods and latest generation development tools, the group operates in the following areas of expertise:

- web and mobile application designs (innovation, UX/UI... offer, etc.),
- web project management: Product Owners, Scrum Masters,
- application architecture
- application development (Java, .net, PHP Symfony, Drupal, etc.),
- front end and fullstack development (Node, React, Angular, etc.),
- use of DevOps chains (Integrated Development Environments (IDE), software factories, continuous deployment, containers, etc.),
- infrastructure automation (Ansible, Terraform) and self-service (Python, Ruby, NertJS, Go),
- Third-Party Application Maintenance (TPAM)
- website data analysis: performance measurement (tag management, behavioral data analysis, A/B testing methods, etc.), data analysis, data science.

Mobile applications (IOS, Android, etc.) are developed by dedicated teams.

The mobile infrastructure management service (MDM - Mobile Device Management) is based on Airwatch, Intune, LookOut, Okta, etc.

Activities related to connected objects (IoT), data, and more broadly to innovation consulting, have been grouped together in a specialized subsidiary. They include the following services: support for innovation, integration of new technologies, development of data feedback platforms and increasing their value. With its experience in new technologies, this entity has developed a methodology for scaling up innovative projects, based on in-house software support.

#### Businesses linked to digital transformation:

- design thinking, innovation support, Agile methods, UX/UI,
- digital projects,
- mobility,
- connected devices, use of collected data.

#### SAP integration and outsourcing

(in millions of euros)	2021	2022	22/21
REVENUES	53.5	62.4	+ 17%

The Group's activities can be broken down as follows:

- integration: functional design and then installation and deployment of new modules or versions, including the powerful migration wave to S/4 Hana,
- expertise: work on the key points of projects (data transfer, structural changes, non-regression testing, BI, etc.),
- ABAP development,
- administration and operation using the BC (Basis Components) module,
- support and TMA (which can also be integrated into more global Managed Services contracts),
- user documentation and training (change management).

The following missions are performed on a regular basis:

- split-up or merger of SAP systems (data conversion),
- country roll-out: a core model is rolled out in different European countries,
- implementation of user interfaces (Fiori type), porting of SAP screens to mobiles and tablets,
- expertise for the SAP Utilities module ("IS-U" Industry-Specific Solution for the Utilities Industry),
- management of licenses with Optiuse® ("in-house tool" for measuring licenses actually used).

#### Content management (ECM, EDM), business process management (BPM, RPA) and paperless processes

(in millions of euros)	2021	2022	22/21
REVENUES	36.8	44.7	+ 21%

Enterprise Content Management (ECM) uses unstructured information in electronic form (letters, contracts, invoices, emails, miscellaneous electronic documents, photos, videos, etc.), as opposed to information stored in databases. ECM also includes Electronic Document Management (EDM) applications: acquisition, classification, storage, archiving and distribution of scanned documents.

Business process management, whatever the technology or approach used ("Business Process Management" - BPM or "Advanced Case Management" - ACM), aims to map, model and optimize the various processes of a company. Initially limited to back office operations, these solutions are increasingly used in the front and middle offices. This movement is becoming more pronounced as companies increasingly operate in "multi" or "omni" channel mode. BPM exchanges information with operational applications (ERP, etc.) and often uses Enterprise Service Buses (ESB).

ECM and BPM come together when the business processes concern the processing of files (claims, subscriptions, etc.). Both types of applications manage and circulate documents.

Robotic Process Automation (RPA) refers to the automation of routine tasks, through the integration of software robots, called "virtual assistants", which perform operations without human intervention, often through the simulation of keyboard exchanges (transaction entry, management of automated assistants, etc.).

ECM, BPM and RPA are components of an approach called "Smart Automation" or the intelligent automation of business processes. These applications represent a significant market segment, in the same way as, for example, ERP (Enterprise Resource Planning), CRM (Customer Relationship Management) or SCM (Supply Chain Management).

#### Businesses linked to digital transformation:

- complex applications with high digital content,
- company bus (links between websites, SAP, sending and receiving SMS, paperless processes, etc.),
- distribution applications for text, audio and video content.



**IT consulting for the finance, big data, AI and blockchain**

(in millions of euros)	2021	2022	22/21
<b>REVENUES</b>	<b>39.5</b>	<b>41.3</b>	<b>+ 5%</b>

This “market finance” activity involves advising corporate and investment banks for what is commonly referred to as their trading activity (shares and derivatives, rates, credit, exchange and raw materials). It provides its expertise in project management assistance, architecture and project management for information systems projects related to the various financial businesses:

- front Office: pricing, position management, negotiation, risk management, liquidity forecasts,
- middle Office: control, validation, enrichment,
- back Office: confirmation, settlement and delivery, cash flow, accounting.

It is also involved in Asset Management and Securities Services.

Most of its teams have mastered the tooling and development in DevOps mode, which is widely used in finance.

This entity devotes part of its budget to research and development, currently mainly on an energy-efficient blockchain and artificial intelligence.

**Businesses linked to digital transformation:**

- roll-out of big data architectures (Hadoop, Hbase),
- data science services,
- DevOps.

**IT training and change management**

(in millions of euros)	2021	2022	22/21
<b>REVENUES</b>	<b>9.3</b>	<b>10.4</b>	<b>+ 12%</b>

This core business encompasses:

- consulting on the organization of training plans (engineering, management of training plans and courses, communication plans),
- course production: traditional sessions, e-learning, Mooc, quick-learning, long courses including “reskilling”, retraining actions including Preparation for Employment (POE), Professional Qualification Certification (CQP), etc,
- the design and then management of “IT stores” or “IT counters” on client premises,
- support and assistance during office automation, business applications or ERP deployments.

One of the buoyant activities in this business is providing support for the installation of new ERP or line-of-business software packages. These are tailored training courses related to deployment projects. They include an upstream phase of consultancy and design of learning and documentary tools (e-learning, instructions for use) and a downstream support phase. We use an in-house digital studio to create educational tools. These tools are distributed via LMS (Learning Management Systems) platforms.

Favored by the pandemic period, distance learning offers have developed rapidly and seem to have become part of the routine.

**Service centers of the applications segment**

- 6 applications support and TPAM service centers: Nanterre, Amiens, Angers, Levallois, Nantes and Orléans.

**Consulting segment****Consulting in management and digital transformation, digital marketing and HR transformation**

(in millions of euros)	2021	2022	22/21
<b>REVENUES</b>	<b>32.1</b>	<b>45.4</b>	<b>+ 41%</b>

Management consulting services are provided to the operational or functional divisions of corporate accounts. Projects sometimes include a component that requires skills in information systems and in digital transformation.

The management and organization consulting services provided include:

- evaluation of strategic options, proposal of scenarios,
- guidance and support for complex projects,
- coordination of actors for transformation plans,
- assistance and consideration of the contribution of digital technologies to the business,
- support for governance of digital transformation programs,
- operational coordination and management for projects,
- impact studies on regulatory and technology changes,
- definition of strategies for sharing IT systems.

With interventions of type framing or operational, the digital marketing consulting covers the following fields of expertise:

- coordinating innovation workshops,
- managing marketing data on DMP (Data Management Platforms) and managing cookies and their historization, with tools like BlueKai (Oracle) or Krux (Salesforce),
- personalization: choose, in real time, the sales information sent to a web surfer based on his browsing history and the CRM data concerning him (personalization software: Maxymizer, Optimizly, etc.),
- omni-channel models of attribution: modeling cross-channel client journeys to orient media expenditures online based on the visitor's known profile and the tactics decided for all channels,
- omni-channel management (Abode Campaign and Next Best Action tools),
- implementation of connected points of sale.

HR transformation consulting covers a variety of missions: support for social dialogue, organizational continuity plans, management of expertise channels, and implementation of shared service centers.

**Businesses linked to digital transformation:**

- a significant share of the missions, notably the design and organization of campus sites for large groups (teleworking, new uses, etc.).
- digital marketing consulting.

## Financial items by business segment

The change in the different business activities' contribution to operating profit (EBIT) was as follows:

Operating profit (in millions of euros)	2018		2019		2020		2021		2022	
	EBIT	EBIT/Rev	EBIT	EBIT/Rev	EBIT	EBIT/Rev	EBIT	EBIT/Rev	EBIT	EBIT/Rev
Infrastructure services	29.5	8.8%	33.9	9.7%	35	9.8%	40.4	10.6%	44.1	10.5%
Application services	13.3	10.3%	16.2	12.3%*	13.5	9.8%	17.3	10.4%	22.7	11.3%
Consulting	3.2	12.8%	3.6	13.1%	3.4	12%	3.9	12.1%	6.1	13.5%
<b>TOTAL</b>	<b>46</b>	<b>9.4%</b>	<b>53.7</b>	<b>10.5%</b>	<b>51.9</b>	<b>9.9%</b>	<b>61.6</b>	<b>10.6%</b>	<b>72.9</b>	<b>11%</b>

\* 8.8% without the capital gain on disposal realized in this business segment.

## Operating rate

The operating rate is defined as the ratio between the time allocated to clients' projects and the time the technical resources are available (number of working days less leave, sick leave and miscellaneous absences). This indicator is not defined the same way by all consulting and digital services companies.

Moreover, standard operating rates vary greatly from one line of business to another: consulting (around 70%), projects (around 80%), technical support (more than 90%) and managed services (not applicable).

For projects, it is more meaningful to look at the operating rate and the average selling price per day together, rather than the operating rate in isolation. In entities with a high proportion of technical support, the operating rate is a key management indicator and monitored on a weekly basis.

However, in managed services and TPAM where the billing is based on the completed activity units, it is the gross margin on contracts that is monitored, not the operating rates, which are inherently the highest in the Group.

Likewise, the service desk's operating rate (which can top 95%) is meaningless. It should be analyzed in combination with productivity indicators (the number of calls handled per day per support technician).

Similarly, for training, the occupancy rate (number of participants per room, number of rooms occupied) should be analyzed at the same time as the operating rate to see whether good use is being made of the technical resources.

## Partners

### An impartial specification policy

NEURONES is independent of any other technology player (vendor, manufacturer, platform manager, etc.). This guarantees the impartiality of its choices and recommendations. All the more so since the group works with designers of proven solutions that are already standards in their market or are set to become so. These partners, who generally do not have significant sales forces, are based on the professional support services of DSCs. By having access to the Group's installed base, they benefit from the relationships of trust established with the largest clients. In return, they train NEURONES consultants to the highest level and provide marketing support.

Six players, often historical, make up the core of the partners who have often awarded NEURONES their best labels of excellence ("Platinum", "Premier", "Gold", etc.):

In addition, depending on its specialties, the Group works with a hundred or so software publishers, manufacturers, platform owners and certification authorities, listed below in alphabetical order, with the associated labels and qualifications.

### Cloud, Infrastructure management, DevOps:

ANSSI: SecNumCloud – AWS Partner Select – Cisco Select Partner – Citrix Partner – Centreon Gold Partner – Datadog – Dynatrace – F5 – Fortinet Gold Partner – IBM Managed Service Provider – ILabel Gold Partner – Ivanti – Juniper – Microsoft Gold (Application Development, Cloud Platform, Cloud Productivity, Datacenter, Data Analytics) – Microsoft Silver (Application Integration, Collaboration & Content, DevOps, Security, Small & Midmarket Cloud Solutions) – Microsoft Solutions Partner (Infrastructure, Data & AI, Digital & App Innovation) – NetApp – Nutanix – OVH Partner – RedHat Premier Partner – Rubrik – Signal FX Managed Services Partner – Stormshield Silver Partner – Suse Gold Partner – VMware Cloud Service Provider – Zerto – Zimbra Gold Partner.

### Cybersecurity:

ANSSI: PASSI-LPM (Military Programming Law), PRIS (Security Incident Response Service Providers), PACS in an experimental phase (Providers of Support and Consulting in Information Systems Security) – Canary – CrowdStrike – Cybereason – DomainTool – Egerie – Flashpoint – Glimps – HarfangLab – Palo Alto Networks – Phished – Qualys – Rapid7 – Sekoia.io – SentinelOne – Splunk – Tenable – Vectra – VirusTotal.

### User support:

Arp – AWS – Be-Cloud – BlueVoyant – Brightmetrics – Caphyon – CrowdStrike – Dell – Druva – F5 – Genesys – Google – Igel – Ioga – Jamf & Parallels – Knox – Lineberty – Lookout – Microsoft Gold (Application Integration, Collaboration & Content, Data Analytics, Security, Windows & Device) – Mozzaik – Nextthink – Paessler – Proofpoint – Qlik – Qwesto – Rapid7 – Samsung – SightCall – Signifi – Tanium – TD Synnex – Vade – Varonis – Wats.

### IT service management, information system governance automation

Armis – Darktrace – Datadock – Dynatrace – EasyVista Gold Partner – EXIN Agile Scrum Accredited (Foundation, Master, Product Owner) – Keysight Technologies – MicroFocus Gold Partner – PeopleCert ITIL Accredited Training Organization – ServiceNow Premier Partner – Smart Global Governance.

### Digital, UX/UI, agile, DevOps, mobility, Data, IoT:

Apperian – Lookout – Okta – Polestar – Visioglobe – AirWatch (VMware).

### SAP integration and outsourcing:

OpenCell – SAP 10Steps2S4 – SAP Gold Partner – SAP Partner Center Of Expertise.

**Content management (ECM, EDM), business process management (BPM, RPA) and paperless processes:**

Abbyy – Appian – ARender – Automation Anywhere – Blueprism – BonitaSoft Open Solutions – Boomi – Box – Camunda – Confluent – Denodo – Docaposte Arkhineo – DocProcess – Docusign – Docuware – ECM Captiva Partner – Ephesoft Partner – Esker – Expert.ai – Fast2 ETL – FlowerDocs – Hyland Alfresco Strategic & Technology Partner – IBM FileNet – Kofax Platinum Partner – SER Solutions – Solace – Tibco – UiPath.

**IT consulting for finance, big data, AI and Blockchain:**

Amazon Web Services – Cloudera – Confluent – Couchbase – Databricks – Dataiku – Refinitiv – Snowflake Premier Partner – Toucan Toco.

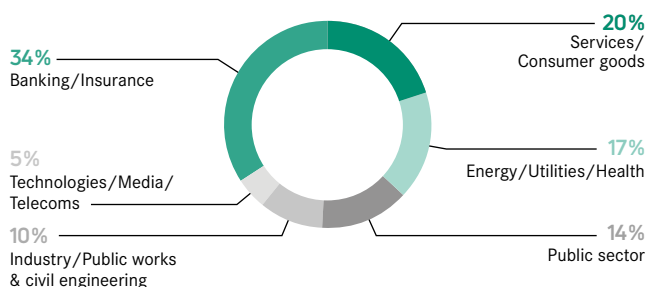
**IT training and change management:**

AutoDesk Training Center – AWS – Cisco – Citrix – Clusif – Datadock – DevOps Institute Registered Education Partner – EXIN – Microsoft Learning Gold – PECB Platinum – PeopleCert – Qualiopi – SecNumEdu-FC – TOSA (Test center).

## Clients

NEURONES' client base is made up of around 1,000 medium and large-sized private-sector companies, in addition to state-owned enterprises, local authorities and government departments, for whom the Group carries out mid-size projects (up to €10 million per year).

The revenue breaks down by sector as follows:



At the end of this fiscal year, as in previous years, the number one client is a major Group whose many decision centers and subsidiaries order services independently of each other and from different Group entities.

All told, 75% of NEURONES' client base (i.e., 30 of the 40 clients) are CAC 40 groups.

In 2022, the top 20 clients were (in alphabetical order): Accor, Axa, Banque de France, BNP Paribas, Bolloré, Bouygues, BPCE, Conseil Départemental des Hauts-de-Seine, Crédit Agricole, EDF, Engie, Groupe Avril, Kering, LVMH, McDonald's, Saint-Gobain, SNCF, Société Générale, Suez, TotalEnergies.

Over the long term, the weight of the main clients is relatively stable:

Breakdown of revenues (in millions of euros)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Top 20 clients</b>										
• In value	198.7	211.4	225.6	260.5	285.7	294.8	293	293.3	326.3	366.3
• As % of consolidated revenues	57.9%	59.5%	56.5%	58.3%	58.9%	60.1%	57.4%	55.9%	56.3%	55.1%
<b>Top 10 clients</b>										
• In value	147.6	161.8	175	206.4	224.1	235.7	237.6	239	263.2	289.9
• As % of consolidated revenues	43.0%	45.6%	43.8%	46.2%	46.2%	48.1%	46.6%	45.6%	45.4%	43.6%
<b>Top 5 clients</b>										
• In value	102.3	116.6	127.2	146.1	161	169.8	169.3	178.7	200.5	223.8
• As % of consolidated revenues	29.8%	32.8%	31.8%	32.7%	33.2%	34.6%	33.2%	34.1%	34.3%	33.6%
<b>No. 1 client's share</b>										
• In value	31.9	34.4	37.6	42	40.7	48	47.4	45.3	54	63.5
• As % of consolidated revenues	9.3%	9.7%	9.4%	9.4%	8.4%	9.8%	9.3%	8.6%	9.3%	9.6%

The analysis of revenues by sector is based on the business management systems of the various entities (without a single coding system) and on a table grouping clients by group. It does not come from the accounting consolidation system. This information is therefore given for information purposes only.

As of December 31, 2022, trade receivables were outstanding for 81 days:

	2018	2019	2020	2021	2022
Trade receivables	98 d	89 d	82 d	82 d	81 d
of which unbilled revenue	22 d	15 d	12 d	14 d	12 d

Trade receivables grew in the same proportion as the activity. The Group uses neither factoring nor the exchange of securities for debt.

## Subcontracting

### Upstream subcontracting

A small portion of the revenues (roughly 2.5% in 2022) is generated by acting as a subcontractor for a manufacturer, vendor or fellow company.

### Downstream subcontracting

Subcontracting covers a variety of realities: freelancers (54%), colleagues (29%) and technical services, such as the rental of network links or dry hosting (17%).

The amount of subcontracting purchases, in proportion to the Group's revenues, is growing regularly primarily due to an increasing desire of consultants and IT technicians for an independent or freelance status and recruitment pressures:

	2018	2019	2020	2021	2022
	22%	23.1%	24.3%	25.1%	26.6%

The rate of subcontracting varies according to the business line. For example, it exceeds 40% in training activities and around 30% in three entities with a high proportion of technical assistance. It is only 12% in user support services.



## Trademarks and patents – Industrial and intellectual property

### Software

NEURONES has developed and is the owner of various “software building blocks”, which it uses for its own requirements or those of its clients.

### Patents

By law, software cannot be patented as such, so there are no patent license agreements.

### Brands

The Group owns or uses, free of charge, the trademarks used for the business names of its entities, websites and offers.

## 1.4. MARKET AND COMPETITION

### The IT services market: size and trends

The software and digital services sector is thought to represent revenues on the order of €61 billion, making it twice as large, for example, as the pharmaceutical industry. It can be broken down into three subsectors as follows:

Size of the French market (in billions of euros)	2022 (e)	%
IT consulting and services	31.9	52.5%
Technology consulting	7.4	12%
Software publishing and Cloud platforms	21.6	35.5%
<b>TOTAL</b>	<b>60.9</b>	<b>100%</b>

Source: Numeum – December 2022.

It is thought to employ 2.5% of French salaried employees, representing a market workforce twice as large, for example, as the aeronautical and aerospace sector. There are around 750,000 salaried IT technicians in metropolitan France (excluding approximately 60,000 freelancers) divided roughly as follows:

- two thirds in DSCs (IT services companies), software publishers and technology consulting firms,
- one third at the end clients of which they would be employees.

Since 1999, the average annual growth rate in IT services has been between two to three times that of GDP.

According to various observers and forecasters, the outlook for the French consulting and digital services market (in the strict sense) remains very positive in 2023 (+3.7%), albeit at a slightly slower pace than in 2022 (+5.1%):

Change in the French market	2018	2019	2020	2021	2022 (e)	2023 (e)
IT consulting and services	+ 3.3%	+ 3.1%	- 4.2%	+ 4.4%	+ 5.1%	+ 3.7%
Technology consulting	+ 5.5%	+ 5%	- 12.3%	+ 5.9%	+ 7.4%	+ 5.6%
Software publishing and platforms	+ 5.3%	+ 6.6%	+ 0.3%	+ 9.5%	+ 11.3%	+ 9.4%
<b>AVERAGE WEIGHTED</b>	<b>+ 4.1%</b>	<b>+ 4.2%</b>	<b>- 4.6%</b>	<b>+ 6.3%</b>	<b>+ 7.5%</b>	<b>+ 5.9%</b>

Source: Numeum – December 2022.

Overall, the sector's growth is supported by projects related to digital transformation. Improving the security of information systems is the number one concern of IT departments, followed by improving the customer experience. Migration to the cloud is still an important issue.

The talent shortage is being felt strongly. Training is seen as a priority to counter the rapid obsolescence of technical skills and to respond to the rapid evolution of the sector's professions.

The weight of offshore is still estimated at 8 to 9% of the French market for digital services.

### Competition

In terms of revenues, NEURONES would rank 11th among Consulting and Digital Services companies (excluding technology consulting companies: Alten, Assystem, SII, etc.) in a very fragmented French market for services (the number of fellow companies employing more than 10 people is estimated at around 4,000):

Revenues of main DSCs in France	French market share (approximate share)	Nationality
1 Capgemini (including Altran)	11.2%	France
2 Sopra Steria	6.5%	France
3 IBM (including Kyndryl)	5.3%	United States
4 Orange Business Services	5.3%	France
5 Accenture	5.1%	United States
6 Atos	4.9%	France
7 CGI	3.6%	Canada
8 Inetum (formerly GFI)	2.5%	United States
9 DXC technology	2%	United States
10 <b>NEURONES</b>	<b>1.9%</b>	<b>France</b>
Top 10 total	48.3%	

Sources: 2021 revenues in France according to the PAC study of July 2022 (2022 revenues are not available at the time of writing). For the French market in 2021, the divisor used, 30.2 billion (consulting and IT services), could be slightly underestimated.

NEURONES encounters a wide range of DSCs (IT services companies) and management consulting firms of all sizes in its various markets. As a multi-specialist, the Group tends to find itself, in each of its business lines, up against different competitors of varying sizes rather than overall competitors.

### Cloud, infrastructure management, DevOps

The infrastructure market in general is very fragmented between the departments of certain large service providers and numerous dedicated companies of varying sizes.

Most of the historical players in the private cloud have formed dedicated teams to support them in the public cloud (Amazon Web Services, Microsoft Azure, Google Cloud, etc.). They also provide recurring services around the public cloud in their service centers.

For the private cloud (IaaS), after a phase of fragmented competition, the number of players is decreasing in a volume-based market; with competitors differentiating themselves through services targeted at different client bases.

### Cybersecurity

The many players in this segment are often small companies (a few dozen employees), departments of large DSCs, “captives” of industrial companies (Thales, Airbus, Orange, Dassault, etc.) or even audit firms.

## User support

The group's specialized entity, which is among the leaders in its sector in France, competes mainly with a limited number of medium-size fellow companies. For significant contracts (support for several thousand users), there are entry barriers: open and redundant information systems, business continuity plans, innovation capacity, staffing capacity, the need to have service centers in the region (greenshore), nearshore and offshore and geographic coverage (several countries, worldwide).

## Digital, UX/UI, agile, DevOps, mobility, Data, IoT

Numerous companies of varying sizes are accompanying these new technological waves, with the major DSCs creating specialized departments within them.

## SAP, ECM/EDM/BPM/RPA

Close to the vendors whose products they integrate, competitors are either small or medium-sized specialized companies or the dedicated departments of large DSCs. Large-scale TPAM is often handled by players with offshore capabilities.

## IT consulting for the finance, big data, AI and blockchain

The challengers in this business tend to be mid-size specialized services companies.

## IT training and change management

The Group is one of the top five specialized IT-training players in France. Competitors are independent organizations.

## Consulting services in management, organization, digital transformation and digital marketing

The competition is extremely varied, including both the "top players" and numerous medium and small-sized consulting firms (between two and three hundred in France).

# 1.5. ORGANIZATION

## Operational organization chart

The following functions are centralized:

- Group senior management,
- finances (consolidation, management control coordination, management of the parent company's cash and the cash pool supplied by the subsidiaries),
- legal,
- Group marketing and communications,
- client relations management for select key accounts:
- coordination of major multi-entity projects:
- quality and security.

The operational subsidiaries perform the following functions:

- senior management,
- sales,
- service delivery (team allocation, contract performance and monitoring),
- marketing,
- recruitment, human resources management and payroll,
- quality (certifications, monitoring and improvement plans),
- accounting and management control,
- IT and support services.

The billable (or "productive") workforce represents a stable and high proportion of the total workforce:

2018	2019	2020	2021	2022
89%	88.8%	88%	88.2%	88.1%

The Group is organized into highly independent profit centers, with the central functions kept to a strict minimum. Each subsidiary communicates in its business line with its own name.

The management committee is composed of around fifteen senior managers, who are shareholders in the entity they manage or set up, and also hold shares in the Group.

## Sales organization

The sales organization has two levels:

- the sales forces, specialized by type of service and by the business sector, are divided up among the entities, business by business,
- on top of which sits a cross-functional Group department for certain corporate accounts. Global account managers coordinate the actions of the Business managers and Business Engineers of the different entities who are specialized by type of service. They also provide consolidated reporting for the client accounts concerned.

## Marketing and communication organization

The Group marketing and communication department reports to the general management. It designs and deploys operational marketing initiatives to support NEURONES' reputation and image. The team handles both external communication (job applicants, shareholders and investors) and in-house communication.

As soon as an entity attains the requisite size, a local team is set up to handle its own marketing (service lines, communication, etc.), sometimes in coordination with the Group-wide department.

## Technical organization

The technical departments are distributed in the business entities. Each subsidiary uses its collaborative tools to manage its technical knowledge.

## Human resources organization

Each subsidiary handles its own recruitment, training plan and compensation policy. Payroll management is pooled in several processing centers, as is participation in selected career fairs and the purchase of software tools for sourcing ("job boards").

## Administrative and financial organization

The following functions are centralized:

- the budgeting process,
- management of the Group's cash position and cash pooling,
- monthly consolidation and statutory half-yearly consolidations,
- support for external growth,
- the legal function, in liaison with the Group's legal advisors.

Each subsidiary is responsible for its accounting, management control and cash management (including its potential participation in the Group's cash pool).

## Quality system

The three main components of the Infrastructures business segment are ISO 9001 certified, which together represent 50% of the Group revenues. The certified activities include systems and network design/build and operation, IT operations and user support.

The managed services of the three infrastructure entities with service and accommodation centers are certified ISO 27001, as well as the cybersecurity company and the one dedicated to Electronic Document Management.

Both private clouds are authorized to host health data (HDS).

For the other businesses, there are generally a set of documented procedures.

## Internal IT organization

Each company has its own information system (IS), the holding company being attached to the subsidiary with which it shares its premises. Four entities, including the three that are ISO27001 certified, have a dedicated IS Security Manager (ISSM) in addition to their CIO. Each entity has a Data Protection Officer (DPO) or a person in charge of ensuring personal data is protected (GDPR).

## 1.6. DEVELOPMENT AND INVESTMENT STRATEGY

### Development strategy

To move significantly faster than the market, NEURONES applies a strategy that revolves around the following points:

- help clients get the best from new technologies by supporting them in particular in the fundamental shift of the digital transformation;
- expand relations with corporate accounts and increase the size of projects the group is capable of handling;
- work with innovative or complementary consulting firms and DSCs. NEURONES' organization into autonomous profit centers, with their own operating statements and resources, has accustomed it to dealing with shareholder-entrepreneurs. The group provides them with its tools, its structure, its databases, its commercial capillarity, its financial resources and its image. It respects the personality of entrepreneurs and their teams and recognizes their distinctive assets;
- play an active role in the slow but steady concentration of the sector. The main criteria for partnerships are as follows:
  - growing and profitable companies (or subsets of companies),
  - management that has a proven track record,
  - operations increase earnings per share;
- Expand by extending geographical coverage (regions, international). Initially, the Group channeled its efforts into attaining a significant size in its core businesses, in the Paris region. Now, primarily to satisfy clients' requests, the proportion of the business generated in French regions and outside France has become significant (26% of staff in regions outside of Paris and 16% of staff outside France).

### Investment policy

#### Research and development

R&D investments are not centralized, but planned and carried out in each entity. Days spent on technology watches and R&D are not capitalized on the balance sheet.

Every year, the group conducts a cross-functional review of its R&D activities. In 2022, the eligible research programs generated Research Tax Credits (RTC) amounting to a stable total of €1.3 million:

(in millions of euros)	2018	2019	2020	2021	2022
Research Tax Credit	1	0.8	0.8	1.3	1.3

#### Industrial investments

In 2022, "industrial" investments amounted to €10.6 million. They primarily concern computer hardware and software (especially for the Group's private clouds, including the new SecNumCloud platform), fixtures and fittings and service vehicles. They were financed by the available cash and cash equivalents.

The Group rents all its premises (40,000 m<sup>2</sup> at December 31, 2022, including 700 m<sup>2</sup> in coworking spaces) from outside owners who have no connection to NEURONES shareholders or its subsidiaries.

#### Net financial investments

In 2022, net financial investments amounted to €4 million, corresponding to various purchases of shares in subsidiaries.

## 1.7. CASH FLOW STATEMENT SINCE THE IPO

Since it was listed on the stock exchange in May 2000, the Group has made a number of acquisitions, 11 of which were of a significant size, for a total disbursement of €92.6 million at December 31, 2022 (net of the acquired companies' cash and cash equivalents). These investments were largely financed by free cash flow (€421.9 million) generated by operations over the same period, as detailed in the table below.



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	TOTAL
<b>Cash flow statement (in millions of euros)</b>																								
Net profit	3.7	5.4	5.9	4.9	5	6.3	6.6	9.9	13	12.8	14.9	17.0	17.2	21.4	23.6	24.5	29	31.6	29.6	35.2	35	42.9	51.8	447.2
Amortization and provisions	1.1	1.3	1.9	1.9	1.6	1.1	3	3.3	3.1	4.1	3.9	2.8	5.9	6.7	6.1	7.1	8.1	9.6	8.7	5.4	11.2	10.6	12.6	121.1
<b>CASH FLOW</b>	<b>4.8</b>	<b>6.7</b>	<b>7.8</b>	<b>6.8</b>	<b>6.6</b>	<b>7.4</b>	<b>9.6</b>	<b>13.2</b>	<b>16.1</b>	<b>16.9</b>	<b>18.8</b>	<b>19.8</b>	<b>23.1</b>	<b>28.1</b>	<b>29.7</b>	<b>31.6</b>	<b>37.1</b>	<b>41.2</b>	<b>38.3</b>	<b>40.6</b>	<b>46.2</b>	<b>53.5</b>	<b>64.4</b>	<b>568.3</b>
Change in WCR (increase)/decrease	(1.4)	2.5	(1.7)	1.3	0.9	(1.9)	(5.3)	2.1	0.6	(1.3)	(3.3)	(10.0)	(2.5)	(6.2)	0.6	(0.1)	(13.6)	(15)	(5.6)	14.2	16.4	4.7	(16.2)	(40.8)
Net industrial investments	(1.0)	(1.2)	(0.9)	(1.1)	(1.0)	(0.9)	(2.2)	(2.6)	(2.3)	(2.2)	(2.8)	(4.7)	(4.4)	(5.5)	(5.3)	(12.8)	(6.7)	(8.9)	(6.9)	(7.8)	(7.4)	(6.4)	(10.6)	(105.6)
<b>FREE CASH FLOW</b>	<b>2.4</b>	<b>8.0</b>	<b>5.2</b>	<b>7.0</b>	<b>6.5</b>	<b>4.6</b>	<b>2.1</b>	<b>12.7</b>	<b>14.4</b>	<b>13.4</b>	<b>12.7</b>	<b>5.1</b>	<b>16.2</b>	<b>16.4</b>	<b>25.0</b>	<b>18.7</b>	<b>16.8</b>	<b>17.3</b>	<b>25.8</b>	<b>47</b>	<b>55.2</b>	<b>51.8</b>	<b>37.6</b>	<b>421.9</b>
Net financial investments	(8.8)	-	(3.8)	(2.1)	(0.8)	(1.0)	(2.9)	(2.8)	(14.2)	(3.9)	(2.8)	2.9	(1.9)	(1.7)	(2.1)	(12.6)	(5.4)	(7.5)	(3.4)	(6.4)	(1.8)	(5.6)	(4)	(92.6)
Increases of capital, disposals	29.9	-	-	-	0.2	0.8	0.3	0.5	0.1	0.3	0.4	1.1	0.4	0.3	1.5	0.8	1	6.5	0.8	6	(0.4)	1.6	2.2	54.3
Dividend and other items	(0.1)	(0.2)	-	-	-	(1.2)	(1.5)	(1.5)	(4.4)	(2.6)	(1.7)	(2.4)	(2.0)	(1.9)	(2.3)	1.2	(2.6)	(3.1)	(2.7)	(2.8)	(4.9)	(49.2)	(28.9)	(114.8)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>+23.4</b>	<b>+7.8</b>	<b>+1.4</b>	<b>+4.9</b>	<b>+5.9</b>	<b>+3.2</b>	<b>(2.0)</b>	<b>+8.9</b>	<b>(4.1)</b>	<b>+7.2</b>	<b>+8.6</b>	<b>+6.7</b>	<b>+12.7</b>	<b>+13.1</b>	<b>+22.1</b>	<b>+8.1</b>	<b>+9.8</b>	<b>+13.2</b>	<b>+20.5</b>	<b>+43.8</b>	<b>+48.1</b>	<b>(1.4)</b>	<b>6.9</b>	<b>+268.8</b>
Cash and cash equivalents at year-end	26.6	34.4	35.8	40.7	46.6	49.8	47.8	6.7	52.6	59.8	68.4	75.1	87.8	100.9	123.0	131.1	140.9	154.1	174.6	218.4	266.5	265.1	272	-

## 1.8. RECENT DEVELOPMENTS

In 2022, organic growth increased in each quarter:

(in millions of euros)	Q1	Q2	Q3	Q4	2021	Q1	Q2	Q3	Q4	2022
Revenues	144.2	145.1	137.7	152.9	579.9	162.6	164.5	158.9	179.4	665.4
Growth	+ 6.6%	+ 21.8%	+ 7.3%	+ 7.9%	+ 10.6%	+ 12.8%	+ 13.4%	+ 15.4%	+ 17.3%	+ 14.7%
Organic growth	+ 5.7%	+ 20.7%	+ 6.6%	+ 7.9%	+ 10.1%	+ 12.2%	+ 12.8%	+ 14.7%	+ 16.8%	+ 14.2%
Operating profit	10.4%	11.2%	10.5%	10.4%	10.6%	11.4%	11.2%	11.2%	10.1%	11%

## 1.9. OUTLOOK

### 2023 forecasts

During its March 8, 2023 presentation to financial managers and analysts, NEURONES specified that the group:

- noted the existence of an on-board growth twice that of the previous year,
- noted that the market remained buoyant with many opportunities,
- stated that recruitment remained difficult, especially for certain types of profiles,

Factors potentially affecting the market and the Company in 2023 were also reported.

#### Favorable factors:

- the digital transformation wave as a profound and lasting opportunity,
- support of the margins expected by the permanent renewal of the new technologies,
- accelerating innovation and increasing risks to which cybersecurity responds,
- the group's activities are divided between specialized, mobile, cost-controlled entities in diversified sectors.

#### Unfavorable factors:

- pressure on recruitment, persistent high turnover,
- steady increase in subcontracting,
- lack of economies of scale in Consulting and Digital Services,
- a low number of quality, value-creating “targets” with succession management.

It was also stated that NEURONES' estimates for 2023 will be announced, as usual, when it posts its 1st quarter revenues (May 10, 2023).

### Provisional calendar of financial events

#### Shareholders' Meeting:

- Thursday, June 8, 2023

#### Revenue announcements\*:

- Wednesday May 10, 2023 (1<sup>st</sup> quarter 2023),
- Wednesday, August 2, 2023 (1<sup>st</sup> half 2023),
- Wednesday November 8, 2023 (3<sup>rd</sup> quarter 2023),

#### Profit announcements\*:

- Wednesday September 6, 2023 (1<sup>st</sup> half 2023).

\* at the close of trading.

## 2 Statement of Non-financial Performance (CSER report)

### 2.1. BUSINESS MODEL

A client's expectations of a Digital Consulting and Services company are primarily:

- mastery of the latest technologies and a range of consulting to inform its decisions (evaluation of the return on investment and choice of timing). Currently, the demand is especially strong on the following subjects: cloud in all its forms, cybersecurity, digital projects, Agile methods (Product Owners, Scrum Masters), UX/UI design, data and analytics, mobility, DevOps in general (including tooling), infrastructure automation
- the operational availability of human resources trained in the latest tools and their stability,
- the ability to produce managed services with a guaranteed-performance commitment
- a size commensurate with the commitments made.

At the top of the cycle, because of turnover, clients and service providers encounter great difficulty ensuring the stability of project teams. At the bottom of the cycle, companies in the sector are more likely to be solicited on a global basis, within the framework of contracts with formalized service level commitments.

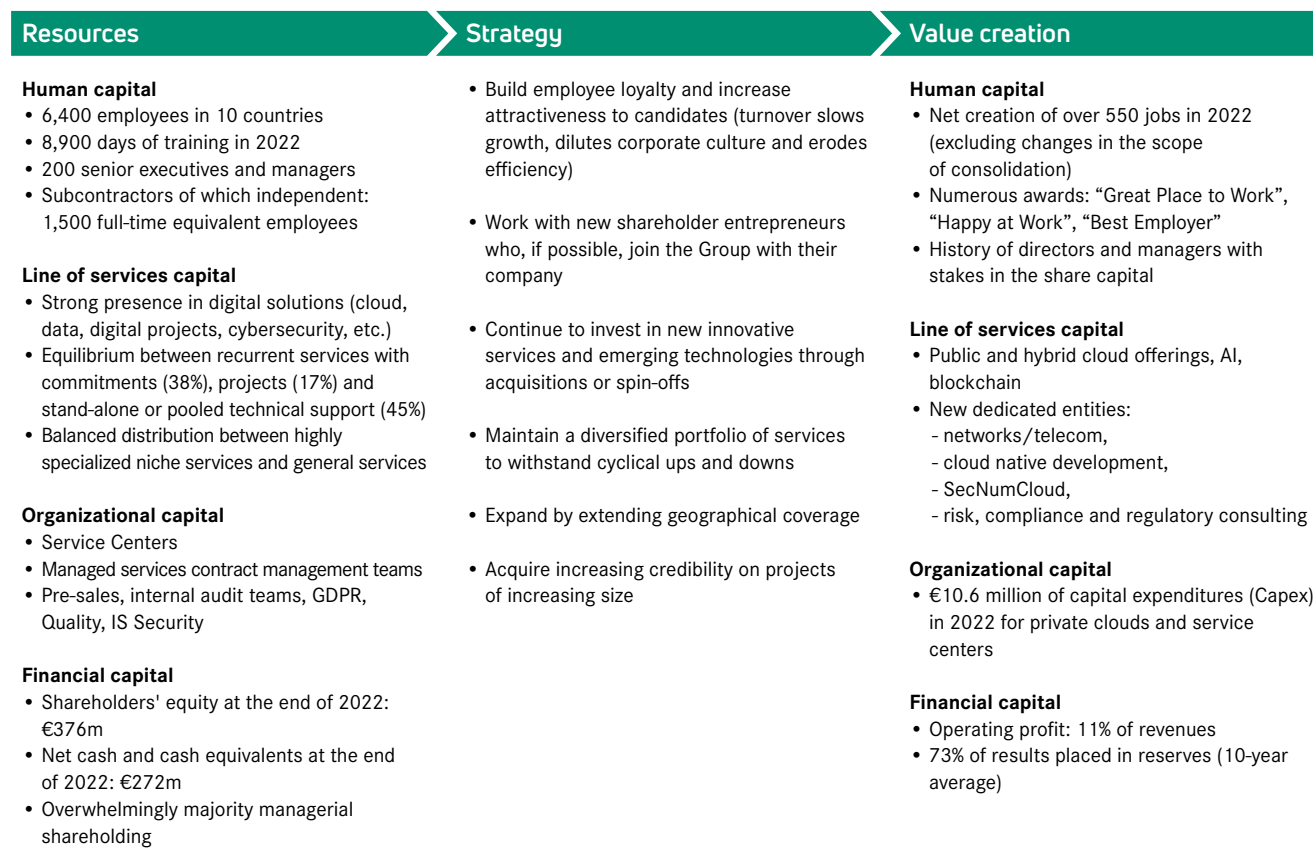
Current trends include the growth of teleworking and the success of freelancing among IT professionals.

A service company devotes as much energy to working on its ability to attract and retain its employees (its number one asset) as it does to satisfying its clients.

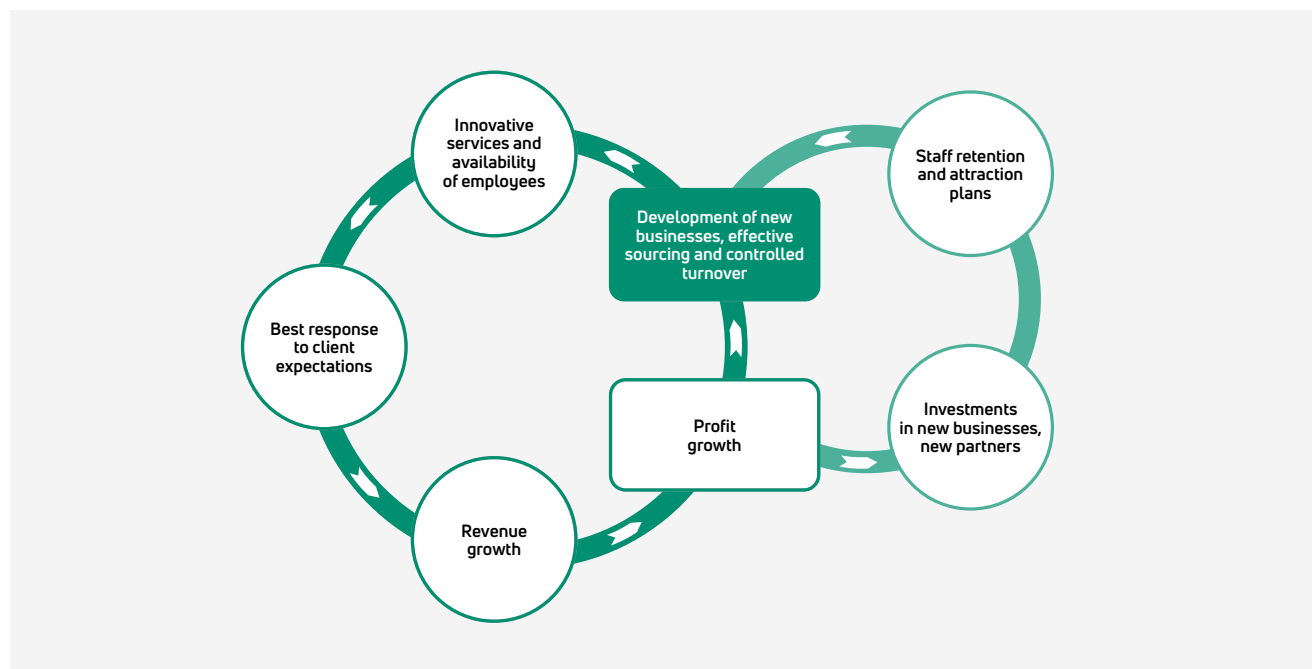
Given its organization in business entities, with bosses who have a stake in the capital, NEURONES also has the particularity of constantly looking for new entrepreneurs who will ensure its long-term growth (through mergers, spin-offs or start-up of new structures). The Group's value creation is illustrated by the diagram on the next page.

Details of the various business lines are described in section "1.3 Business lines" of this Universal Registration Document.

NEURONES' business model can be diagrammed as follows:



NEURONES' value creation model can be illustrated as follows:



## 2.2. KEY CSER RISKS IDENTIFIED

The analysis of CSER risks was developed based on the global mapping of NEURONES risks and with the same calculation method (impact in case a risk occurs and probability of occurrence). As every year, the document has been reviewed by the Board of Directors. No new CSER risks have been identified for 2022.

The potential CSER risks identified as priorities are as follows:

- difficulties retaining staff that would materialize in excessive turnover,
- recruitment problems that would be the consequence of a lack of attractiveness,
- departures of key staff in the event of inadequate incentive systems: variable pay, bonus shares, performance shares
- training gaps (impact on turnover and attractiveness),
- absenteeism too high (warning signal of turnover).

For priority risks, key performance indicators (KPIs) have been defined. They are labelled **KPI** in the remainder of the text.

The following potential CSER risks were deemed as important, but are not among the main risks:

- ethics, prevention of corruption,
- health and safety.
- insufficiently proactive attitude on the following themes: gender equality, diversity, welcoming people with disabilities, sponsorship actions (lack of response to the need for meaning in professional life with, ultimately, an impact on turnover),
- insufficient dialogue between management and employees (impact on turnover and attractiveness, potential labor movements),
- promotion of the practice of physical activities and sports,
- responsible, equitable and sustainable food supply,
- poor anticipation on following themes: carpooling, use of non-polluting transport, selective sorting,
- too much commuting between home and work,
- insufficient attention paid to data centers' electricity consumption.

Because of its consulting and digital services activity, NEURONES did not deem the following themes represent a material challenge:

- animal welfare,
- fight against food waste and food insecurity.

## 2.3. CSER STRATEGY

### Governance

A Sustainable Development Committee leads the Group's CSER initiative. This seven-member committee reports to the administrative and financial director and has the following responsibilities:

- pass on ideas for projects,
- select programs,
- for each of the projects selected: choose indicators, define their initial and target value,
- regularly review the progress made (continuous improvement),
- monitor developments in CSER,
- manage the selected indicators over time.

Subsidiaries that have their own CSER approach exchange information with the Sustainable Development Committee, which draws on their best practices. The Committee met by videoconference to discuss the 2022 Statement of non-financial performance.

### History

**2010:** first signatures of the Diversity Charter (eight entities are signatories to date) and the UN Global Compact (two entities are signatories).

**2011:** NEURONES' first response to the Gaia ESG questionnaire.

**2012:** creation of the Sustainable Development Committee, first CSER report.

**2013:** verification of the report by an external third party (Kpmg).



**2014:** monitoring of data centers' electrical power consumption is implemented.

**2017:** implementation of the corruption prevention mechanism (Sapin II Law), in particular a Code of Conduct.

**2018:** the CSER report evolves and becomes the Statement of Non-Financial Performance (SNFP).

**2020:** new internal employee survey on home-workplace travel (1st edition: summer 2015). The group's carbon footprint was calculated and deposited on the ADEME website. The Group's consulting firm becomes an "société à mission" (purpose-driven company).

**2021:** responsible purchasing: framework agreement with Provisis, a platform managing subcontracting purchases, partnership with the GESAT network (2,250 EA and ESAT). Responsible digital technology: eco-design of sober applications and websites, increase in the useful life of computer equipment.

**2022:** participation of the hosting entity (private cloud, SecNumCloud) in the "high committee for an eco-responsible digital" instituted by the government.

In 2025 (2024 data), the CSRD (Corporate Sustainable Reporting Directive) foresees that the Statement of Non-Financial Performance (SNFP) will become the Sustainability Report, with several hundred indicators listed. Discussions are underway to evaluate the changes to be made in terms of both systems and human resources.

## Objectives

NEURONES' CSER objectives are as follows:

- increase the attractiveness of the group and build loyalty by:
  - maintaining employability (interest in missions, continuous training, bridges, etc.),
  - ensuring good HR practices (equal opportunities for all candidates, promotion of diversity and inclusion, gender equality, employee relations, prevention of corruption, retention of key managers and executives, partnerships with civil society actors),
  - focusing on well-being and quality of life at work (work organization, premises renovation, encouraging physical exercise)
  - initiatives aimed at responding to consultants' "quest for meaning" (skills sponsorship, the group's consulting firm that has become a company with a mission and is B Corp certified, etc.),
- promote the integration of disabled people, in particular on client contracts (in association with companies in the adapted sector), in retraining or far from employment,
- share with significant subcontractors the group's CSER concerns and evaluate them,
- remain alert to ethical risks (prevention of corruption, anti-competitive practices),
- develop CSER missions for clients as well as CSER commercial offers,
- implement an action plan to regularly reduce the group's carbon footprint (carbon footprint, reduction of travel costs, choice of energy-efficient buildings and data centers, digital sobriety, etc.), particularly for the part that impacts customers (carbon footprint per customer project).

## 2.4. EMPLOYEE RELATIONS POLICY

### Staff

Over the last ten years, the number of employees (at the end of the fiscal year) has increased from 3,704 to 6,406 (+73%):

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
4,065	4,082	4,580	5,044	5,028	5,160	5,372	5,589	5,869	6,406

In France, more than 94% of the staff have permanent employment contracts. The remaining employees have fixed-term contracts, primarily professionalization and apprenticeship contracts. Part-time workers (1.5% of employees) are counted as one person.

Employees are distributed geographically as follows: Greater Paris region 58%, other French regions 26% and outside France 16%. Workforce-related figures (below) are calculated for the entire Group, unless it is specifically stated that they refer to a smaller scope (e.g., France or "Sage + Cegedim").

To enable its employees to enjoy a stimulating environment, NEURONES endeavors to apply the best practices of sound HR policy and measure the effects.

### Active recruitment policy

The number of new employees (permanent + fixed-term contracts, excluding acquisitions and disposals) changed as follows:

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	KPI
1,248	1,142	1,647	1,695	1,857	2,012	1,904	1,612	1,999	2,646	

Recruitment procedures include, for example:

- technical multiple-choice questions for each specialization,
- at least one technical interview, where relevant,
- at least one personality interview.

In France at the end of 2022, 230 young people were doing an apprenticeship and 30 were working under a professionalization contract. During the financial year, we received 125 people doing internships.

### Turnover

Turnover (total number of resignations in relation to the average workforce) continued to rise in 2022. It was relatively stable during the year (per quarter : 17%, 19%, 20%, and 18%). Tensions are especially high in highly sought-after profiles, for example in cybersecurity, cloud, and DevOps.

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	KPI
11%	13%	13%	13%	17%	20%	16%	11%	16%	18.5%	

The following actions were taken to build loyalty and increase the attractiveness of the Group to employees and candidates:

- increasing the number of training courses to 8,900 days,
- adapting working methods: the majority of employees telework, renting coworking spaces (meeting rooms, the possibility for employees to work from time to time in all the coworking company's sites, etc.), moving certain entities to more easily accessible locations and to buildings with services (gyms, concierge services, etc.),
- renovating sites: creating lounges, rest rooms and other modernized reception areas to contribute to well-being at work,
- reducing hierarchical levels, encouraging more initiative and responsibility,
- organizing sports events (running, futsal, catamaran, etc.),
- increasing the presence on social networks and blogs (increase in community management) and developing employer brands: "Welcome to the Jungle" films, monitoring of Glassdoor ratings and recommendation rates, number of Twitter subscribers, Facebook likes
- organizing employee events: afterwork events, outings on the Multi 50 trimaran, prediction contests, etc.
- attempts to satisfy young graduates' "need for meaning:" higher environmental requirements and skills sponsorships.

It should be noted that 58% of the Group's employees work in the Paris region, where turnover is traditionally higher than in other French regions.

The change in arrivals/departures is as follows:

Detailed trend in staffing figures	2018	2019	2020	2021	2022
New hires	2,012	1,904	1,612	1,999	2,646
Changes in scope					
Acquisitions	-	-	44	9	-
Disposals	(13)	(32)	-	(13)	(15)
Departures:					
Resignations	1,050	837	614	913	1,126
End of trial periods	321	257	285	266	219
End of fixed-term, apprenticeship and prof. contracts	231	234	261	246	461
Mutual-agreement terminations	133	155	100	77	97
Layoffs	114	143	157	172	177
Miscellaneous	18	34	22	41	14
Total departures	1,867	1,660	1,439	1,715	2,094
NET CHANGE IN THE WORKFORCE	132	212	217	280	537

## Working hours

More than 98.5% of the workforce in France work full time. Most part-timers are 4/5ths. For example, only 0.8% of the workforce has a working time of less than 80% of a full-time employee. The French workforce is covered by the Syntec collective bargaining agreement (with the exception of the training entity), and is entitled to days off depending on the subsidiary employing them and their position: non-managerial and supervisory staff, managers on assignment, and managers with fixed-price contracts.

## Teleworking

Teleworking is used in different ways depending on the function and the job. Discussions are ongoing regarding possible new organizations. To date, no amendments have been made to teleworking agreements or charters.

## End of partial activity

In France, the use of partial unemployment will end in April 2022. Only two entities made use of this measure and received an insignificant amount of benefits (€56,000 in 2022 compared with €1.7 million in 2021 and €6.1 million in 2020).

## Compensation

In 2022, total gross compensation rose by 8.6% to €246 million (€226.5 million in 2021), after restatement of gross compensation paid and allowances received for short time working.

This amount includes fixed and variable pay, and provisions for paid leave and RTT leave. It does not include the social security contributions paid by the employer, nor statutory and optional profit sharing, the employer's contribution to meals and public transport passes, occupational health services, payments to works councils or, of course, the fees paid to sub-contractors. Lastly, hiring subsidies received (mainly for work-study programs) are deducted from the "wages" item.

At 6,088 in 2022 (5,722 in 2021), the average workforce is up 6.4%, €1.4 million in value sharing premiums (VSP). The average gross salary was €40,400 per year (€39,600 in 2021).

## Statutory profit sharing and optional profit sharing

In France, employees have access to statutory profit-sharing when their business unit meets the required conditions. Over the last 5 years, the shareholding has increased by an average of +30% per year (from €2.257 million to €8.508 million):

(in thousands of euros)	2018	2019	2020	2021	2022
Statutory profit sharing	3,391	3,890	3,380	5,822	8,508
Optional profit sharing	0	0	0	0	0

## Continuous in-house training

Training actions are decided by each subsidiary. They are mainly related to technical improvement but also concern management or foreign languages.

The Group has the opportunity to use its specialized entity to develop skills. One of the main players in France, and authorized by the largest vendors to issue qualifying certifications, this center carries out a significant part of the Group's technical training activities, including training future employees during long courses.

In 2022, in a context where teleworking has become the norm, the training plan was established at a level of 8,900 days thanks to a significant proportion of remote sessions. Self-directed learning and online certifications are increasing.

Training plan (days x participants):

2018	2019	2020	2021	2022
10,800	9,900	8,400	8,000	8,900

KPI

Training eligible for continuing vocational training in France and similar actions carried out internationally. Online and on-the-job training (business basics or client context) not included. 56,000 hours in 2022 (i.e., 8,900 days x 7 hours).

## Actions designed to develop loyalty among senior managers and key managers

Since 1999, six NEURONES stock option plans and eight bonus share programs have been implemented. Since 2015, fourteen subsidiaries have launched bonus share plans involving their own shares. At the end of 2022, 200 employees or company officers (3.1% of the workforce) were shareholders either of their subsidiary or of NEURONES, or of both.

The expense related to bonus share plans in the consolidated financial statements is as follows (in thousands of euros):

2018	2019	2020	2021	2022
1,236	1,176	2,008	2,575	4,149

KPI

NEURONES and subsidiary plans including 20% tax on bonus share plans.

## Active in-house communications

Each line-of-business subsidiary has its own in-house communication tools (corporate social networks, in-house newsletters or magazines, briefing meetings or recreational gatherings), in addition to which there is the Group's in-house magazine ("Talents") and formal welcome and presentation sessions for new hires. All the tools aim to integrate, and inform staff, to prevent anonymity and to foster exchanges.

## Well-balanced average age

At the end of 2022, the average age of employees is stable at 36 years with the following breakdown:

Workforce breakdown by age bracket	2018	2019	2020	2021	2022
less than 25 years	10%	9.5%	9%	9.5%	9.5%
25 to 29 years	20%	21%	21%	21%	23%
30 to 34 years	20%	21%	19.5%	19.5%	18.5%
35 to 39 years	18%	16%	16%	15.5%	15%
40 to 44 years	14%	13%	14%	13.5%	13%
45 to 49 years	10%	10.5%	10%	10%	9%
50+ years	8%	9%	10.5%	11%	12%
Total	100%	100%	100%	100%	100%
<b>AVERAGE AGE</b>	<b>35.7</b>	<b>35.7</b>	<b>36.1</b>	<b>36.1</b>	<b>36</b>

Company-wide agreements and action plans for employees over the age of 50 were introduced at the end of 2009. They have borne fruit since, at the end of 2022, the proportion of people aged 50 will have increased regularly and now represents 12% of the workforce.

## Diversity and inclusion

NEURONES is keen to promote diversity in its teams in the broadest possible sense (gender, age, initial training and previous professional experience, disability, social and cultural origins, nationalities, etc.), as this is a guarantee of creativity and innovation. Eight Group entities have signed the Diversity Charter. The Group also strives to create a caring environment so that everyone feels valued and included.

### Retraining

Various entities organize training courses open to people wishing to retrain in the digital sector, particularly within the framework of the Individual Operational Preparation for Employment (POEI) or Collective (POEC). These approaches make it possible to integrate more diverse profiles, initial training and professional backgrounds into the group.

### Persons not in employment

The entity dedicated to supporting users has integrated into its recruitment procedures various measures aimed at guaranteeing equal opportunities for all applicants (Saphir method). Their application contributes to the fight against discrimination and should make it possible to integrate more people who are far from employment into the teams.

### Disability

The group is striving to be more “disabled-friendly”. By the end of 2022, it will have 2.2% disabled employees (2% by the end of 2021) in its workforce. This proportion, which is increasing, is still insufficient.

In agreement with the clients concerned, GMEs (Groupements Momentanés d'Entreprises/Temporary Business Groups) associating NEURONES and partners from the protected and special facilities employment sector (Atimic, Arcesi, Innov and Co, ATF Gaïa, etc.) were set up for recurrent managed services contracts. At the end of 2022, they will enable us to call on ten employees from these establishments specifically set up to work with disabled staff (Entreprises Adaptées) on Group contracts.

In addition, purchases from AEs and ESATs (establishments specifically set up to work with disabled staff) amounted to €151,000 in 2022.

### Gender equality

Although women are not well represented in engineering schools' IT courses, they make up 22.1% of the NEURONES' workforce in France

(“Sage + Cegedim” scope). In the framework of the law on real gender equality, the Group's entities in France publish every year before March 31 their gender equality index (maximum value of 100, with the need to implement a multi-year action plan if the index is less than 75 for three consecutive years):

Calculation date March 1, 2022	2022 index
No. of entities	10
Highest index	94
Average index	83
No. of entities with index <75	None

At the end of 2022, the proportion of women in senior management will be 20.5% (executives and managers at levels n-1 and n-2 in relation to the Group's General Management). The proportion of women in the top 100 earners in 2022 is 13%.

In the Consulting segment, there is overall gender equality, in terms of staffing and remuneration.

Internationally, the proportion of female employees is higher than in France (Romania: 65%, Tunisia: 50%, Singapore: 50%),

In 2022, the “manifesto for retraining women in the digital professions” (Numeum initiative) was signed.

### Nationalities

The proportion of foreign employees in the French workforce is growing steadily:

	2018	2019	2020	2021	2022
% foreigners	9%	9.9%	10.2%	10.5%	11.8%
Number of nationalities represented (including France)	61	67	66	65	64

“Sage + Cegedim” scope.

## Labor-management relations

In France, there is regular dialog with the employee representative bodies (CSE members, employee representatives, Trade union representatives and Group Committee members). Because of the Group's decentralized structure built around line-of-business subsidiaries, there are many collective agreements. For the two largest entities (65% of the workforce), the following agreements are in force: night work and on-call duty, teleworking, 35-hour week, profit-sharing, company savings plan (PEE). Every year the entities concerned organize the Mandatory Annual Pay Negotiation (NAO) process, which results in an agreement, a partial agreement or a disagreement.

Consideration is being given to possible amendments to existing teleworking agreements, as well as the implementation of the sustainable mobility package (FMD).

### Company-wide agreements


The user support unit has put in place additional specific agreements, including a disability agreement in 2022. In addition, employees who donate blood are entitled to two half-days of paid leave per year. Two additional days of paid leave for sick children are provided for employees who are parents of a disabled child. The “right to disconnect” has been clarified. The following agreements have also been set up: the regional fuel bonus, the meal voucher subsidy, the increase in the Company Works Council's social and cultural activities budget and the start of the 4-day workweek trial.

In Tunisia, a staff consultation commission has been created. This joint labor-negotiations commission is made up of two Company representatives

and two elected staff representatives. A staff representative has been appointed in Romania. In Singapore (31 employees at the end of 2022), there is no employee representation structure (no legal framework).

## Health and safety at work

In France, the Occupational Health and Safety Committees (OHSC) of the various Group entities meet at regular intervals as required by law. They map the professional risks and take preventive measures (information, signage and drills) in close cooperation with the occupational health service. Awareness building workshops on workstation ergonomics are organized regularly. Different psycho-social risk prevention measures were also taken: training of middle management, strengthening procedures for isolated workers. In tertiary businesses, the main known risk remains road accidents (especially for employees riding two-wheeled vehicles) with private or company vehicles (commuting or business travel).

Indicators	2018	2019	2020	2021	2022
Absenteeism rate* 	4.7%	5.2%	5.9%	5.8%	6.1%
Number of accidents at work resulting in lost time (one day or more)	56	62	36	29	55
Corresponding number of lost days	1,353	735	1,009	906	1,162
Lost-time injury frequency rate (number of occupational lost-time accidents per million hours worked)	8.9	9.5	5.3	4.2	7.5
Lost-time injury severity rate (number of days of paid sick leave per thousand hours worked)	0.21	0.11	0.15	0.13	0.16

\* Number of days absent (illness, medical leave, accidents at work and on the way to work, sick leave for children, relocation and family events, maternity and paternity leave, unpaid and administrative absences) in relation to the theoretical number of working days. All of the data in this table is for the "Sage + Cegedim" scope. Absences, spanning two fiscal years, are not included in the calculation of the absenteeism rate.

## Promotion of the practice of physical activities and sports

The group contributes financially to various sporting events: the Parisienne race, various other solidarity races, an annual futsal tournament and, for several years now, a soccer team in the "business league" (a league dedicated to companies, consulting and DSC divisions).

## 2.5. ETHICS AND COMPLIANCE

### Promotion of and compliance with ILO (International Labor Organization) conventions

NEURONES is committed to abiding by the ILO Declaration on Fundamental Principles and Rights at Work. This declaration concerns the national and local labor regulations on the following subjects; minimum age for entering the workforce, the refusal of forced or compulsory labor or abusive disciplinary practices, non-discrimination, freedom of association and the right to collective bargaining, working hours, pay, health and safety.

In Tunisia, Romania and Singapore the weekly workweek is 40 hours. In these three countries, the employees benefit from supplementary health insurance financed by the Group. The youngest employees are 20 years old, as in France.

### Prevention of corruption

Since June 1, 2017, NEURONES has implemented the eight measures provided for by the Sapin II law concerning the fight against corruption and influence peddling. In particular, a code of conduct has been disseminated and integrated in the policies and procedures of the Group entities. A risk map has been drawn up and an e-learning module has been made available.

An internal alert system has been created with a specific email address distributed to all staff. This email address is included in the contracts signed with subcontractors and other suppliers, as well as with certain clients. It is also disseminated each month during presentations to new arrivals. Every year, the Ethics and Compliance Committee presents the Board of Directors with a progress report on the approach and a report on any alerts:

	2018	2019	2020	2021	2022
Corruption alerts*	0	0	0	0	1
Percentage of employees aware of the issue**					60%

\* Proven cases and requests in advance on the attitude to adopt in a given situation.

\*\* Entity supporting users, business and pre-sales scope, % having followed the online training on the company's learning lab.

### Prevention of anti-competitive practices: competitive agreement

Senior executives in businesses with significant market shares with a limited number of competitors are put on notice annually. The activities currently concerned are the following: service desk, restoration of information systems after cyber attacks, development and TMA of information systems for professional training organizations (Opca).

### Fight against tax evasion

For each Research Tax Credit (CIR) application, a specialized firm checks its eligibility beforehand and afterwards all the documentation produced.

Each time a foreign subsidiary is created, NEURONES, assisted by a leading specialized firm, defines and documents the rules used to fix the internal transfer prices.

## 2.6. COMMUNITY POLICY

NEURONES is keenly aware of being part of an ecosystem of stakeholders with whom it is duty-bound to establish balanced, ethical, law-abiding and motivating relations. The Group owes its past and future achievements to: its staff, clients, subcontractors and other suppliers, editors, manufacturers, schools, the French government and local authorities, civil society and shareholders.

### Sub-contractors and suppliers, responsible purchasing

In 2022, purchases of subcontracted services amounted to €177 million, or 26.6% of revenues, a ratio that is steadily increasing.

The Group strives to make responsible purchases. External contributors, integrated into NEURONES teams, are considered in the same way as internal employees. Self-employed contractors enjoy special payment terms: their invoices are paid at 30 days end of month.

In ISO 9001-certified subsidiaries, subcontractors who exceed certain services volume thresholds are assessed formally. These subcontractors are made aware of CSER and part of their score depends on it.

	2018	2019	2020	2021	2022
% of suppliers who have signed the responsible purchasing charter	n/a	n/a	n/a	n/a	63%

Source: Provisis. Scope: "User support" entity, Base: 170 suppliers.

In 2022, the entity specialized in user support signed the "responsible supplier relations and purchasing charter" (National Purchasing Council).



## Relations with educational establishments

Attracting talent is a key issue for the group, which continues to invest in building its reputation and becoming an employer of choice. Within this framework, the development of relationships with a defined group of schools and universities is at the heart of its strategy:

- the Group uses the apprenticeship tax to finance target schools,
- it runs various initiatives to support students and recent graduates (seminars, forums, job interview practice sessions, resume workshops, sponsorship, etc.),
- it spots and hires interns, apprentices and recent graduates.

In France, the Group primarily channels its apprenticeship tax to the following schools: Centrale Lille, Ece, Efrei, Em Strasbourg, Ensiee, Epita, Esg Management School, Esiea, Esiee, Esigatel, Esilv, Ingsep, InTechInfo, Isep, Itic, Mines d'Alès, Mines de Paris, Supinfo, Telecom Paritech and Utc Compiègne.

### "Great Place to Work", "Happy at Work", "Best high tech employer"

In 2022, two subsidiaries were awarded the "Great Place to Work" label, and another the "Happy at Work" label.

One company in the group has been awarded the "Great Place to Work" label seven times ("a great place to work is a place where you trust your leaders, you are proud of your work and you value your colleagues." - Robert Levering, co-founder of "Great Place to Work"). It was also included in the "Best Workplaces for Women" list.

## Volunteering with civil society

Initiatives of those who wish to get involved in their local environment or with associations (Handigolf, co-financing a skipper for the "Route du rhum" etc.) and give of their time and creativity are encouraged.

Indicator (in thousands of euros)	2018	2019	2020	2021	2022
Budget devoted to partnerships and sponsorships	158	270	233	348	331

Skills sponsorships, a scheme that was established by the French Aillagon law in 2003, allows a business to delegate staff members to work for public-interest non-profit associations during their working hours on an occasional basis, either free of charge or at a discounted rate.

In this mode, the Consulting division supports two associations:

- the first one assists social entrepreneurs' scope and implement their projects (consultants coach entrepreneurs),
- the second one supports young people from disadvantaged neighborhoods in their search for their first job (mentoring by experienced managers).

### "Non-profit" consulting firm

Drawing on the success of the skills sponsorship, the Group Management Consulting firm helped create a non-profit structure devoted to supporting associations, along with three fellow companies. Since then, each year, several consultants are made available to this "non-profit" firm, on a full-time basis and for about six months.

## "Société à mission" (purpose-driven Company), B Corp certification

Since 2021, the Group's consulting firm has been a "société à mission" (purpose-driven company), a possibility opened up by the Pact law. In its by-laws, it has declared its purpose through several social and environmental

objectives. It established a purpose committee composed of internal and external members. In 2022, the first mission report was completed.

It has also obtained the "B Corp" certification (Benefit Corporation - 200 companies certified in France by the end of 2022), which is awarded to companies that reconcile profit and collective interest.

## Personal data security

The Group works on client applications that manage personal data (bank or health related data, email in-boxes, etc.) In most cases, it undertakes contractually to ensure the confidentiality and integrity of this data. Pursuant to the legislation in force, the internal procedures define the security rules and set out the rare cases where a Group employee is entitled to access personal data.

Since May 2018, the (European) General Data Protection Regulation (GDPR) has been applied. It also concerns customer (CRM) and employee data.

## EcoVadis, Gaïa

NEURONES participates annually in the EcoVadis CSER surveys, which helps purchasing departments to evaluate the "sustainable development" performance of their suppliers.

Gaïa evaluates listed groups on ESG criteria (Environment, Social and Governance) for financial managers and analysts. NEURONES answers its questionnaire annually.

# 2.7. ENVIRONMENTAL POLICY

As part of its social and environmental responsibility approach, NEURONES has thought about its impact on the environment and the best ways to reduce it. In this area, it is a matter of measuring and then acting.

## Carbon footprint

Since 2019, the group has published its carbon footprint on the ADEME (French Environment and Energy Management Agency) website, which shows the following proportions for each type of emission:

Category*	Emission types	2019	2020	2021	2022
1	Group-owned gasoline vehicles	8%	10%	10%	9%
2	Electricity for premises excluding data centers	9%	19%	15%	14%
2	Electricity in data centers	12%	23%	21%	16%
3	Commuting to and from work (car, public transport)	57%	25%	35%	39%
3	Business travel (mileage allowance, plane, train, cab)	5%	6%	4%	9%
3	Travel of candidates, visitors and clients	n.s.	n.s.	n.s.	n.s.
4	Waste	n.s.	n.s.	n.s.	n.s.
6	Internal IT (including paper)	4%	7%	6%	5%
6	Internet, Cloud services, SaaS	5%	10%	9%	8%
6	Outgoing mail	n.s.	n.s.	n.s.	n.s.
TOTAL		100%	100%	100%	100%
Total metric tons CO <sub>2</sub> equivalent		6,495	3,712	4,516	5,332
metric tons CO <sub>2</sub> equivalent per employee		1.20	0.68	0.77	0.88

\* ADEME classification by categories of greenhouse gas emissions: 1. direct emissions, 2. indirect energy, 3. indirect transport, 4. indirect products purchased, 5. indirect products sold, 6. other indirect emissions.

In 2020 and 2021, some emissions have decreased due to lockdown periods and the widespread teleworking that was imposed. The 2022 financial year marks a certain “return to normal” but cannot be compared to 2019 because of the widespread adoption of teleworking which has since become commonplace.

Even if the action plans are primarily aimed at limiting gross emissions, it would be necessary to plant approximately 32 trees per employee per year to “offset” emissions (source Ecotree: 20 trees to be planted per metric ton of CO<sub>2</sub> equivalent). Under two client contracts, CDC Biodiversité was paid a significant amount for the “Nature 2050” program. This contribution allows for the maintenance of 0.8 hectares of nature reserves until 2050. The carbon footprint will be progressively refined, with the aim of calculating carbon footprints per contract.

### Reducing the cost of travel (business, home-work commuting)

Travel (business, home-work commuting) is the largest source of CO<sub>2</sub> emissions for the Group, accounting for 57% of the total carbon footprint.

Consequently, NEURONES has:

- started systematically using “place of residence” data in its team assignment systems for each project. This means that, as far as possible, it recruits in labor market areas close to its service centers to limit daily commutes,
- since 2007, it has favored Eco2 company cars, which emit less than 120g of CO<sub>2</sub> per kilometer,
- set up a carpooling system (Angers and Lille service centers),
- encouraged and facilitated the various videoconferencing systems.

(in tons CO <sub>2</sub> e).	2018	2019	2020	2021	2022
Emissions for commuter journeys by car or motorbike	3,471	3,163	922	1,580	2,049
Home-work commuting by public transport	-	-	-	28	36
Emissions from NEURONES' vehicle fleet	470	516	376	448	470
Emissions for work travel by car and motorcycle reimbursed on expense accounts	220	206	117	94	160
Business travel by air	-	-	-	88	287
Business travel by train	-	-	-	2	6
Business travel by taxi	-	-	-	2	3

Scope: France. The proportion of employees using public transportation was assessed in January 2020 (survey below). Emissions from metro, air, train and cab were estimated for the first time in 2021.

The breakdown of employees' place of residence in the Paris region (58% of total employees) is as follows:

Ile-de-France département	92	75, 78	77, 91, 93, 94, 95
% place of residence by département	20%	15%	10% on average

It has been found that it is more efficient to locate business premises close to employees' homes and public transport than to make buildings more energy efficient, even if these two approaches are not mutually exclusive.

### Carpooling project and cyclist bonuses

For several years, the Angers site has encouraged carpooling. Parking spaces in the vicinity of the offices are reserved for employees who undertake to use this mode of transport. This scheme currently involves about ten pairs. Furthermore, a bonus was paid to some 40 employees who commute to work by bicycle. This bonus will be integrated into the future more comprehensive sustainable mobility bonus.

To assess the consumption corresponding to the home-workplace commute, the most recent internal survey (January 2020, France, 1,350 respondents, i.e. 30% of the French workforce) on the modes of transport used provided the following information:

Mode of transport commute to and from work	Greater Paris region	Other French regions	Total France work
Public transit	63.8%	29.7%	55.8%
Car	25.9%	53.8%	32.4%
Motorbike	6%	3.1%	5.3%
Walking	2%	7.7%	3.3%
Cycling	2.1%	5.7%	3%
Carpooling	0.1%	0%	0.1%
Teleworking (0 km)	0.1%	0%	0.1%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Scope: France.

For journeys by car or motorbike, the survey found that an employee travels an average of 27 km (one way) and that the average consumption by personal cars and motorbikes is 6.5 liters/100km (declared).

The same survey was conducted in July 2015. In four and a half years, the use of cars and motorcycles has decreased by about 10%.

The consumption of the 257 vehicles in NEURONES' fleet was calculated based on an average consumption per fleet vehicle of 6 liters/100 km and 12,000 km traveled in 2022. For business travel, 1,800 km are reimbursed on average per year and per employee concerned. Consumption for visitor travel and public transit was not estimated.

### Videoconferencing and remote job-applicant interviews

In 2022, almost all job-applicant interviews were conducted remotely (Teams, etc.) This practice has become the norm. We also use videoconferencing (Polycom, Webex and Chromebox for meetings, etc.) to improve the quality of remote meetings and avoid travel.

### Adoption of a lower CO<sub>2</sub> emitting diet

For the sake of consistency with published carbon footprints, lunch (in 2022, 2,980 tons CO<sub>2</sub>e) has been considered as outside the scope of the Group's activities. Raising employees' awareness to adopt a diet that emits less CO<sub>2</sub>, for example less meat, is done indirectly by the companies that manage the inter-company restaurants frequented by the employees.

## Energy efficiency of buildings

Low-energy systems have been installed, such as LED lighting, individually-adjustable energy-efficient air conditioning, and presence detectors.

Indicators	2018	2019	2020	2021	2022
Electricity consumption per m <sup>2</sup> and per year (apart from data centers) ( <i>en kWh/m<sup>2</sup></i> )*	130	130	130	130	130
Surface used ( <i>in m<sup>2</sup></i> )	33,200	34,900	36,050	36,100	37,800
CO <sub>2</sub> emissions ( <i>tons CO<sub>2</sub>e</i> )	557	585	708	666	767

\* Since 2018, the electricity consumption per m<sup>2</sup> is estimated flatly at 130 kWh/m<sup>2</sup> (based on the latest measurement from 2017).  
Use of the ADEME emission factors. In France, a MWh corresponds to 82 kg of CO<sub>2</sub>. In Tunisia, at 463 kg of CO<sub>2</sub>. In Romania, at 413 kg of CO<sub>2</sub>. In Singapore, at 499 kg of CO<sub>2</sub>. In Germany, at 461 kg of CO<sub>2</sub>.

The consumption of teams on client premises is considered as being managed by the clients.

## Electricity consumption of data centers

The group has placed the servers it manages on behalf of its clients and for its own account with “dry hosting” specialists. Thus, almost all of the managed servers are located at six “Tier 3+” hosting partners and in eleven separate data centers. The useful life of servers and equipment has been extended from 3 to 5 years.

CSER criteria were integrated and led to the choice of different hosting subcontractors (mostly ISO 14001 and 50001) offering efficient PUE (Power Usage Effectiveness – see glossary) ratios in the range of 1.4 to 1.5 in target (at full load, with average weather during the year). NEURONES strives to give priority to the latest generation data centers, which normally offer better PUEs, and seeks to regularly increase the load factors of its cabinets. The main hardware suppliers (IBM and Cisco) are also ISO 14001.

Indicators	2018	2019	2020	2021	2022
Number of cabinets “switched on” (entire Group)	210	186	189	201	212
Real average power per cabinet ( <i>in kW</i> )	2.69	2.78	3.11	3.18	2.73
Average PUE	1.65	1.67	1.64	1.62	1.66
Total consumption (after PUE) ( <i>in MWh</i> )	8,172	7,552	8,576	9,495	8,478
CO <sub>2</sub> emissions ( <i>in tons CO<sub>2</sub>e</i> )	830	779	864	956	862

Use of the ADEME emission factors.  
In France, a MWh corresponds to 82 kg of CO<sub>2</sub>. In Tunisia, at 463 kg of CO<sub>2</sub>. The data centers managed in Ivory Coast on the client site are not counted.

The Group asked its various hosts for assessments of their PUE on a center-by-center basis. The latter did reply in writing, but in a rather approximate manner. The estimated consumption of the data centers is therefore presented for information purposes. The proportions of “energy from renewable sources” announced by the hosts, all very high, do not correspond to a sufficiently clear and common definition to be published.

## Responsible digital technology, digital sobriety, ecodesign, equipment sustainability

For as long as the digital industry has existed, it has been driven primarily by the inflation of processing power and data storage capabilities. Nevertheless, the first attempts at greater digital sobriety are taking place on the market, particularly with regard to the “ecodesign of applications”.

For example, for institutional websites, measurements of the environmental performance of the pages (EcolIndex) and of the respect of the general referential of improvement of accessibility (RGAA version 4) have been carried out. Initial energy efficiency measurements of applications have also been conducted.

The group is striving to increase the time of use of its computer equipment (sometimes up to 7 years) and cell phones. A longer equipment life cycle does not change consumption but it does allow for a better reduction of the carbon footprint associated with its manufacture.

One entity signed the “Planet TechCare” manifesto in 2022 (Numeum).

## Recycling: paper, computer workstations, ink cartridges

The recycling of consumables (printer toners, electric batteries, etc.) has been in place for several years. Consistent with the current rules (concerning Electric and Electronic Equipment Waste), at the end of its life computer hardware is sold to accredited brokers or given to associations (like “la Gerbe”).

More than 90% of customer and supplier invoices are paperless.

Furthermore, printers and copiers are set up to print two-sided in black and white. Growing use is made of digitized archiving, especially by sales administration and accounting teams, rather than hard-copy files. The use of networked scanners, which is becoming widespread, contributes to the drop in the number of photocopies. All of these actions, along with the shift to new uses and teleworking, have contributed to a strong and steady reduction in printing volumes:

Indicators	2018	2019	2020	2021	2022
Amount of paper consumed per m <sup>2</sup> per year ( <i>in g/m<sup>2</sup></i> )	311	239	159	177	145
Emissions ( <i>tons CO<sub>2</sub>e</i> )	9.5	7.5	5.2	5.9	5

## Waste sorting

The selective sorting of office waste (Lemon Tri, Elise network, etc.), the use of mugs and paper cups are becoming widespread.

# 2.8. GREEN TAXONOMY

The Taxonomy regulation (EU regulation 2020/852) is one of the measures of the European Union's action plan (included in its “Green Deal”, a set of initiatives aimed at achieving carbon neutrality by 2050). Green Taxonomy, specified by delegated acts published in the Official Journal of the European Union in December 2021, establishes a standardized classification system of economic activities and distinguishes those that can be considered environmentally “sustainable”.

Those that are considered “eligible” must contribute substantially to one of the following two environmental objectives:

- climate change mitigation,
- climate change adaptation.

There are four other objectives (sustainable use and protection of aquatic and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems) that have not been considered by the group in 2022.

An activity is considered “sustainable” or “aligned” to the taxonomy if it:

- Is part of the list of activities defined in the delegated acts: Annex 1 (mitigation) or Annex 2 (adaptation),
- contributes to one of the six environmental objectives,

- is consistent with the criteria of substantial contribution to climate change mitigation or adaptation,
- does not cause significant harm (DSNH “Does Not Significantly Harm”) to any of the other environmental objectives,
- is carried out in compliance with fundamental rights (“minimum guarantees”): human rights (including labor rights), business ethics and anti-corruption, protection against unfair competition, and tax compliance.

The proportion of “eligible” and then “aligned” activities is analyzed along three axes:

- revenues,
- investments (Capex),
- operating expenses (Opex).

In 2021, NEURONES published these indicators for “eligible” activities. In 2022, the publication concerned “eligible” and “aligned” activities. In this second year of publication, the group is not in a position to ensure that it has a complete understanding of the classification of the Taxonomy regulation and the alignment criteria, nor that the classification it has adopted is in harmony with that of its colleagues.

## Turnover indicator

### Activity “8.1. Data processing, hosting and related activities”

For its private cloud infrastructure services (IaaS), the group sub-contracts hosting to external third parties. These activities would be “eligible” if the group had complete control over the specifications for the equipment and rooms. In this case, this is indeed the case for the IT equipment. However, it is the hosting company that is in charge of air conditioning, electrical backup, fire safety and access control. In both 2021 and 2022, these activities have therefore been considered as “non-eligible”.

In addition, the three main hosting companies use conventional refrigerants with a global warming potential (GWP) greater than 675. Therefore, not meeting the substantial contribution criterion, these activities would not be “aligned” in all cases.

### Activity “8.2. Data-driven Solutions for GHG Emission Reductions”

The following activities have been selected as eligible:

- BPM and dematerialization projects for incoming and outgoing documents,
- consulting missions in energy, water and waste treatment related to the low-carbon transition,

To evaluate its aligned activities, the group has selected the missions carried out for the vertical markets of energy, transport and the public sector. The main objective of this custom work and development is to obtain data and analysis to reduce GHG emissions. A mission-by-mission assessment has been launched. It has not been completed at the time of writing, in particular because it is difficult to obtain communication from clients of the reductions in GHG emissions actually achieved as a result of the projects carried out by the group.

As described in this report, the minimum guarantees are respected (human rights, including labor rights, business ethics and the fight against corruption, protection against unfair competition, compliance with tax laws), see paragraph 2.5.

Therefore, for 2022 and pending reliable reporting, the Group has retained as aligned activity only one mission (revenue: €0.6m) to support the electrification project of the vehicle fleet of a major energy network operator. A total of 3,450 tons of CO<sub>2</sub> equivalent per year were reduced as a result of this vehicle electrification project.

## Capex indicator

Total capital expenditure for NEURONES in 2022 (€19.7m) is calculated on the basis of increases in assets. They include tangible and intangible assets (software licenses) and new rights of use for the year (€8.5m).

### Activity “6.5. Motorcycle, passenger car and light commercial vehicle transport”

During the year, three new electric company vehicles were acquired (under leases with a purchase option), meeting the substantial contribution criterion since they emit less than 50 g CO<sub>2</sub>/km.

The leasing partner has provided the necessary DSNH guarantees:

- transition to a circular economy: recycling of batteries and electronics at the end of their life cycle,
- pollution prevention: emissions below the thresholds, rolling noise of compliant tires.

Described in this report, the minimum guarantees are respected, see paragraph 2.5.

### Activity “7.7. Acquisition and ownership of buildings” (rights of use for leases)

Requests for energy performance certificates (EPCs) have been made to the various lessors for new leases during the year. The returns are still incomplete. To date, the Group has not received any EPCs with at least an A rating. Nor has it been demonstrated that any of the leased premises are among the top 15% of the regional or national building stock in terms of energy consumption.

As a result, for fiscal year 2022 and pending reliable information, the share of Capex aligned is 0%.

## Opex indicator

The regulation requires reporting eligible and aligned operating expenses to the following operating expenses: research and development costs, building renovation costs, asset maintenance and repair costs.

For DSCs, the main expenses are, by far, salaries and subcontracting. The scope of expenses to be analyzed under the regulation represents only €7 million in 2022, or approximately 1.2% of the Group's total OPEX.

The decision was therefore taken, as for the 2021 reporting, to take advantage of the materiality exemption provided for in the European regulation for operating expenses. The numerator representing eligible Opex activities is therefore equal to zero, compared to a denominator of €7 million.

The revenue and capex indicators are shown in the two tables below, in the format required by the Taxonomy regulation.



# REVENUES INDICATOR

Substantial contribution criteria		DNSH ("Does Not Significantly Harm") criteria										Minimum guarantees	Share of revenue aligned with taxonomy, year 2022	"Enabling activity" category	"Transitional activity" category		
		Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Circular economy					Pollution	Biodiversity and ecosystems
Economic activities																	
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																	
A.1. Environmentally sustainable activities (aligned with taxonomy)																	
Data-driven Solutions for GHG emission reductions	8.2.	0.6	0.1%	100%											yes	0.1%	
Revenues from environmentally sustainable activities (aligned with taxonomy) (A.1)		0	0.1%														0.1%
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																	
Data processing, hosting and related activities	8.1.	0	0%														
Data-driven Solutions for GHG emission reductions	8.2.	20.7	3.1%														
Revenues from taxonomy-eligible but environmentally unsustainable activities (not aligned with the taxonomy) (A.2)		21.3	3.1%														3.1%
TOTAL (A.1 + A.2)		21.3	3.2%														3.2%
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																	
Revenues from activities not eligible for taxonomy (B)		644.1	96.8%														
TOTAL (A + B)		665.4	100%														

## CAPEX INDICATOR

Substantial contribution criteria										DNSH ("Does Not Significantly Harm") criteria										Share of Capex aligned with taxonomy, year 2022	Minimum guarantees	"Enabling activity" category	"Transitional activity" category
Share of Capex	Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Aquatic and marine resources	Circular economy	Pollution	Biodiversity and ecosystems											
Economic activities																							
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																							
A.1. Environmentally sustainable activities (aligned with taxonomy)																							
Motorcycle, passenger car and light commercial vehicle transport"	6.5	0.1	0.6%	100%													0.6%						
Acquisition and ownership of buildings	7.7	0	0%														0%						
Capex from environmentally sustainable activities (aligned with taxonomy) (A.1)		0.1	0.6%														0.6%						
A.2. Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																							
Motorcycle, passenger car and light commercial vehicle transport	6.5	0.3	1.5%																				
Acquisition and ownership of buildings	7.7	8.2	41.6%																				
Capex of activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy) (A.2)		8.5	43.1%														43.1%						
TOTAL (A.1 + A.2)		8.6	43.7%														43.7%						
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																							
Capex of activities not eligible for the taxonomy (B)		11.1	56.3%																				
TOTAL (A + B)		19.7	100%																				

## 2.9. METHODS USED

### Reporting scopes

Three scopes have been defined for producing detailed indicators:

- the “Sage + Cegedim” scope concerning the subsidiaries in France (all but three) managed in Sage and Cegedim HR software, i.e. 79% of the workforce,
- the “France” perimeter covering 85% of the workforce,
- the entire Group scope (“Group”).

Indicators were produced for the following scopes:

- “Sage + Cegedim” perimeter: rate of permanent contracts, average age, distribution by age range, percentage of seniors, foreigners, number of nationalities, distribution by gender, proportion of full-time jobs, absenteeism rate, frequency and severity of work-related accidents, proportion of employees using public transportation,
- “France” scope: number of apprenticeship contracts, professionalization contracts, internships, proportion of disabled employees, purchases from organizations set up to work specifically with disabled staff, number of school job fairs, sponsorship and fuel consumption,
- “Group” scope: staff, arriving/departing employees, turnover, payroll, average salary, subcontracting purchases, training hours and days, sponsorship and partnership budgets, energy consumption in offices and data centers and weight of paper consumed per m2 of office space.

Departures broken down by reason for departure (resignations, dismissals, etc.) are available in detail in the “Sage + Cegedim” scope. An extrapolation to the entire Group was made from this breakdown.

For training days, data could be collected for 96% of the workforce.

Since 2020, the definition of absenteeism has been modified by adding certain absence headings to the numerator (medical leave, maternity, paternity, commuting accidents, relocation, unpaid absences, administrative absences). Historical rates have been corrected to be comparable.

The energy consumption in the data centers was obtained from the available data:

- either the average power in kW per cabinet (before PUE),
- or the kWh consumed by all the cabinets (before PUE).

The regional, economic and social impact of the business and the recycling of Waste Electrical and Electronic Equipment (WEEE) were analyzed for the France scope.

### Sources and tools used

The “Sage + Cegedim” scope indicators are derived from these two HR information systems. The “France” and “Group” scope indicators come from an annual consolidation of each subsidiary's non-integrated accounting and CSER data.

### Consolidation and control methods

A common reference guide (methodological guide with an explanatory sheet per indicator) was sent to the CSER reporting manager for each subsidiary. The Group finance department compiles the results.

## 2.10. AUDITOR'S OPINION

*Report by one of the statutory auditors, designated as an independent third party, on the Consolidated Extra-Financial Performance Statement.*

Year ended December 31, 2022

To the shareholders,

In our capacity as statutory auditors of your company (hereinafter referred to as "entity"), designated as an independent third-party body, accredited by the COFRAC Inspection under number 3-1141 (scope of accreditation available on the website [www.cofrac.fr](http://www.cofrac.fr)) and in the process of validating the management system put in place in the context of the evolution of accreditation procedures decided by COFRAC (change from ISO 17020 to ISO 17029), we have performed procedures designed to provide a reasoned opinion expressing a moderate level of assurance on the historical information of the consolidated extra-financial performance statement, prepared in accordance with the procedures of the entity (hereinafter referred to as the "Reporting Criteria") relating to the financial year ended December 31, 2022 (hereinafter referred to as the "Information" and the "Statement" respectively, and which is presented in the Group's management report in application of the provisions of Articles L. 225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code.

### 1. Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" section, and on the information we obtained, nothing has come to our attention that causes us to believe that the consolidated statement of non-financial performance is not in compliance with the applicable regulations and that the information, taken as a whole, is presented fairly in accordance with the Standards.

### 2. Comments

Without calling into question the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comment: the lack of objectives concerning the main risks doesn't make it easy to understand the Group's non-financial performance.

### 3. Preparation of the extra-financial performance statement

The lack of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Therefore, the Information should be read and understood with reference to the Reporting Criteria, the significant elements of which are presented in the Statement.

### 4. Limitations inherent in the preparation of information

The Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and in the quality of external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates used in its preparation and presented in the Statement.

### 5. Company's responsibility

It is the responsibility of the Board of Directors to:

- select or establish appropriate criteria for the preparation of information;
- prepare a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- implement the internal control procedures it deems necessary to ensure that the information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by applying the Entity's Baseline as mentioned above.

### 6. Responsibility of the auditor appointed as an independent third party

On the basis of our work, it is our responsibility to express a conclusion of limited assurance on:

- the compliance of the Statement with the provisions of Article R. 225-105 of the French Commercial Code;
- the fairness of the historical information provided pursuant to 3° of I and II of article R. 225-105 of the French Commercial Code, namely the results of policies, including key performance indicators, and actions, relating to the main risks.

As it is our responsibility to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information, as this could compromise our independence.

It is not our place to comment on:

- the entity's compliance with other applicable legal and regulatory provisions (in particular with regard to the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the due diligence plan and the fight against corruption and tax evasion);
- the truthfulness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- compliance of products and services with applicable regulations.

### 7. Regulatory provisions and applicable professional doctrine

We conducted our work described below in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, the professional standards of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this intervention, and the procedures specific to BM&A.

### 8. Independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code, the Code of Ethics of the profession of statutory auditor and the provisions of ISO 17029. In addition, we have implemented a quality control system that includes documented policies and procedures designed to ensure compliance with applicable laws and regulations, the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this activity, and the ISO 17029 standard.



## 9. Means and resources

Our work required the skills of three people and took place between February 2023 and April 2023 over a total intervention period of two weeks.

We conducted three interviews with those responsible for preparing the Statement.

## 10. Nature and scope of our work

We planned and performed our work taking into account the risks of material misstatement of the Information.

In our opinion, the procedures we conducted in the exercise of our professional judgment enable us to provide a moderate level of assurance conclusion:

- we have reviewed the activities of all the companies included in the scope of consolidation and the description of the main risks;
- we assessed the appropriateness of the Reporting Criteria with respect to their relevance, completeness, reliability, neutrality and comprehensibility, taking into account, where appropriate, industry best practices;
- we have verified that the Statement covers each category of information required by Article L. 225-102-1 in terms of social and environmental issues, respect for human rights and the fight against corruption and tax evasion;
- we have verified that the Statement presents the information required by II of Article R. 225-105 where relevant to the principal risks and includes, where appropriate, an explanation of the reasons for the absence of certain information required by the second paragraph of III of Article L. 225-102-1;
- we verified that the Statement presents the business model and a description of the main risks related to the activity of all the entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by its business relationships, products or services

as well as the policies, actions and results, including key performance indicators relating to the main risks;

- we consulted documentary sources and conducted interviews to:
  - assess the process for selecting and validating the main risks and the consistency of the results, including the key performance indicators selected, with regard to the main risks and policies presented, and;
  - corroborate the qualitative information (actions and results) that we considered most important<sup>(1)</sup>. Our work was carried out at the level of the consolidating entity;
- we have verified that the Statement covers the consolidated perimeter, i.e. all the entities included in the scope of consolidation in accordance with Article L. 233-16 with the limits specified in the Statement;
- we reviewed the internal control and risk management procedures implemented by the entity and assessed the process for collecting information to ensure that it is complete and accurate;
- for the key performance indicators and other quantitative results that we considered most important<sup>(2)</sup>, we implemented:
  - analytical procedures involving verifying that the collected data was consolidated correctly and that the trends were consistent;
  - detailed testing on the basis of surveys or other means of selection, consisting of verifying the correct application of definitions and procedures and reconciling the data with supporting documents. This work was carried out with a selection of contributing entities<sup>(3)</sup> and covers between 47% and 100% of the consolidated key performance indicators and between 37% and 46% of the other consolidated data selected for these tests;
- we assessed the overall consistency of the Statement with our knowledge of all the entities included in the scope of consolidation.

The procedures performed for a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the Compagnie nationale des commissaires aux comptes; a higher level of assurance would have required more extensive audit work.

One of the auditors

Done in Paris, April 20, 2023

BM&A

Marie-Cécile Moinier

Members of the Compagnie régionale de Paris (Institute of Statutory Auditors)

(1) Qualitative information: Diversity and inclusion (Diversity Charter, Manifesto for retraining women in digital professions); Promotion of physical activity and sports (Participation in the Parisienne race); Relations with schools (Happy at Work and Great Place to Work labels); Voluntary actions with civil society (support for the NQT and makesense associations), Columbus Consulting 2022 mission committee report; Responsible digital technology (Planet Tech'Care Manifesto)

(2) Key performance indicators: active recruitment policy (number of new employees), turnover rate, expense related to bonus share plans, absenteeism rate. For other quantitative results: headcount, average age, diversity and inclusion (number of nationalities represented, percentage of foreigners in the workforce, percentage of women in the workforce).

(3) Helpline, Experteam, Intrinsec, Codilog, Columbus, Deodis, Mobiapps, Visian, Scalesquad, Upgrade, Neurones IT and NEURONES SA.

## 3 Risks

### 3.1. MAIN RISKS, CONTROL AND MANAGEMENT MEASURES

Taking calculated risks is a voluntary and necessary action that characterizes companies. In order to grow with reasonable assurance of operational, legal, financial and accounting security, NEURONES has implemented risk management based on procedures, methods and tools.

Consequently, a formalized statement of risks that could have a material adverse effect on the business, financial position or results of operations has been drawn up. The Board of Directors reviews this mapping annually.

It does not cover geopolitical, social or health events or, more generally, those affecting the entire economy of the countries in which the Group operates.

For each threat, a probability of occurrence and a potential impact are assessed. As part of its risk management approach, the Company regularly reassesses all of the risks it is exposed to, their raw criticality and takes measures to reduce the probability of their occurrence and their consequences, by implementing internal control, as well as specific action plans.

The risk factors, presented below, are those estimated by NEURONES as being the most important in net criticality:

Family of risks	Risk	Probability	Impact	Criticality
Related to the business	<b>Recruiting and retaining staff</b>	4	3	12
	<b>Departure of key personnel</b>	3	4	12
	<b>Non-compliance with a contractual commitment</b>	4	3	12
	<b>Human error in the performance of a service</b>	2	4	8
	Outstanding trade receivables	2	2	4
	Acquisitions	1	4	4
Financials (IFRS7)	Credit	1	4	4
	Liquidity	0	4	0
	Market (interest rate, foreign exchange, equity market investments)	1	1	1
	Capital management	0	4	0
Digital	<b>Cyberattacks with unavailability of the Production Information System and/or loss of data</b>	4	3	12
	Bank transfer fraud	4	1	4
Environmental and societal	Ethics: corruption, influence peddling	2	3	6
	Anti-competitive practices: price fixing	1	4	4
Fiscal and regulatory	Interpretation of laws and regulations	1	2	2

Probability of occurrence: 4 = significant, 3 = occasional, 2 = low, 1 = very low

Impact: 4 = severe, 3 = significant, 2 = mild, 1 = negligible

Criticality = Probability x Impact. The higher the number, the more critical it is.

The main risks identified are shown in bold in the table above.

#### Business risks

##### Risks associated with recruiting and retaining staff

The Group cannot guarantee that it will be able to recruit and retain the consultants, engineers and technicians it needs to achieve its objectives, especially when a critical shortage of executives occurs. Despite turnover, which generally remains high in the Paris region, NEURONES' capacity to grow its teams (without relaxing recruitment criteria) has been sufficient up to now, including in periods of a tight job market.

Numerous actions to increase retention and attractiveness are carried out (and detailed in Chapter 2 above). As in most consulting firms and DSCs, the Human Resources and Sales Departments have significant resources, both for recruitment and for employee retention.

##### Risks related to the departure of key personnel

Key people include the members of the subsidiaries' management committees, but also the best commercial talents, technical leaders and experienced contract managers.

Decentralized management, profit-sharing and participation in bonus share programs are part of the measures put in place to mitigate the risk of departure of the most important executives.

##### Risks related to the failure to honor a contractual commitment (lump-sum projects or recurring services with performance commitments)

Apart from Consulting, which is considered to be a 100% project activity, non-recurring fixed-price packages in Digital Services represent approximately 10% of revenues.

For infrastructure fixed-price projects, the risks of off-target performance are limited. They may result from the mismatch between different hardware and software to be integrated. In practice, these may not be able to be installed to fulfil their function. In these rare cases, NEURONES complains to the manufacturer or vendor, assisted by its insurer if legal action has to be taken.

For application development fixed-price projects, the number of days actually worked is seldom equal to the number of days initially calculated. There is a real risk of off-target performance, which can become quite significant. For this reason, a maximum commitment is set for each lot. When a project is very big, a subdivision is organized.

Stringent technical and legal checks are made during the pre-sale phase (and must be approved by an authorized person). The list of work in progress is reviewed at the end of each month in the entities concerned with, for each project, a re-estimate of its advance/lag. Any sudden change in the estimated "still to do" triggers a review of the contract in question. Overall, experience shows that the risk of slippage on application packages remains limited for the size of turnkey operations (maximum of €1 million) handled by the Group.

Today, recurrent fixed-price services (infrastructure outsourcing and third party application management), with penalties in case service levels are not achieved, have become the riskiest projects. During the pre-sales phase, the service provider has to anticipate productivity levels for each activity, based on its charts, without having all of the necessary background information in the specifications (apart from the usual information about the size of the installed base and the volumes, which are often incomplete). In general, NEURONES and its fellow companies offer fixed prices (per workstation or server), independently of the number of technical actions to be carried out. They often also commit to contractual productivity gains during the term of the contract. In order to meet its service commitments, an incoming service provider may be forced to assign more teams than had been planned during the handover phase, or even worse, continue to run at a deficit at the beginning of the current operations phase. The situation is then analyzed and discussed with the client through committees provided for in the contract. A jointly agreed action plan is put in place. In some extreme cases, a project's gross profitability may nevertheless remain permanently insufficient or even negative.

A provision for losses on completion is recorded for the projects or outsourced services concerned and still in progress at the date of the financial statements.

For fixed price projects, liability insurance can be activated. For recurring service contracts, the risk is controlled through precautions (prior to signing the contract) and subsequent negotiation (during the recurring phase) because there is no possibility to resort to insurers. A director of the leading entity monitors the pre-sales phase and attends the strategic committees (half-yearly or annual) in order to build a close relationship with the client. The most experienced service delivery managers are assigned to the projects that require the most negotiations ("contract management").

#### **Risks related to human error in the performance of the service (infrastructure services)**

Some employees or subcontractors, under the responsibility of a Group entity, may make a mistake, either by failing to comply with safety instructions (e.g.: not to email important data outside the Client company) or by making a handling error (deleting all files instead of one, failing to react in accordance with instructions from an operations supervisor at night or on weekends, accidentally disconnecting a cable in the data center, etc.). These erroneous actions are likely to create significant indirect damage (unavailability, loss of data).

On two occasions in the last ten years, a customer has penalized a group company for non-compliance with safety instructions. The sanction was a six-month freeze on new orders. Each time, the loss of revenue for NEURONES was estimated at €0.3 million in gross margin.

Over the same period, and this time concerning handling errors, five cases were investigated. On each occasion, the analyses showed that there had been a chain of several errors or failure of the planned safety devices (activation of a "hot" backup, automatic shutdown of network traffic in the event of saturation, etc.) to function. Often the person who made the mistake was alone and was confronted with an unusual incident. He tried to sort it out on his own, failing to warn the team leader when he was on

call. Awareness-raising activities are also carried out regularly. To date, the Group's civil liability policy has never been implemented for this type of risk.

For recurring contracts, the Group's chief legal officer, or the legal officer of the entity concerned, reviews the limitations of liability clauses. However, given the decentralized organization of the Group, it cannot be ruled out that, despite regular reminders, an entity may fail to perform such validation.

#### **Client risks**

In 2022, the largest client represented 9.6% of revenues. This total volume of business corresponds to multiple deals concluded between different autonomous decision centers and several NEURONES business entities.

In France, with a client base consisting of large companies or midcaps presenting a lower than average risk, the Group self-insures its receivables. Only the training entity, which works with a large number of clients of various sizes, has subscribed to a databank on company solvency.

French entities have carried out one-off orders with clients located abroad (Morocco, Algeria, West Africa, etc.). In one or two cases, the procedure providing for either advance payment or at least export credit insurance was not complied with. To date, there have been no losses.

#### **Risks associated with external growth operations**

In its future external growth operations, as in the past, the Group will select medium-sized enterprises with a culture similar to its own. Most of the time, this will allow these fellow companies to maintain their autonomy and their managers to remain in charge, while implementing synergies with the other companies of the Group. Particular care will be taken to ensure that owners, executives and key managers who join NEURONES or one of its subsidiaries find a capitalist motivation building on their prior asset situation.

#### **Financial risks**

Financial risk management (IFRS 7) is described in the appendix to the consolidated financial statements. ("Management of financial risk"). It covers credit risk, liquidity risk, market risk (interest rate, currency, equity and bond markets) and capital management.

From time to time, a maximum of 10% of cash has been invested in the equity markets.

#### **Digital risks**

##### **Cyberattacks with unavailability of the information system and/or data loss**

Over the past five years, the group has suffered several cyberattacks. Most of them have proved unsuccessful. Two low-impact attempts were successful, despite the usual protection measures (notably the real-time update of new signatures distributed by antivirus publishers). One involved the encryption of one workstation and the other a few central files. Their consequences have been negligible thanks to a well-enforced policy of limiting rights. However, they required approximately 10 man-days each for lockdown, clean-up and data verification.

In the future, a greater degree of unavailability is probable, even if the information systems are partitioned, subsidiary by subsidiary, which limits the size of future damage.

The three entities that manage the delivery of their services from their managed service centers, which are often interconnected with their clients' information systems, as well as the subsidiary dedicated to cybersecurity, are ISO 27001 (information systems security) certified. Each of these four organizations has a dedicated CISO (Information Systems Security Manager) who acts in coordination with their CIO (Information Systems Director).

Finally, upon first request, all subsidiaries benefit from the expertise of the group's company, which has been specializing in cybersecurity for over twenty-five years.

#### Bank transfer fraud

The foreseeable impact of this risk is relatively low, again due to the specific organization into autonomous entities. Some attempts have been difficult to thwart in the past, due to the ingenuity of the scenarios implemented by the fraudsters. There has been no compensation, as insurance companies do not cover losses caused by fraud.

Following these incidents, which were documented and disseminated internally for educational purposes, the procedures have been strengthened. In particular, a centralized list of people authorized to make transfers has been drawn up (about forty people). When they take up their duties, they are asked to formally confirm that they have read the document detailing the specific procedures to be adopted and the description of known attempts to date.

### Environmental and societal risks

#### Ethical risks: active or passive corruption, influence peddling

In 2022, the Ethics and Compliance Committee received an alert on the email address set up for this purpose (request for assistance on what to do in the event of suspicious behavior). Even though the Group's rules have provided for ethical warnings for many years, we cannot rule out the possibility of new reports of alleged or proven facts that are contrary to the Code of Conduct. It is also likely that certain facts have not been reported to the specific reporting address, when they should have been.

#### Anti-competitive practices: price fixing

The risk of a competitive agreement is virtually non-existent in technical assistance or for services where each DSCs has a negligible market share (there are approximately 4,000 DSCs in France). Nevertheless, in certain identified businesses, the group's entities are among the main players in their activity. They are in "cooperation" with a small number of colleagues whom they know well, sometimes responding with them to calls for tender, sometimes competing head-on. In such a context, the risk of a price agreement cannot be excluded. The probability of this happening is low, but it is well understood that the penalty for a price cartel can amount to up to 10% of the worldwide turnover of the group concerned.

### Tax and regulatory risks

#### Tax risks

For each Research Tax Credit application, a specialized firm checks its eligibility beforehand and, afterwards, all the documentation is produced. Each time a foreign subsidiary is created, NEURONES, assisted by a leading specialized firm, defines and documents the rules used to fix the internal transfer prices.

Until now, tax and URSSAF audits, which are carried out on a fairly regular basis, have resulted in insignificant adjustments.

## 3.2. INSURANCE

The following insurance policies have been taken out for all or part of the group:

- professional civil liability: €15 million per claim and per calendar year (bodily injury, material and immaterial damages, consecutive or not),
- operating liability: €15 million per claim and per calendar year (bodily injury, material and immaterial damages, consecutive or not),
- civil liability of officers and directors: €5 million per calendar year (all damages combined),

- cybersecurity policing/digital risks. For the group's four ISO2700-certified information systems with dedicated CISO: €5 million per calendar year (for all guarantees), For the other entities of the group: €1 million per calendar year (with the exception of three entities with annual revenues of less than €3 million),
- property damage and business interruption: general contractual indemnity limit of €35 million per claim, with a contractual indemnity limit of €10 million for buildings and/or lease risks, general and technical facilities and a limit of €20 million for business interruption and additional expenses.

## 3.3. CONTROL ENVIRONMENT

This paragraph describes the key elements of the control and risk management environment in place.

### Decentralized organization

The decentralized organization of a Group like NEURONES has advantages and disadvantages.

The benefits are obvious: all types of risks (commercial, brand image, legal, real estate, key persons, IT, malicious acts and fraud, etc.) are spread over some fifteen subsidiaries with their own autonomy in all the above-mentioned areas. The management of threats is the direct responsibility of the company officers of these companies, of which they are shareholders, managers and sometimes founders.

The shortcoming of such an organization is that it leads to a lower number of control levels than in centralized structures. And this in a profession with a high turnover, with therefore a risk on the preservation of knowledge and the continuity of the respect of the processes.

The Group is therefore required to carry out regular reviews of procedures as well as numerous awareness-raising and coordination actions. An example is given above in the sub-paragraph "Bank transfer fraud".

### Business risk management

It is carried out business by business and in each subsidiary. In the event of a claim, the manager contacts the client's representative without delay, generally through a crisis unit.

### Management of accounting and financial information

#### Objectives

The objective of the internal control system related to the preparation and treatment of accounting and financial information is to prevent and control the risks that could generate errors or fraud. However, like any control system it cannot provide an absolute guarantee that every threat is excluded.

The objective of risk management procedures, or internal control, are particularly to:

- identify the potential risks and assess them (probability of occurrence, impact),
- define and implement control and monitoring actions.

In the accounting and financial area, the most important control procedures (likely to have an impact on the financial statements) aim to manage the following processes:

- recognition of revenues and margin (projects' stage of completion, overruns, estimated loss at completion and completeness of expenses),
- cash flow cycle.



### Accounting organization and the information system

The Group's administrative and financial management brings together the following functions: legal (with the support of various external consultants, depending on the subject area), accounting (accounting, reporting, consolidation, tax, finance, cash and cash equivalents) and management control.

Fifteen administrative and financial departments of subsidiaries are responsible for accounting/payroll, management control and cash management within their scope. They report functionally to the Group's administrative and financial management.

They generally have an independent management team, except for some, often small ones, which are assisted by an external accountant. Some manage several legal structures, usually their sub-subsidiaries.

The information systems are based on standard software packages (Sage X3 accounting and Cegedim Teams RH, Sage People payroll in particular), whose main processes are interfaced (business management, sales, payroll).

Accounting applications are often SaaS (data integrity is the responsibility of the editor). If they are not, they are hosted in internal private clouds or computer rooms for some small entities. Their data is then backed up in the same way as the other data in the information systems of which they are part. Microsoft 365 (backup under the responsibility of the software publisher) is mainly used for office and email functions.

### Role of players performing control activities related to the preparation and treatment of accounting and financial information

The Group's administrative and finance department's central staff role is to ensure that the accounting standards are adhered to and to act as the guarantor vis-à-vis senior management and the Board of Directors. It can be heard by the Audit Committee at the department's request. It coordinates and organizes the budget and reporting processes. It reports to the Group's General Management and is responsible for preparing the consolidation.

The monthly reporting of each company is prepared in accordance with French standards. The consolidation and the related restatements are established at the parent company level on a monthly basis according to the IFRS guidelines.

The Chief Financial Officer is responsible for internal control, the effectiveness of which is monitored by the Audit Committee, in collaboration with the Directors and Financial Officers, assisted by management controllers.

### Financial reporting procedures

In order to comply with the regulations applicable to listed companies, a schedule of periodic obligations is formalized, both for publication aspects and for other regulatory procedures (legal, tax, etc.). The finance department monitors changes in regulations.

The finance department and senior management prepare the financial information that is published.

### Budget procedures/monthly reporting

The general control procedures are centralized and based around two main processes:

- the annual "forecasting / budget" process. Each operating unit establishes an annual month-by-month budget at the end of each year for the following fiscal year for each operating unit. A budget revision is organized when necessary.
- the monthly "reporting" process. This involves preparing every month a balance sheet and complete income statement (up to the corporate income tax line). The Group voluntarily opted for streamlined reports in terms of the quantity of information provided, but relevant in terms of the essential character of the data produced. The analysis of the different significant indicators, over a short time interval (one month),

lets the finance department analyze the variances between actuals and initial forecasts and to detect, if necessary, any significant errors in the financial statements by cross-checking key indicators (revenues, margins, income, cash, etc.). A complete monthly consolidation is carried out on the basis of the accounts transmitted by the various subsidiaries.

To do this, the Group companies rely on the "accounting and financial procedures manual" and the reporting tools.

These procedures, applied by all subsidiaries, are monitored and controlled directly by the Group's finance department.

Each Company then has, at its level, local internal control procedures (delegation of bank signatures, control of current operations, etc.).

### Preparation of the consolidated financial statements

The statutory consolidated financial statements are prepared at the half-year and annually, according to a procedure and within a timeframe similar to the process used to prepare the monthly reports, but with a greater level of detail. In addition to the information the subsidiaries submit monthly, all information used to produce the consolidated financial statements and in particular to establish the IFRS restatements is also submitted. Consequently, the restatements are made centrally by the finance department.

### Recognition of revenue

The main subsidiaries concerned by the recognition of revenue based on the percentage-of-completion method (fixed-price contracts) are equipped with analytical management tools for each project, which can be used to monitor margins per project and the percentage-of-completion method at each monthly closing. The risk of billing error or fraud is considered as limited by the complete monthly reporting system (income statement/balance sheet), which would provide an alert rather quickly (of the order of 2 to 3 months), if a subsidiary's trade receivables increased abnormally and without cause.

### Cash flow cycle

For the disbursement cycle, which is generally considered sensitive, an organization with separation of tasks has been implemented: In each subsidiary, at least two people, often three, share the process steps. They deliver a payment authorization, issue a payment instrument, sign the payment instrument (check, transfer), perform accounting operations and bank reconciliation and control the bank reconciliation.

### Change

The internal control system for accounting and financial information is based on a policy of continuous improvement. The financial control system (budget/reporting) has been operational since 1999. It is based on powerful tools adapted to the size of the Group but should evolve in case of strong growth and significant geographic expansion.

The managerial staff and the finance department ensure that the rules are applied. The Audit Committee monitors its effectiveness. Depending on its size, the group will grow in this function: strengthen management control, improve the organization, optimize information systems and documentation of key processes, etc.

### Digital risk management: independence of Information Systems, SaaS, Cloud, ISO-27001 certifications

Because of the Group's decentralized structure, the subsidiaries' information systems are independent, which is a significant advantage in terms of cybersecurity.

In most entities, programs to switch business applications to SaaS and to transfer office automation and messaging to public clouds have been conducted to better spread risks by diversifying storage and backup locations.

The Group's three entities, which have an information system supporting the production of services from their centers (managed production

services, hosting and management of virtual servers, service desk), have been certified ISO 27001. In this context, they keep their documentation describing their Information System's security management system up to date.

The dedicated CISOs (Chief Information Security Officers) of these three subsidiaries, as well as the IT Directors or Managers of the other entities, in charge of their information system's IT security, share information and best practices among themselves.

Similarly, the DPOs (Data Protection Officers) of the various structures, two of whom have dedicated profiles for this function, also exchange information among themselves concerning personal data protection (GDPR).

### Management of the risks of corruption and influence peddling (Sapin II law)

Since June 1, 2017, NEURONES has implemented the eight measures provided for by the Sapin II law concerning the fight against corruption and influence peddling. In particular, a code of conduct has been disseminated and integrated in the policies and procedures of the Group companies. An internal warning system has been created with a specific email address distributed to all staff (one alert in 2022). This email address is shown

on the contracts signed with subcontractors and other suppliers, as well as on certain client contracts. An e-learning training system has been developed. Every year the Ethics and Compliance Committee presents to the Board of Directors the process' state of progress and a report on the warnings.

### Management of the risk of price fixing

The managers of the entities, among the leaders in their specialty or positioned on a niche of activity with a small number of other players in competition, are put on notice annually. The following activities have been identified: service desk, restoration of information systems after cyber attacks, development and TMA of information systems for professional training organizations (Opca).

### Group management rules

The "Group management rules" document is updated regularly and shared by the managers of subsidiaries and NEURONES. These common rules contribute to the creation of a common language, a common corporate culture and the homogenization of operating and risk management methods.

# 4 Consolidated financial statements

## 4.1. CONSOLIDATED FINANCIAL SITUATION

ASSETS (in thousands of euros)	Notes	12/31/2021	12/31/2022
<b>NON-CURRENT ASSETS</b>			
Intangible assets	Notes 1/2	45,856	46,074
Rights of use (IFRS 16)	Note 3	33,158	33,832
Tangible assets	Note 4	12,945	15,966
Financial assets	Note 5	8,281	9,522
Deferred tax assets	Note 6	3,454	5,276
<b>TOTAL NON-CURRENT ASSETS</b>		<b>103,694</b>	<b>110,670</b>
<b>CURRENT ASSETS</b>			
Inventory	Note 7	887	353
Deferred tax assets due		2,225	6,369
Trade accounts and notes receivable	Note 8	195,843	227,791
Cash and cash equivalents	Note 9	265,174	272,058
<b>TOTAL CURRENT ASSETS</b>		<b>464,129</b>	<b>506,571</b>
<b>TOTAL ASSETS</b>		<b>567,823</b>	<b>617,241</b>

SHAREHOLDERS' EQUITY AND LIABILITIES (in thousands of euros)	Notes	12/31/2021	12/31/2022
<b>SHAREHOLDERS' EQUITY</b>			
Capital		9,691	9,691
Additional paid-in capital		31,403	31,403
Consolidated reserves and profits		270,465	289,984
<b>TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS</b>	Note 10	<b>311,559</b>	<b>331,078</b>
Minority equity investments		41,360	44,998
<b>SHAREHOLDERS' EQUITY</b>		<b>352,919</b>	<b>376,076</b>
<b>NON-CURRENT LIABILITIES</b>			
Non-current provisions	Note 11	2,519	6,128
Non-current financial liabilities	Note 9	204	110
Non-current lease liabilities (IFRS 16)	Note 3	27,621	27,826
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>30,344</b>	<b>34,064</b>
<b>CURRENT LIABILITIES</b>			
Current provisions	Note 12	1,478	1,701
Taxes due		5,603	7,994
Trade and other accounts payable	Note 13	169,856	189,221
Current lease liabilities (IFRS 16)	Note 3	7,292	8,012
Current financial liabilities and bank overdrafts	Note 9	331	173
<b>TOTAL CURRENT LIABILITIES</b>		<b>184,560</b>	<b>207,101</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>567,823</b>	<b>617,241</b>

## 4.2. CONSOLIDATED INCOME STATEMENT

<i>(in thousands of euros)</i>	Notes	2021	2022
Software and equipment sales		2,754	3,810
Sale of services		577,125	661,569
<b>REVENUES</b>		<b>579,879</b>	<b>665,379</b>
Purchases consumed		-	-
Salaries and related expenses	Note 15	(323,302)	(356,263)
External expenses	Note 16	(174,745)	(214,998)
Taxes and duties		(7,368)	(7,626)
Allocations to amortization and depreciation	Note 17	(7,648)	(7,350)
Depreciation of rights of use (IFRS 16)	Note 3	(7,157)	(8,056)
Allowances and reversals of provisions	Note 17	588	(422)
Other income	Note 18	2,745	4,166
Other expenses	Note 18	(1,419)	(1,937)
<b>OPERATING PROFIT</b>		<b>61,573</b>	<b>72,893</b>
<i>- as percentage of revenue</i>		<i>10.6%</i>	<i>11.0%</i>
Financial income		1,152	1,693
Financial expenses		(217)	(910)
Financial expenses on lease liabilities (IFRS 16)		(749)	(814)
Net financial profit (loss)	Note 19	186	(31)
<b>PRETAX PROFIT</b>		<b>61,759</b>	<b>72,862</b>
<i>- as percentage of revenue</i>		<i>10.7%</i>	<i>11.0%</i>
Tax on earnings	Notes 20/21	(18,819)	(21,091)
<b>PROFIT FOR THE PERIOD FROM ONGOING ACTIVITIES</b>		<b>42,940</b>	<b>51,771</b>
<i>- as percentage of revenue</i>		<i>7.4%</i>	<i>7.8%</i>
<b>PROFIT FOR THE PERIOD</b>		<b>42,940</b>	<b>51,771</b>
Including:			
• Profit attributable to owners of the parent company (Group share)		37,706	44,243
• Profit attributable to minority equity investments (minority interests)		5,234	7,528
Undiluted earnings per share - Group share (in euros)		1.56	1.83
Diluted earnings per share - Group share (in euros)		1.56	1.82

### Statement of consolidated comprehensive income

<i>(in thousands of euros)</i>	2021	2022
<b>Profit for the period</b>	<b>42,940</b>	<b>51,771</b>
Other comprehensive income: actuarial gains and losses on pension plans, net of tax	-	(2,027)
Other comprehensive income: translation adjustments (foreign currency activities)	165	281
<b>Comprehensive income</b>	<b>43,105</b>	<b>50,025</b>
Including:		
• share attributable to parent company shareholders (Group share)	37,830	42,657
• share attributable to minority equity investments (minority interests)	5,275	7,368



## 4.3. OTHER ITEMS

### Consolidated statement of cash flows

(in thousands of euros)	2021	2022
<b>Consolidated income before minority interests</b>	<b>42,940</b>	<b>51,771</b>
Elimination of non-monetary items:		
• Net allocations to amortization, depreciation and provisions	7,526	8,518
• Depreciation of rights of use (IFRS 16)	7,157	8,056
• Expenses/(Income) related to stock options and similar items	1,991	3,361
• Effect of discounting receivables and debts maturing in more than one year	291	135
• Capital losses/(gains) from disposals, net of tax	206	(33)
• Losses/(Gains) on lease terminations (IFRS 16)	(228)	(609)
• Capital losses/(gains) from disposals of consolidated securities, net of tax	93	(30)
<b>Cash flows from operating activities after net financial income and tax</b>	<b>59,976</b>	<b>71,169</b>
• Net financial profit	(186)	31
• Taxes due	18,819	21,091
<b>Cash flows from operating activities before net financial income and tax</b>	<b>78,609</b>	<b>92,291</b>
Cash variation in:		
• Working capital requirement for operations*	2,045	(13,190)
• Taxes paid	(16,156)	(24,132)
<b>CASH FLOW FROM OPERATIONAL ACTIVITIES</b>	<b>64,498</b>	<b>54,969</b>
Acquisitions of intangible and tangible assets*	(6,579)	(10,605)
Disposals of fixed assets, net of tax	156	56
Proceeds from sales of financial assets	498	312
Acquisitions of financial assets	(1,099)	(1,706)
Acquisitions of companies, net of the acquired cash	(2,621)	(307)
Securities bought from minority shareholders of subsidiaries	(2,460)	(2,316)
Subscriptions to capital increases by minority interests of subsidiaries	1,414	1,814
Disposal of consolidated securities, net of tax	71	496
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>(10,620)</b>	<b>(12,256)</b>
Capital reduction	-	-
Company buy-back and sale of its own securities	89	(107)
Dividends paid to parent company shareholders*	(48,423)	(24,224)
Dividends paid to minorities of subsidiaries	(672)	(4,639)
Increase in financial liabilities	15	68
Repayment of financial debts	(208)	(316)
Repayment of lease liabilities (IFRS 16)*	(6,412)	(6,826)
Net financial interest	186	(31)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(55,425)</b>	<b>(36,075)</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,547)</b>	<b>6,638</b>
Effect of foreign exchange variations on the cash held	130	252
<b>CASH AND CASH EQUIVALENTS AT OPENING</b>	<b>266,491</b>	<b>265,074</b>
<b>CASH AND CASH EQUIVALENTS AT CLOSING</b>	<b>265,074</b>	<b>271,964</b>

\* see Note 14

## Statement of changes in consolidated shareholders' equity

SHAREHOLDERS' EQUITY	Capital	Additional paid-in capital	Consolidated reserves*	Share-based compensation reserve	Treasury shares	Profit for the year	Total shareholders' equity (Group share)**	Minority equity investments	Total shareholders' equity
<i>(in thousands of euros)</i>									
<b>SHAREHOLDERS' EQUITY AT 12/31/2020</b>	<b>9,687</b>	<b>31,407</b>	<b>249,316</b>	<b>1,484</b>	<b>(186)</b>	<b>30,918</b>	<b>322,626</b>	<b>36,399</b>	<b>359,025</b>
Movements for FY 2021									
• Consolidated profit for the year	-	-	-	-	-	37,706	37,706	5,234	42,940
• Translation adjustments	-	-	124	-	-	-	124	41	165
<i>Comprehensive income</i>	-	-	124	-	-	37,706	37,830	5,275	43,105
• IFRS 2 restatements - stock options & bonus shares	-	-	-	1,834	-	-	1,834	157	1,991
• Capital transactions	4	(4)	-	-	-	-	-	-	-
• Change in treasury shares	-	-	-	-	(75)	-	(75)	(27)	(102)
• Allocation of 2020 profit	-	-	32,402	(1,484)	-	(30,918)	-	-	-
• Dividends paid by the parent company	-	-	(48,423)	-	-	-	(48,423)	-	(48,423)
• Commitment to buy out minority interests	-	-	(1,184)	-	-	-	(1,184)	(364)	(1,548)
• Change in scope	-	-	(1,049)	-	-	-	(1,049)	592	(457)
<i>Total transactions with shareholders recognized directly in shareholders' equity</i>	<i>4</i>	<i>(4)</i>	<i>(18,254)</i>	<i>350</i>	<i>(75)</i>	<i>(30,918)</i>	<i>(48,897)</i>	<i>358</i>	<i>(48,539)</i>
<i>Minorities' share in subsidiaries' dividend distributions</i>	-	-	-	-	-	-	-	(672)	(672)
<b>SHAREHOLDERS' EQUITY AT 12/31/2021</b>	<b>9,691</b>	<b>31,403</b>	<b>231,186</b>	<b>1,834</b>	<b>(261)</b>	<b>37,706</b>	<b>311,559</b>	<b>41,360</b>	<b>352,919</b>
Movements for FY 2022									
• Consolidated profit for the year	-	-	-	-	-	44,243	44,243	7,528	51,771
• Actuarial gains and losses	-	-	(1,814)	-	-	-	(1,814)	(213)	(2,027)
• Translation adjustments	-	-	228	-	-	-	228	53	281
<i>Comprehensive income</i>	-	-	(1,586)	-	-	44,243	42,657	7,368	50,025
• IFRS 2 restatements - stock options & bonus shares	-	-	-	2,996	-	-	2,996	365	3,361
• Capital transactions	-	-	-	-	-	-	-	-	-
• Change in treasury shares	-	-	-	-	76	-	76	26	102
• Allocation of 2021 profit	-	-	39,540	(1,834)	-	(37,706)	-	-	-
• Dividends paid by the parent company	-	-	(24,224)	-	-	-	(24,224)	-	(24,224)
• Commitment to buy out minority interests	-	-	(180)	-	-	-	(180)	(5)	(185)
• Change in scope	-	-	(1,806)	-	-	-	(1,806)	545	(1,261)
<i>Total transactions with shareholders recognized directly in shareholders' equity</i>	-	-	13,330	1,162	76	(37,706)	(23,138)	931	(22,207)
<i>Minorities' share in subsidiaries' dividend distributions</i>	-	-	-	-	-	-	-	(4,661)	(4,661)
<b>SHAREHOLDERS' EQUITY AT 12/31/2022</b>	<b>9,691</b>	<b>31,403</b>	<b>242,930</b>	<b>2,996</b>	<b>(185)</b>	<b>44,243</b>	<b>331,078</b>	<b>44,998</b>	<b>376,076</b>

\* Of which currency translation reserve (-€1.511 million at December 31, 2022).

\*\* Share of shareholders' equity attributable to parent company shareholders.

\*\*\* Share of shareholders' equity attributable to minority equity investments corresponding to the shares held by subsidiaries' managers.

## 4.4. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. COMPANY IDENTIFICATION

NEURONES, a public limited company, whose head office is located at 205, avenue Georges Clemenceau – 92000 – Nanterre (France), is a Consulting and Digital Services Group.

### 2. DISTRIBUTION OF CONSOLIDATED FINANCIAL STATEMENTS

The 2022 consolidated financial statements presented in this document were approved by the Board of Directors at its meeting of March 8, 2023 for submission to the Shareholders' Meeting of June 8, 2023.

NEURONES' consolidated financial statements for the year ended December 31, 2022 include the Company and its subsidiaries (together referred to as the "Group") and the share in affiliates or companies under joint control.

### 3. STATEMENT OF COMPLIANCE

The consolidated financial statements were prepared in compliance with the IFRS as adopted in the European Union. They differ in some aspects from the IFRS published by IASB. Nevertheless, the Group has made sure that the financial information for the periods presented would not be substantially different if it had applied the IFRS as published by the IASB. This compliance covers the definitions, recognition, measurement and presentation methods as provided for by IFRS, as well as all the information required by the standards.

### 4. ACCOUNTING PRINCIPLES

The accounting methods presented below have been applied consistently for all periods shown in the consolidated financial statements. They are identical to the accounting methods used in the financial statements at December 31, 2021 and were applied uniformly by Group entities.

#### 4.1. Basis of preparing the consolidated financial statements

The financial statements are presented in euros rounded to the nearest thousand euros.

They were prepared based on historical cost except for short-term cash investments, share-based compensation and some non-current financial assets, valued at fair value.

#### 4.2. Use of estimates

Preparing financial statements in accordance with the IFRS conceptual framework results in making estimates and formulating assumptions that affect the application of accounting methods and the amounts published.

The estimates and underlying assumptions are made based on past experience and other factors considered as reasonable in view of the circumstances. Consequently, they form the basis for exercising the necessary judgment to determine the carrying amounts of assets and liabilities that cannot be obtained directly from other sources. The intrinsic values may differ from the estimated values.

The estimates and underlying assumptions are reexamined continuously. The impact of changes in accounting estimates is recognized during the period of change if it only affects this period, or during the period of change and subsequent periods, if they too are affected by the change. At the year-end closing, NEURONES did not foresee any changes in the key assumptions used or sources of uncertainty that would present a major risk of leading to a significant adjustment in the amounts of assets and/or liabilities during the following period.

The main items where estimates are made concern: forecast costs on fixed-price service contracts monitored on a completion basis, asset impairments, pension liabilities, the valuation of share-based compensation and provisions. The assumptions used are specified in the corresponding notes to the financial statements.

### 4.3. Consolidation methods

#### Subsidiaries

A subsidiary is an entity the Company controls. The Group controls a subsidiary when it is exposed to or has the right to variable returns based on its ties with the entity and it has the ability to influence these returns due to the power it holds over the entity.

The financial statements of subsidiaries are included in the consolidated financial statements from the date they are verified until the date when they are no longer verified. Their accounting principles have been modified, if necessary, to ensure homogeneity with NEURONES's accounting methods.

#### Minority equity investments

Minority equity investments are valued, on the date of obtaining control, in proportion to the company's net identifiable assets.

Changes in the Group's percentage ownership in a subsidiary, which do not result in a loss of control, are accounted for as equity transactions.

#### Loss of control

When the Group loses control of a company, it de-recognizes the assets and liabilities as well as any other items related to this subsidiary. Any resulting gain or loss is recognized in net income. Any interest kept in the former subsidiary is valued at its fair value at the date of loss of control.

#### Transactions eliminated in the financial statements

Balance sheet balances and transactions, income and expenses resulting from intra-group transactions are eliminated. Profits resulting from transactions with the equity affiliates are canceled by cross-entry of equity method investments up to the Group's percentage interest in the company. Losses are eliminated in the same way as profits, but only insofar as they do not represent an impairment.

At December 31, 2022, all companies included in the scope of consolidation were subsidiaries.

The list of consolidated companies is provided in chapter 5 hereafter "Scope of consolidation".

### 4.4. Intangible assets

#### Business combinations and goodwill

For acquisitions that have occurred since January 1, 2010, goodwill is measured as:

- the fair value of the consideration transferred,
- plus the amount recognized for any minority interest in the acquired company,
- plus, if the business combination is done in phases, the fair value of any prior investment held in the acquired company,
- less the net amount recognized (generally at fair value) for identifiable acquired assets and assumed liabilities.

When the difference is negative, a bargain purchase profit is recognized immediately in income.

Since January 1, 2010, the method for determining the fair value of the consideration transferred is as follows:

- the consideration transferred excludes amounts relating to the settlement of pre-existing relationships and compensation of employees or former owners for future services;
- acquisition-related costs, other than those related to the issuance of debt or equity, are expensed as incurred; and

- any potential consideration due is recognized at its fair value at the acquisition date. Recorded in shareholders' equity, it is not restated and its payment is recognized in shareholders' equity. On the other hand, for potential consideration recorded as debt, subsequent variations in its fair value are recognized in profit or loss.

For acquisitions made between January 1, 2004 and January 1, 2010, goodwill represents the difference between the acquisition cost and the Group's share in the fair value of the identifiable assets, liabilities and contingent liabilities acquired. When a company enters the scope of consolidation, its assets, liabilities and identifiable potential liabilities are entered on the consolidated balance sheet at their fair value and valued according to the Group's accounting principles.

For goodwill prior to January 1, 2004, the Group has chosen, according to the provisions of IFRS 3, not to restate goodwill from business combinations. Consequently, this goodwill is maintained at its assumed cost, which represents the amount recognized according to the previous accounting guidelines.

Goodwill is valued at its cost, less cumulative impairment. It is assigned to Cash Generating Units, is not amortized and is subject to an annual impairment test or more frequently if there are signs of impairment (see "4.8. Impairment of fixed assets" below).

#### Contracts and contractual client relationships

Contracts and contractual client relationships are recorded in assets at their acquisition cost less cumulative depreciation and impairment. For the most part they come from purchased businesses and correspond to a volume of revenues and margin generated by these contracts. They are amortized over the useful life of the corresponding contracts.

In the case of technical assistance contracts renewable periodically, the useful life is indefinite. Consequently, the period during which the contracts will generate net cash inflows to the Group's benefit is without a foreseeable limit. In this case, they are not amortized and are subject to an annual impairment test or whenever there is an indication of impairment (see 4.8 "Impairment of fixed assets" below).

#### 4.5. Other intangible assets

The Group has not identified significant development expenses that meet the IAS 38 definition.

Other intangible assets, including software acquired for internal use, are amortized over their useful life, generally between one and three years, as soon as the asset is ready for use.

The amortization and depreciation of intangible assets are recorded in operating profit on the line, "Allocations to amortization and depreciation".

#### 4.6. Leases (IFRS 16)

Leases that give the lessee control over the use of an identified asset for a period of time in exchange for consideration all within the scope of IFRS 16. Tenant companies recognize all rental contracts, regardless of their nature (operating or finance lease), as assets in the form of a right of use in return for a rental liability.

The lease liability is initially determined based on the present value of the lease payments outstanding at that date, discounted at the interest rate implicit in the lease (if this rate is readily available) or at the marginal borrowing rate specific to the country, terms and currency of the contract. Lease payments include a fixed part, a variable part based on an index or rate and payments arising from options that are reasonably certain to be exercised.

After the initial assessment, the lease liability is reduced by the payments made and increased by the interest expense. It is revalued to reflect any change in future lease payments in the event of new negotiations with the lessor, a change in an index or rate or if options are re-estimated. When the rental liability is revalued, the corresponding adjustment is reflected in the

right of use, or the result if the right of use is already reduced to zero in the case of a reduction in the scope of rental.

The right of use initially determined includes: the initial lease liability, the initial direct costs and any obligations to renovate the asset, less any benefits granted by the lessor. It is amortized over the term of the contract. In the income statement, amortization and depreciation expenses are recognized in operating profit and interest expenses in financial income.

The lease term used corresponds to the non-cancellable part, the extension options whose exercise is reasonably certain, and the periods covered by a termination option whose non-exercise is reasonably certain. For 3/6/9 leases, a rental period of 9 years is retained except when the decision is taken to break the lease at the end of one of the first two triennial periods.

The exemptions permitted by IFRS 16 are applied. This concerns the treatment of contracts with a duration of less than 12 months or of a low value (less than €5,000).

#### Methods of presentation

In the statement of financial position, the Group has elected to present assets under rights of use separately from other assets and lease liabilities separately from other liabilities.

The application of IFRS 16 leads to the presentation of expenses related to leases in depreciation of the right of use and in financial expenses. These lease payments are now divided into cash outflows relating to interest expense on and repayment of the lease debt. In cash flow from financing activities, NEURONES shows repayment of the principal of the rental obligation and interest paid.

#### 4.7. Tangible assets

Tangible assets are recorded at their acquisition cost less accumulated depreciation and recognized impairment.

The Group has not opted to use the revaluation method for its assets. Loan costs are excluded from the cost of fixed assets pursuant to IAS 23.

Tangible assets are depreciated over their useful life, according to the following methods as soon as the asset is ready to be commissioned:

Fixtures and installations	Straight-line 5 to 10 years
Transportation equipment	Straight-line 2 to 4 years
Computer hardware	Declining balance and straight-line 3 to 5 years
Office equipment	Straight-line 5 to 10 years

#### 4.8. Impairment of fixed assets

The book values of these assets are examined at each closing to assess whether there is any sign of impairment. For this purpose, assets are broken down into Cash Generating Units (CGUs), which correspond to homogeneous groups of assets that generate identifiable cash flows. The division into CGUs is done by legal entity. Each subsidiary corresponds to a CGU.

If there is such a sign of value loss, the CGU's recoverable value is estimated. For goodwill and intangible assets with an indefinite useful life or that are not yet ready to be commissioned, the recoverable value is estimated every year at December 31.

#### Goodwill and intangible assets with an indefinite useful life or intangible assets in progress

The tracking method used to test intangible assets for impairment is the DCF (discounted cash flow) method. This method is used each time there is a sign of impairment and at least once a year.

A CGU's carrying amount is compared to its recoverable value, which corresponds to the maximum of the fair value less disposal costs and the value in use, determined by the discounted future cash flow method.



In case of impairment, it is recorded under “Asset impairment” in the calculation of operating profit. Goodwill impairment is not reversed even if the asset's value in use recovers in future years.

#### **Tangible and intangible assets with a definite useful life**

The value in use of tangible and intangible assets with a definite useful life is tested for impairment as soon as signs of impairment appear (reviewed during the annual closure).

To perform this test, the tangible assets are grouped into Cash Generating Units (CGU).

A CGU's carrying amount is compared to its recoverable value, and corresponds to the maximum of the fair value less disposal costs and the value in use, determined by the discounted future cash flow method. When the carrying amount is less than the recoverable value, impairment is recorded in operating profit, under “Impairment of assets”.

Impairment recorded for a CGU is first allocated to reducing the carrying amount of any goodwill allocated to the Cash Generating Unit, then to reducing the carrying amount of the CGU's other assets on a prorata basis with the carrying amount of each asset in the unit.

Impairment recorded for an asset other than goodwill is written back if there is a change in the estimates used to determine the recoverable value. An asset's carrying amount, increased due to the write back of impairment, should not exceed the carrying amount that would have been determined, net of depreciations, if no impairment had been recorded.

### **4.9. Financial assets**

#### **Non-consolidated securities**

In accordance with IFRS 9, equity investments in non-consolidated companies are recognized either at fair value or at amortized cost, depending on the contractual characteristics of these financial assets and the Group's management model.

In this case, any normal change in fair value, be it positive or negative, is recognized in other comprehensive income.

#### **Financial assets at fair value through the income statement**

An asset is classified as a financial asset at fair value through the income statement if it is held for trading purposes or indicated as such when it is initially recognized. Financial instruments are designated as such if the Group manages investments and makes purchase or sale decisions based on their fair value in accordance with the risk management policy or investment strategy.

#### **Other financial assets**

Other financial assets, except for receivables with no financial component, maturing in more than one year and bearing no interest, are initially recognized at fair value plus directly attributable transaction costs. After the initial recognition, they are valued at amortized cost calculated according to the effective interest rate less any impairment.

The Group has no derivatives among its financial assets and does not conduct any hedge operations.

### **4.10. Deferred tax assets and liabilities**

Pursuant to IAS 12, deferred tax assets and liabilities are recognized in the income statement and the balance sheet to account for the time lag between the book values and tax bases of certain assets and liabilities, except for the following items:

- goodwill,
- time differences related to investments provided they will not inverse in the foreseeable future.

According to the liability method of tax allocation, deferred taxes are valued based on the known changes in tax rates that have been adopted or virtually adopted at the closing date.

Loss carry forwards are activated when it is likely there will be future taxable income that these tax losses can be charged against.

A deferred tax is recorded for assets and liabilities related to rental agreements.

Pursuant to IAS 12, deferred tax assets and deferred tax liabilities are not discounted.

Since the year ending December 31, 2010, the Company Value Added Contribution (CVAE) falls within the scope of IAS 12.

### **4.11. Inventory**

Inventory is valued at the lowest cost based on the weighted price and net realizable value method. The latter is the estimated sales price under normal business conditions, less the estimated costs required to complete the sale.

Impairment is recognized on a case-by-case basis when the net realizable value is less than the carrying amount.

### **4.12. Receivables**

Receivables are recorded at transaction price less recognized impairment. Impairment is recognized when the carrying amount of the receivable exceeds its recoverable sum (i.e., the value of estimated future cash flows).

### **4.13. Cash and cash equivalents**

Short-term investments are valued at their fair value (as counterparty through the income statement).

Pursuant to IAS 7, the “Cash and cash equivalents” line includes the cash on hand and demand deposits. Bank overdrafts repayable on demand are a component of cash for the purposes of the cash flow statement.

The fair value corresponds to the cash-in value of the cash asset or liability at the closing date.

Variances in fair value are recorded in profit for the period under the “Financial income” category.

### **4.14. Treasury shares**

The amount of the consideration paid for treasury shares, including directly attributable costs, is deducted from consolidated reserves.

In case the shares are subsequently disposed of, the profit/(loss) and any corresponding tax effects are recorded as a variation in consolidated shareholders' equity.

### **4.15. Share-based compensation**

The Black & Scholes valuation model was used for options. The fair value valuation of the service rendered at the attribution date is expensed on a prorata temporis basis over the entire rights vesting period as an adjustment to shareholders' equity.

### **4.16. Employee benefits**

#### **Defined benefits plan: provision for retirement benefits**

This provision is intended to meet the commitments corresponding to the present value of rights acquired by employees regarding conventional benefits they will have a claim to when they retire. It is based on a calculation made according to the projected unit credit method, which takes into account seniority, life expectancy and the standard personnel turnover rate plus salary revision and discounting assumptions.

Actuarial gains and losses generated by changes in demographic or financial assumptions are recognized in “other items of comprehensive income.”

Furthermore, application of IAS 19 amended results in breaking down the change in the debt between the cost of services rendered, presented as operating profit, and the financial cost (corresponding to interest on the debt calculated based on the discount rate), presented as financial profit or loss. Given the amount of the debt related to pension liabilities, the financial cost impact is non-significant over the period.

#### 4.17. Other personnel commitments

##### Rewards for long-service

The collective bargaining agreements in force in Group companies do not make any provisions for long-service medals. No specific agreement has been concluded on this point either.

#### 4.18. Provisions

Pursuant to IAS 37, a provision is recorded when the Group recognizes a current obligation, legal or implicit, regarding a third party resulting from a past event and it is likely or certain that this obligation will cause an outflow of resources representing economic benefits whose amount may be estimated reliably.

Non-current provisions are discounted when the effect is significant.

#### 4.19. Financial liabilities

The Group has no derivatives among its financial liabilities and does not conduct any hedge operations. The Group has no liabilities valued at fair value as an adjustment to profit.

The other financial liabilities correspond primarily to bank overdrafts.

#### 4.20. Other non-current liabilities

No other non-current liabilities were identified at December 31, 2022.

#### 4.21. Trade and other accounts payable

Trade and other accounts payable are valued at their fair value when initially recorded, then at an amortized cost.

#### 4.22. Recognition of revenues (IFRS 15)

The method of recognizing revenues and costs depends on the nature of the services:

##### Fixed-price projects

Contracts based on "deliverables" generally include fixed-price services, such as systems integration or the design and development of customized IT applications and related processes.

Revenues are recognized based on percentage of completion, because at least one of the following conditions is respected: (i) the service improves an asset for which the client obtains control as the service is completed or (ii) the completed asset has no alternative use (e.g., it is specific to the client) and there is an enforceable right to payment for performance completed to date, in case the client terminates the contract.

NEURONES applies the method of costs incurred to evaluate progress. The percentage of completion is based on the costs incurred to date in relation to the total estimated costs to complete the contract.

The Group acquires the contractual right to bill as specified milestones are achieved or upon the client's acceptance of the work performed. The difference, between cumulative billing and cumulative revenue recognized, is reflected in the consolidated statement of financial position as unbilled revenue – Note 8 (when revenue generated exceeds billing) or prepaid income – Note 13 (when billing exceeds revenue generated).

##### Resource-based contracts

Revenues from resource-based contracts are recognized as the Group acquires the right to issue invoices, since the amount invoiced corresponds directly to the value of the service rendered at the date in question. Each delivery obligation is recognized as revenue on a percentage-of-completion basis since the client receives and consumes the benefits of the services on an ongoing basis. The price of the services is based on the number of hours spent on the contract.

##### Multi-year contracts

Long-term managed service contracts usually include two main types of services:

- initial engineering (or "takeover"): this is a stand-alone project, prior to starting the contract in routine operation. This phase is treated as a distinct delivery obligation if it transfers control of an asset to the or if the can benefit from these initial activities independently of operating services. Thus the corresponding revenues are generally recognized based on the stage of completion;
- routine operations: these include infrastructure management, application management and business services. The fees are billed monthly, based on a fixed price per unit or work consumed or based on the monthly fixed prices, which can be adjusted for changes in volumes or scope. Revenues from service-based contracts are recognized as the right to bill.

##### Buy/Sell of equipment and licenses

Concerning revenues from the sale of equipment and licenses, the analyses performed led the Group to consider that it was acting as an "agent" (and not a "principal") in this type of transaction. Consequently, since January 1, 2018, only the gross profit of these operations has been recognized, thus reducing revenue, without impacting operating profit. Sales of internally developed software licenses are recognized when the licenses are activated.

#### 4.23. Calculation of diluted earnings per share (IAS 33)

The number of shares taken into account in calculating diluted EPS is comprised of:

- number of shares at the beginning of the year,
- plus the weighted average number of bonus shares delivered during the year,
- plus, if applicable, the weighted average number of stock options exercised during the year,
- plus the weighted average number of other dilutive share subscription options (stock options and bonus shares) attributed and not exercised or not delivered during the year, calculated according to the provisions of IAS 33,
- less the weighted average number of treasury shares during the year.

#### 4.24. Operating segments (IFRS 8)

According to IFRS 8, an operating segment is a distinct component of the group, which either provides a specific service (business segment) or performs a service in an environment (geographic segment) that is subject to specific risks and generates different profitability than the profitability in other segments. It is identified and managed separately, as it requires a specific strategy, resources and technologies.

The Group's operating segments within the meaning of IFRS 8 are the three core businesses (Infrastructure, Applications and Consulting). Their performance is regularly reported internally to the Chairman, the Executive Vice-President and the Board of Directors.

Each Group company is attached to the business segment relating to its principal activity. Secondary activities are generally closely related to the core business, representing ancillary activities arising from specific requests from certain clients of the core business. Inter-segment transactions are carried out at market prices.

Performance is measured by the operating margin. It enables comparisons to be made between operating segments.

## 4.25. Management of financial risk (IFRS 7)

Exposure to the following risks has been identified:

- credit risk,
- liquidity risk,
- market risk, and
- capital management risk.

The purpose of this note is to provide information about the exposure to each of these risks as well as the policies put in place to minimize them. Given the Group's current size and the daily involvement of two directors (Chairman and Executive Vice-President) combined with the geographic proximity of the largest Group companies and subsidiary managers' participation in the share capital, it has not been deemed necessary to form a centralized risk management committee. Moreover, NEURONES' general and/or financial management is directly responsible for some risks.

### Credit risk

Credit risk represents the possibility of a financial loss in the case where a client or counterparty to a financial instrument fails to honor its contractual obligations. In the case of NEURONES and its subsidiaries, the risk is primarily limited to trade receivables and financial investments.

Concerning receivables, the credit risk exposure depends on the individual characteristics of the legal entities invoiced. The Group addresses a very broad spectrum of uniformly distributed customers in multiple business sectors, with the largest customer not accounting for more than 10% of the consolidated revenues (this is a major banking group whose multiple decision-making centers order and pay for services independently of each other and to different group subsidiaries).

Regarding cash and cash equivalents, the credit risk exposure is limited by primarily investing excess cash in term deposits issued by banks.

### Liquidity risk

The liquidity risk corresponds to difficulties the Group could encounter in honoring its commitments and paying its debts. This assumption is theoretical given its very high cash surplus.

### Market risk

Market risk corresponds to changes in market prices, such as exchange rates, interest rates and prices of equity instruments.

NEURONES is exposed very little to a foreign exchange rate risk since almost all transactions are carried out in euros.

Furthermore, the Group is not indebted and would not experience a significant impact in case interest rates vary.

Only the risk related to market price variations could affect the regularity of the financial profit or loss since the performance of a small part of the short-term investments is correlated to stock markets. These investments represented a fair value of approximately €2.1 million at year-end.

### Capital management

By design, managers and their families hold 69% of the capital, which constitutes a block that by nature gives third parties' confidence.

Even though NEURONES has substantial surplus cash (plus significant shareholders' equity), the Board of Directors makes sure that a balance is maintained between shareholders' remuneration and long-term resources.

The Company wants to retain the possibility to buy-back its own shares at any time. As such, every year the Shareholders' Meeting is asked to approve such an authorization.

## 4.26. New standards and interpretations

### IFRS measures, mandatory from January 1, 2022, applied without impact on the Group's financial statements at December 31, 2022

- Amendments to IFRS 3 – Reference to the conceptual framework;
- Amendments to IAS 37 – Onerous contracts – costs of performing a contract;
- Amendment to IAS 16 – Tangible assets: product prior to its intended use;
- Annual improvements – 2018-2020.

### Mandatory implementing provisions after December 31, 2022, not applied in advance

- IFRS 17 and amendments to IFRS 17 – Insurance contracts including amendments published on 25/06/20 – First application of IFRS 17 and IFRS 9: comparative information;
- Amendments to IAS 1 and Practice Statement 2 – Disclosure of accounting policies;
- Amendments to IAS 8 – Definition of accounting estimates;
- Amendments to IAS 12 – Deferred taxes related to assets and liabilities arising from a single transaction.

## 5. SCOPE OF CONSOLIDATION

### 5.1. List of consolidated companies

In the table below, only companies whose annual contribution to 2022 revenues is greater than €10 million are listed.

Companies consolidated by full consolidation	Registered Office	12/31/2021		12/31/2022	
		% Stake	% Control	% Stake	% Control
Parent company					
NEURONES	205, av. Georges Clemenceau - 92000 NANTERRE	-	-	-	-
Subsidiaries					
Arondor	24-26, rue de la Pépinière - 75008 PARIS	50%	50%	58%	58%
AS International	120-122, rue Réaumur - 75002 PARIS	97%	100%	97%	100%
Cloud Temple	1 cours de Valmy - 92800 PUTEAUX	92%	98%	92%	98%
Codilog	205, av. Georges Clemenceau - 92000 NANTERRE	77%	77%	76%	76%
Colombus Consulting	138, avenue des Champs-Élysées - 75008 PARIS	86%	86%	83%	83%
Deodis	2, place de la Défense CNIT - 92800 PUTEAUX	90%	97%	88%	96%
Experteam	171, av. Georges Clemenceau - 92000 NANTERRE	92%	99%	91%	99%
Finaxys	1 Terrasse Bellini - Tour Initiale - 92919 PARIS LA DEFENSE	76%	76%	76%	76%
Helpline	171, av. Georges Clemenceau - 92000 NANTERRE	93%	93%	92%	92%
Iliade Consulting	1, rue de la Pépinière - 75008 PARIS	53%	70%	53%	70%
Intrinsec	1 passerelle des Reflets - 92400 COURBEVOIE	85%	90%	83%	88%
MobiApps	14, rue Jules Verne - 44700 ORVAULT	68%	70%	68%	70%
NEURONES IT	205, av. Georges Clemenceau - 92000 NANTERRE	97%	97%	97%	97%
RS2i	44, av Georges Pompidou - 92300 LEVALLOIS-PERRET	99%	99%	99%	99%
Scalesquad	205, av. Georges Clemenceau - 92000 NANTERRE	97%	100%	96%	99%

## 5.2. Significant events

### Impact of variations on the scope of shareholders' equity

	% Stake at 12/31/2021	% Stake at 12/31/2022	Change (%)	Impact on shareholders' equity attributable to parent company shareholders	Impact on minority equity investments
<i>(in thousands of euros)</i>					
Helpline	92.8%	91.8%	(1%)	(672)	993
Arondor	50.1%	58.1%	8%	(316)	(1,260)
Cloud Temple West Africa	46.8%	-	(46.8%)	(298)	(809)
Deodis	89.9%	87.7%	(2,2)%	(186)	255
Intrinsec	84.5%	82.6%	(1.9%)	(146)	146
Scalesquad	96.6%	95.6%	(1%)	101	125
Tempo & Co	60.2%	58.2%	(2%)	(118)	41
AS International Group	97%	97.3%	0.3%	(117)	(52)
Colombus Consulting	86%	83.1%	(2.9%)	(128)	701
Neurones IT Asia	96.6%	96.6%	-	100	3
Dataquantic	60%	100%	40%	53	(153)
Upgrade	64.2%	52.7%	(11.5%)	27	316
Others (< +/- €100,000)	-	-	-	(106)	239
<b>TOTAL</b>	-	-	-	<b>(1,806)</b>	<b>545</b>

During 2022, various transactions were carried out with certain minority shareholders of subsidiaries. They resulted in slight changes in percentage stakes.

### Disposal of Cloud Temple West Africa

All the shares of Cloud Temple West Africa were sold on February 4, 2022. The capital gain is not significant.

The contribution of the company in 2022 is very minor.

On the date of disposal, the main aggregates of the sold company are as follows:

ASSETS	Cloud Temple West Africa (Disposal)	SHAREHOLDERS' EQUITY AND LIABILITIES	Cloud Temple West Africa (Disposal)
<i>(in thousands of euros)</i>		<i>(in thousands of euros)</i>	
Intangible assets	97	<b>TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS</b>	<b>543</b>
Tangible assets	536	Minority equity investments	617
Financial assets	17	<b>SHAREHOLDERS' EQUITY</b>	<b>1,160</b>
Deferred tax assets	-	Non-current provisions	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>650</b>	Non-current financial liabilities	-
Inventory	-	<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>-</b>
Deferred tax assets due	-	Current provisions	41
Trade accounts and notes receivable	1,056	Taxes due	-
Cash and cash equivalents	107	Trade and other accounts payable	612
<b>TOTAL CURRENT ASSETS</b>	<b>1,163</b>	Other financial liabilities	-
<b>TOTAL ASSETS</b>	<b>1,813</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>653</b>
		<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1,813</b>



## 6. NOTES TO THE BALANCE SHEET

## Note 1 – Intangible assets

(in thousands of euros)	12/31/20	+	-	12/31/21	Change in Scope	+	-	12/31/22
Goodwill (see details in Note 2)	42,688	2,762	750	44,700	-	611	-	45,311
Software licenses	8,272	1,077	134	9,215	(137)	565	24	9,619
Contracts and contractual relationships	340	-	-	340	-	-	-	340
<b>GROSS TOTAL</b>	<b>51,300</b>	<b>3,839</b>	<b>884</b>	<b>54,255</b>	<b>(137)</b>	<b>1,176</b>	<b>24</b>	<b>55,270</b>
Amortization and depreciation	(6,761)	(1,064)	(54)	(7,771)	78	(892)	(17)	(8,568)
Impairment	(909)	-	(281)	(628)	-	-	-	(628)
<b>NET TOTAL</b>	<b>43,630</b>	<b>2,775</b>	<b>549</b>	<b>45,856</b>	<b>(59)</b>	<b>284</b>	<b>7</b>	<b>46,074</b>

Contracts and contractual relationships recorded under assets are related to technical assistance contracts with an indefinite useful life (see “4. Accounting Principles”). They amount to €340,000 and are fully depreciated. No intangible assets have been pledged as security.

## Note 2 – Goodwill

(in thousands of euros)	12/31/20	+	-	12/31/21	+	Reclassification	-	12/31/22
<b>Companies concerned</b>								
Colombus Consulting	10,386	345	-	10,731	-	-	-	10,731
AS International	8,874	-	-	8,874	-	-	-	8,874
Helpline	5,179	-	-	5,179	-	-	-	5,179
Codilog	3,792	-	-	3,792	-	-	-	3,792
RS2I	3,460	-	-	3,460	-	-	-	3,460
Tempo & Co	-	2,762	-	2,762	611	-	-	3,373
Iliade Consulting	2,959	-	-	2,959	-	-	-	2,959
Cloud Temple	2,180	-	-	2,180	-	-	-	2,180
Aezan Services	1,931	-	(468)	1,463	-	-	-	1,463
Aronдор	1,480	-	-	1,480	-	-	-	1,480
Others (< €1 million)	2,447	-	(627)	1,820	-	-	-	1,820
<b>GROSS TOTAL</b>	<b>42,688</b>	<b>3,107</b>	<b>(1,095)</b>	<b>44,700</b>	<b>611</b>	<b>-</b>	<b>-</b>	<b>45,311</b>
Impairment	(568)	-	281	(287)	-	-	-	(287)
<b>NET TOTAL</b>	<b>42,120</b>	<b>3,107</b>	<b>(814)</b>	<b>44,413</b>	<b>611</b>	<b>-</b>	<b>-</b>	<b>45,024</b>

The change for the year concerns the price adjustment for Tempo & Co.

## Method and key assumptions used for impairment tests

Impairment tests are performed at least once a year at closing on December 31.

## Main criteria used to apply the DCF method of valuation

- the discount rate used is 7.9% after tax,
- during the explicit period (5 years), the assumptions used (sales growth of 5% on average, operating margin, working capital requirements, investments) are specific to each CGU, based on their size and their specific business sector,
- the perpetual growth rate used is 2%.

The sensitivity analyses show the following threshold values (percentages at which the recoverable amount falls below the carrying amount)

- 12.7% for the discount rate,
- 5% for the operating profit rate,

No growth to infinity would not result in a recoverable amount lower than the carrying amount.

### Note 3 – Leases (IFRS 16)

(in thousands of euros)	01/01/22	+	Repayment	Depreciation	-	Revaluation	Reclassification	12/31/22
<b>1. IMPACTS ON THE BALANCE SHEET</b>								
Rights of use	49,229	8,451	-	-	(2,334)	441	-	55,787
Amortization of rights of use	(16,071)	-	-	(8,056)	2,172	-	-	(21,955)
<b>TOTAL NET USER FEES</b>	<b>33,158</b>	<b>8,451</b>	<b>-</b>	<b>(8,056)</b>	<b>(162)</b>	<b>441</b>	<b>-</b>	<b>33,832</b>
Prepaid expenses	170	-	-	-	(369)	-	-	(199)
<b>TOTAL ASSETS</b>	<b>33,328</b>	<b>8,451</b>	<b>-</b>	<b>(8,056)</b>	<b>(531)</b>	<b>441</b>	<b>-</b>	<b>33,633</b>
Non-current rental debts	27,621	7,445	-	-	(641)	555	(7,154)	27,826
Current rental debts	7,292	1,006	(7,196)	-	(130)	(114)	7,154	8,012
<b>TOTAL RENT LIABILITIES</b>	<b>34,913</b>	<b>8,451</b>	<b>(7,196)</b>	<b>-</b>	<b>(771)</b>	<b>441</b>	<b>-</b>	<b>35,838</b>
<b>ASSETS – LIABILITIES</b>	<b>(1,585)</b>	<b>-</b>	<b>7,196</b>	<b>(8,056)</b>	<b>240</b>	<b>-</b>	<b>-</b>	<b>(2,205)</b>
<b>CHANGE OVER THE YEAR IN ASSETS LESS LIABILITIES</b>								<b>(620)</b>
<b>2. IMPACT ON THE INCOME STATEMENT</b>								
Amortization of rights of use	-	-	-	(8,056)	-	-	-	(8,056)
Financial expense	-	-	(814)	-	-	-	-	(814)
Cancellation of rents	-	-	7,641	-	-	-	-	7,641
Net proceeds from broken leases	-	-	-	-	609	-	-	609
<b>IMPACT ON NET INCOME BEFORE TAX</b>	<b>-</b>	<b>-</b>	<b>6,827</b>	<b>(8,056)</b>	<b>609</b>	<b>-</b>	<b>-</b>	<b>(620)</b>

In 2022, IFRS 16 expenses were €620,000 more than the rent paid (before tax). In total, since the application of IFRS 16 (January 1, 2019), a liability of €2.205 million (€1.585 million + €620,000) has built up on the balance sheet. This liability arises in the early years of the leases, particularly if they include a large number of rent-free months. It is offset by equivalent gains in the later years of the leases, when the IFRS charge becomes less than the rent paid. Thus, if all the leases were completed (theoretical assumption), this liability of €2.205 million would be fully recovered.

As of December 31, 2022, leases represent more than 98% of total IFRS 16 assets.

### Note 4 – Tangible assets

(in thousands of euros)	12/31/20	+	Reclass.	-	12/31/21	Change in Scope	+	Reclass.	-	12/31/22
Land and buildings	104	-	-	-	104	-	-	-	-	104
Fixtures and installations	14,871	813	5	683	15,006	(40)	1,852	393	58	17,153
Transportation equipment	2,975	260	48	553	2,730	(41)	109	-	70	2,728
IT and office equipment	45,314	4,367	(47)	744	48,890	(966)	7,175	34	525	54,608
Fixed assets under construction	2	37	(5)	-	34	-	879	(427)	-	486
<b>GROSS TOTAL</b>	<b>63,266</b>	<b>5,477</b>	<b>1</b>	<b>1,980</b>	<b>66,764</b>	<b>(1,047)</b>	<b>10,015</b>	<b>-</b>	<b>653</b>	<b>75,079</b>
Amortization and depreciation	(48,817)	(6,715)	-	(1,713)	(53,819)	539	(6,468)	5	(630)	(59,113)
<b>NET TOTAL</b>	<b>14,449</b>	<b>(1,238)</b>	<b>1</b>	<b>267</b>	<b>12,945</b>	<b>(508)</b>	<b>3,547</b>	<b>5</b>	<b>23</b>	<b>15,966</b>

The increase in tangible assets is due to investments in:

- equipment used for the cloud computing activity,
- computer hardware used in our service centers or at client sites, as part of managed services contracts or for internal uses,

The decreases correspond primarily to scrapping.

## Note 5 – Financial assets

(in thousands of euros)	12/31/20	Change in Scope	+	–	12/31/21	Change in Scope	+	–	12/31/22
Non-consolidated securities	48	-	-	15	33	-	30	-	63
Loans	4,780	-	477	140	5,117	-	1,095	69	6,143
Other financial assets	3,199	2	332	349	3,184	(14)	446	235	3,381
<b>GROSS TOTAL</b>	<b>8,027</b>	<b>2</b>	<b>809</b>	<b>504</b>	<b>8,334</b>	<b>(14)</b>	<b>1,571</b>	<b>304</b>	<b>9,587</b>
Impairment	(53)	-	-	-	(53)	-	(12)	-	(65)
<b>NET TOTAL</b>	<b>7,974</b>	<b>2</b>	<b>809</b>	<b>504</b>	<b>8,281</b>	<b>(14)</b>	<b>1,559</b>	<b>304</b>	<b>9,522</b>

Financial assets correspond mainly to deposits paid in the form of loans as part of the 1% housing contribution, as well as guarantee deposits (related to real estate rentals).

The present value of loans (1% housing aid contribution) and in particular the reimbursement due date have been calculated based on the reimbursement date provided for in the contract (20 year timeframe).

## Note 6 – Deferred tax assets

The deferred tax assets shown on the balance sheet concern the following items:

(in thousands of euros)	12/31/21	12/31/22
Employee statutory profit sharing	1,526	2,201
Provision for retirement benefits	583	1,511
Present value of receivables maturing in more than one year	816	877
Leases (IFRS 16)	420	570
Tax losses deferrable indefinitely	60	111
Other temporary differences	49	6
<b>TOTAL DEFERRED TAXES</b>	<b>3,454</b>	<b>5,276</b>

## Note 7 – Inventory

(in thousands of euros)	12/31/21	12/31/22
Licenses and equipment	890	381
<b>GROSS TOTAL</b>	<b>890</b>	<b>381</b>
Impairment	(3)	(28)
<b>NET TOTAL</b>	<b>887</b>	<b>353</b>

No inventory has been pledged as security.

## Note 8 – Trade accounts and notes receivable

(in thousands of euros)	12/31/21	12/31/22
Trade receivables	138,013	167,002
Unbilled revenue	28,460	27,209
Suppliers: credit notes receivable	642	636
VAT and other taxes	21,356	24,848
Other receivables	379	498
Prepaid expenses	8,830	9,576
<b>GROSS TOTAL</b>	<b>197,680</b>	<b>229,769</b>
Impairment	(1,837)	(1,978)
<b>NET TOTAL</b>	<b>195,843</b>	<b>227,791</b>

These “Trade and other receivables” are due within one year.

The trade receivable aging breaks down as follows:

(in thousands of euros)	Due				Not due	Total
	More than 1 year	Between 6 and 12 months	Between 3 and 6 months	Less than 3 months		
Trade receivables	1,783	2,752	4,139	25,243	133,085	167,002
Impairment	(1,161)	(163)	(14)	(179)	(43)	(1,560)
Net value	622	2,589	4,125	25,064	133,042	165,442
<b>TOTAL</b>	<b>0.4%</b>	<b>1.6%</b>	<b>2.5%</b>	<b>15.1%</b>	<b>80.4%</b>	<b>100%</b>

## Note 9 – Net cash (excluding IFRS16 lease liabilities)

ASSETS (in thousands of euros)	12/31/21	Maturities / Due dates at 12/31/2022			12/31/22
		More than 2 years	Between 1 and 2 years	Less than 1 year	
Term deposits	169,602	122,958	28,742	43,647	195,347
Other marketable securities	3,357	-	-	2,140	2,140
Cash and cash equivalents	91,803	-	-	74,303	74,303
Accrued interest	412	-	-	268	268
<b>TOTAL ASSETS</b>	<b>265,174</b>	<b>122,958</b>	<b>28,742</b>	<b>120,358</b>	<b>272,058</b>
<b>LIABILITIES</b>					
Non-current loans	204	110	-	-	110
Current loans	105	-	-	58	58
<b>LOANS SUBTOTAL</b>	<b>309</b>	<b>110</b>	<b>-</b>	<b>58</b>	<b>168</b>
Bank overdrafts	100	-	-	94	94
Security deposits received	125	-	-	21	21
<b>OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>225</b>	<b>-</b>	<b>-</b>	<b>115</b>	<b>115</b>
<b>TOTAL LIABILITIES</b>	<b>534</b>	<b>110</b>	<b>-</b>	<b>173</b>	<b>283</b>
<b>CASH AND CASH EQUIVALENTS NET OF FINANCIAL DEBT</b>	<b>264,640</b>	<b>122,848</b>	<b>28,742</b>	<b>120,185</b>	<b>271,775</b>

The amount of cash and cash equivalents, net of bank overdrafts, corresponds to the amount of cash and cash equivalents presented in the cash flow statement.

Given the type of funds and support selected to invest excess cash, no adjustment in the fair value or the future yield is anticipated.

The term deposits can be mobilized anytime. They are comprised of several lines in 10 European banks with rates ranging from 0.3% to 3.5%.

Marketable securities are mainly composed of financial products indexed to major French and European indices. Their valuation is obviously market driven.

Cash and cash equivalents correspond to uninvested cash at December 31.

The accounting and measurement methods for financial assets and liabilities under IFRS 9 are as follows:

(in thousands of euros)	Accounting method			Fair value		
	Amortized cost	Fair value by income	Fair value by equity	Level 1	Level 2	Level 3
Non-consolidated securities	-	-	63	-	-	63
Loans	6,078	-	-	-	-	-
Other financial assets	3,381	-	-	-	-	-
Inventory	353	-	-	-	-	-
Trade accounts and notes receivable	227,791	-	-	-	-	-
Cash and cash equivalents	-	272,058	-	272,058	-	-
<b>TOTAL FINANCIAL ASSETS (IFRS 9)</b>	<b>237,603</b>	<b>272,058</b>	<b>63</b>	<b>272,058</b>	<b>0</b>	<b>63</b>
Loans	168	-	-	-	-	-
Rental debts	35,838	-	-	-	-	-
Trade and other accounts payable	189,221	-	-	-	-	-
Other current financial liabilities	115	-	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES (IFRS 9)</b>	<b>225,342</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



The fair value measurement methods for financial assets and liabilities are classified into the following three levels

- level 1: fair value measured using quoted prices (unadjusted) in active markets for identified assets or liabilities;
- level 2: fair value measured using inputs other than quoted prices in active markets that are observable for the asset or liability, either directly (prices) or indirectly (inputs derived from prices);
- level 3: fair value measured using inputs that are not based on observable market data (unobservable inputs).

## Note 10 – Shareholders' equity

### Note 10.1 – Capital

At December 31, 2022, the share capital amounted to €9,691,286.40; comprised of 24,228,216 fully paid-up shares of the same class with a face value of €0.40.

The number of shares outstanding did not change during fiscal year 2022:

Number of shares outstanding at 01/01/2022	Increase	Decrease	Number of shares outstanding at 31/12/2022
24,228,216	-	-	24,228,216

### Note 10.2 – Share-based compensation

#### Bonus share attribution plans

The Shareholders' meeting of June 14, 2018 authorized the Board of Directors to attribute a bonus share plan for up to 242,000 common shares. On this same date, the Board of Directors used part of this authorization (valid for a period of twenty-four months) by attributing 13,000 bonus shares (Plan G).

The Shareholders' meeting of June 4, 2020 authorized the Board of Directors to attribute a bonus share plan for up to 120,000 common shares. On September 9, 2020, the Board of Directors made partial use of this delegation (valid for a period of twenty-four months) by attributing 54,500 bonus shares (Plan H).

The Shareholders' meeting of June 2, 2022 authorized the Board of Directors to attribute a bonus share plan for up to 240,000 common shares. On June 2, 2022, the Board of Directors made partial use of this delegation (valid for a period of twenty-four months) by attributing 50,000 bonus shares (Plan I).

The various bonus share plans decided by the Board of Directors, which are still subject to a vesting and/or holding period at December 31, 2022, have the following characteristics:

	Bonus share plan G	Bonus share plan H	Bonus share plan I
Date of the Shareholders' Meeting	6/14/2018	6/4/2020	6/2/2022
Date of the Board of Directors meeting	6/14/2018	9/9/2020	6/2/2022
Vesting period term	6/14/2021	9/9/2023	6/2/2025
Holding period term	6/14/2023	9/9/2025	6/2/2027
Number of beneficiaries	6	12	10
- of which executives	-	-	-
Number of bonus shares attributed	13,000	54,500	50,000
Cumulative number of expired shares at 12/31/2021	2,500	4,000	-
Number of shares in the vesting period at 01/01/2022	-	50,500	-
Number of shares expired during the vesting period over the year	-	-	-
Number of shares in the vesting period at 12/31/2022	-	50,500	50,000
Number of shares in holding period at 1/1/2020	10,500	-	-
Number of shares in holding period at 1/1/2020	10,500	-	-
Potential dilution (excluding canceled options) -% of capital at 12/31/2022	-	0.21%	0.21%
<b>TOTAL POTENTIAL DILUTION</b>			<b>0.42%</b>

No performance conditions have been set for the above-mentioned plans.

The main criteria used to measure the fair value of options and bonus shares for plans attributed after November 7, 2002 (date when a new accounting standard applicable to stock options and other share-based payments took effect) are as follows:

	Bonus share plan G	Bonus share plan H	Bonus share plan I
Life	3 years	3 years	3 years
Volatility	17%	N/A	N/A
Risk-free rate	0%	0%	0%
Dividend payout rate	1%	1%	1%

#### Fair value of bonus share plans

Based on the Black & Scholes model, the options' unit fair values are as follows:

Plan and date of the Board of Directors meeting (euros)	Final attribution date	Exercise price	Fair value	Price at the final attribution date (euros)
June 14, 2018 (plan G) – Bonus shares	6/15/2021	-	-	28.70
September 9, 2020 (plan H) – Bonus shares	5/31/2019	-	24.1	-
June 2, 2022 (Plan I) – Bonus shares	6/2/2025	-	36.3	-

The expenses related to the bonus share plans are presented in Note 14 hereafter.

#### Note 10.3 – Earnings per share

	2021	2022
Number of shares at the beginning of the year	24,217,716	24,228,216
Average number of shares issued/cancelled	5,725	-
Average number of treasury shares (liquidity contract)	(7,782)	(5,244)
Average number of shares in circulation during the year	24,215,658	24,222,972
Average number of dilutive instruments	31,750	66,965
Average number of shares in circulation after dilution	24,247,408	24,289,937
Net profit – Group share (in euros)	37,705,825	44,242,808
Earnings per share, Group share – undiluted (in euros)	1.56	1.83
Earnings per share, Group share – diluted (in euros)	1.55	1.82

#### Note 11 – Non-current provisions

	12/31/20	Allocation for the year	Write-backs for the year	12/31/21	Change in scope	Allocation for the year	Write-backs for the year (provision used)	Write-backs for the year (provision not used)	Variation in actuarial differences	12/31/22
(in thousands of euros)										
Provision for retirement benefits	2,160	404	(45)	2,519	(52)	979	(46)	-	2,728	6,128
<b>TOTAL</b>	<b>2,160</b>	<b>404</b>	<b>(45)</b>	<b>2,519</b>	<b>(52)</b>	<b>979</b>	<b>(46)</b>	<b>-</b>	<b>2,728</b>	<b>6,128</b>
Impact on operating profit (net of expenses incurred)					-	(979)	-	-	-	

Principal actuarial assumptions	2021	2022
Discount rate	1%	3.5%
Rate of salary increase	1%	1.5% – 5%
Turnover rate	15%	0% – 20%

The discount rate for liabilities corresponds to the market rate. The rates of salary increases and turnover are differentiated according to the age of the employees (one rate per year of birth).

Sensitivity analysis of the actuarial liability (in thousands of euros)	Impact on the actuarial liability at 12/31/2022
+ 0.5% change in the discount rate	- 269
+ 0.5% change in the rate of salary increase	+ 195
+ 2% change in the turnover rate	- 510

## Note 12 – Current provisions

	12/31/20	Change in Scope	Allocation for the year	Write-backs for the year	12/31/21	Change in Scope	Allocation for the year	Write-backs for the year (provision used)	Write-backs for the year (provision not used)	12/31/22
<i>(in thousands of euros)</i>										
Provisions	1,946	-	611	(1,079)	1,478	-	825	(602)	-	1,701
<b>TOTAL</b>	<b>1,946</b>	<b>-</b>	<b>611</b>	<b>(1,079)</b>	<b>1,478</b>	<b>-</b>	<b>825</b>	<b>(602)</b>	<b>-</b>	<b>1,701</b>
<i>Impact on operating profit (net of expenses incurred)</i>						-	(825)	-	-	

The current provisions, as well as the allocations and write-backs, correspond primarily to employer social security contribution risks and losses on contracts, where the expected completion date is less than 12 months.

## Note 13 – Trade and other accounts payable

	12/31/21	12/31/22
<i>(in thousands of euros)</i>		
Trade and related accounts payable	37,727	42,927
Employee statutory profit sharing and optional profit sharing	5,754	8,601
Outstanding payroll & payroll taxes	97,365	105,996
Other debts	9,315	10,263
Prepaid income*	19,695	21,434
<b>TOTAL</b>	<b>169,856</b>	<b>189,221</b>

\* See "4.22. Revenue recognition (IFRS 15)" above.

All of the above operating liabilities are due within one year.

## Note 14 – Reconciliation of significant cash flows in the cash flow statement

The change in WCR corresponds to changes in the items in Notes 7, 8 and 13 amounting to (€12.049 million), restated for changes in the scope of consolidation amounting to (€716,000) and other items amounting to (€425,000).

Acquisitions of property, plant and equipment and intangible assets correspond mainly to increases in Notes 1 (excluding goodwill) and 4 amounting to (€10.578 million).

The amount of dividends paid to shareholders of the parent company corresponds to the amount shown in the statement of changes in equity.

Repayments of lease liabilities (IFRS 16) are detailed in Note 3.

## 7. OPERATING SEGMENTS

	2021		2022	
(in thousands of euros)	Revenues	Operating profit	Revenues	Operating profit
Infrastructures	380,613	40,364	419,453	44,049
Applications	167,160	17,327	200,475	22,729
Consulting	32,106	3,882	45,451	6,115
TOTAL	579,879	61,573	665,379	72,893

The income of the parent company NEURONES S.A. was broken down pro rata to the operating profit of the business segments.

## 8. NOTES TO THE INCOME STATEMENT

### Note 15 – Salaries and related expenses

<i>(in thousands of euros)</i>	2021	2022
Salaries	224,218	245,965
Payroll taxes	90,328	96,708
Employee statutory profit sharing	5,822	8,508
Bonus shares	2,575	4,149
Provision for retirement benefits	359	933
<b>TOTAL</b>	<b>323,302</b>	<b>356,263</b>

### Note 16 – External expenses

<i>(in thousands of euros)</i>	2021	2022
Subcontracting purchases	145,734	176,973
Purchases of materials and supplies not stored	393	504
Outside personnel	1,214	1,188
Other outside services	24,696	33,410
Rental expenses*	2,708	2,923
<b>TOTAL</b>	<b>174,745</b>	<b>214,998</b>

\* Contracts of less than 12 months (not restated by IFRS 16)

### Note 17 – Allocations to amortization, depreciation, provisions and impairment of assets

<i>(in thousands of euros)</i>	2021	2022
Amortization of intangible assets	915	873
Depreciation of tangible assets	6,733	6,477
<b>ALLOCATIONS TO AMORTIZATION AND DEPRECIATION</b>	<b>7,648</b>	<b>7,350</b>
Amortization of rights of use (IFRS 16)	7,157	8,056
<b>ALLOCATIONS TO AMORTIZATION OF RIGHTS OF USE</b>	<b>7,157</b>	<b>8,056</b>
Net contingency provisions	(468)	223
Net provisions for current assets	(120)	198
<b>NET ALLOCATIONS TO PROVISIONS</b>	<b>(588)</b>	<b>421</b>

### Note 18 – Other income and expenses

<i>(in thousands of euros)</i>	2021	2022
Research Tax Credit (CIR)	1,295	1,273
Capital gain/(loss) on disposal of assets	(299)	62
Capital gain/(loss) on lease termination (IFRS 16)	228	609
Other operating subsidies	15	26
Impairment of goodwill	-	-
Miscellaneous income	936	1,095
Miscellaneous expenses	(849)	(836)
<b>NET OTHER INCOME/OTHER EXPENSES</b>	<b>1,326</b>	<b>2,229</b>

The tax credits were recorded as other income because they are considered as a grant offsetting related costs incurred.



### Note 19 – Analysis of the net cost of financial debt

(in thousands of euros)	2021	2022
Dividends received (non-consolidated equity investments)	-	-
Other interest and similar income	1,150	1,661
Capital gains on disposal of cash equivalents	2	32
Capital gain on disposal of financial assets	-	-
Write-backs of provisions	-	-
<b>TOTAL FINANCIAL INCOME</b>	<b>1,152</b>	<b>1,693</b>
Interest and similar expenses	217	889
Allocations to provisions	-	21
<b>TOTAL FINANCIAL EXPENSES</b>	<b>217</b>	<b>910</b>
Financial expenses on lease liabilities (IFRS 16)	749	814
<b>FINANCIAL PROFIT (LOSS)</b>	<b>186</b>	<b>(31)</b>

Other interest and similar income include foreign exchange gains of €288,000. Interest and similar expenses include foreign exchange losses of €496,000.

### Note 20 – Income tax

(in thousands of euros)	2021	2022
Corporate income tax	16,635	19,447
Company Value Added Contribution (CVAE)	3,121	2,765
<b>TAXES DUE</b>	<b>19,756</b>	<b>22,212</b>
Deferred tax assets and liabilities	(937)	(1,121)
<b>TOTAL</b>	<b>18,819</b>	<b>21,091</b>

### Note 21 – Proof of tax

(in thousands of euros)	2021			2022		
	Base	Rate	Tax	Base	Rate	Tax
Pre-tax income, capital gain on sale of consolidated shares	61,760	26.5%	16,366	72,862	25.83%	18,820
Non-deductible calculated expenses	1,992	26.5%	528	3,360	25.83%	868
Impact of permanently non-deductible net expenses	1,608	26.5%	426	3,407	25.83%	880
Generation/(Use) of tax losses not activated	162	26.5%	43	143	25.83%	37
Tax credits	-	-	(674)	-	-	(704)
CVAE (Company Value Added Contribution) impact on tax	-	-	2,294	-	-	2,051
Rate difference between parent company and subsidiaries	-	-	(164)	-	-	(861)
<b>EFFECTIVE TAX EXPENSE</b>	<b>-</b>	<b>-</b>	<b>18,819</b>	<b>-</b>	<b>-</b>	<b>21,091</b>
Average tax rate	-	-	30.5%	-	-	28.9%

In France, the corporate income tax rate has been reduced from 26.5% in 2021 to 25% in 2022. NEURONES S.A. is taxed at 25.83%, also being subject to the Social Contribution on Profits (CSB) of 3.3% of the amount of the IS. This tax rate of 25.83% is used as the reference rate for calculating the tax proof.

### Note 22 – Information about related parties

#### Legal entities

NEURONES has no sister company. There are no economic transactions with Host Développement, a 46.1% shareholder in NEURONES (other than payment of the annual dividend).

#### Senior executives

The total and overall gross remuneration of officers amounted to €480,000 for FY 2022 (fixed and variable). The officers did not receive any other remuneration.

## 9. MISCELLANEOUS INFORMATION

### 9.1. Security given

No guarantees were given at December 31, 2022.

### 9.2. Off balance sheet commitments

There were no off balance sheet commitments at December 31, 2022.

### 9.3. Auditors' fees

(in thousands of euros)	BM&A				KPMG				Autres			
	Amount		%		Amount		%		Amount		%	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
<b>Audit</b>												
Statutory audit, review of company and consolidated financial statements												
- parent company	30	30	16%	17%	26	26	17%	16%	-	-	-	-
- subsidiaries	126	126	70%	72%	124	125	82%	79%	6	7	23%	100%
Accessory assignments (due diligence, etc.)	26	19	14%	11%	1	7	1%	4%	20	-	77%	-
<b>TOTAL</b>	<b>182</b>	<b>175</b>	<b>100%</b>	<b>100%</b>	<b>151</b>	<b>158</b>	<b>100%</b>	<b>100%</b>	<b>26</b>	<b>7</b>	<b>100%</b>	<b>100%</b>

### 9.4. Average number of employees

	2021	2022
France	4,906	5,156
International	816	931
<b>TOTAL</b>	<b>5,722</b>	<b>6,087</b>

### 9.5. Subsequent events

None.

### 9.6. Distribution of dividends

The 2022 financial statements will be submitted for approval to the Annual General Meeting of June 8, 2023. The Board of Directors (meeting of March 8, 2023) proposed the payment of a dividend of €1.1 per share.

## 4.5. AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

To the attention of the Shareholders' Meeting of NEURONES S.A.,

### Opinion

In accordance with the terms of our appointment at your Shareholders' meetings, we have audited the accompanying consolidated financial statements of NEURONES S.A. for the fiscal year ended December 31, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the results of operations for the year ended December 31, 2022 and of the financial position and assets and liabilities of the Group as at that date, in accordance with International Financial Reporting Standards as adopted by the European Union.

The opinion expressed above is consistent with our report to the audit committee.

### Basis for opinion

#### Audit framework

We conducted our work in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the audit of the Consolidated Financial Statements" section of our report.

#### Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code and in the Code of Ethics for Statutory Auditors, for the period from January 1, 2022 to the date of our report, and in particular we did not provide any services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

### Basis of our assessments – Key points of the audit

In accordance with the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code concerning the basis of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were the most significant in our audit of the consolidated financial statements for the current period, as well as how we addressed those risks.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on any individual item of these consolidated financial statements.

### Recognition of "service" revenues

#### Description of the identified risk

The NEURONES Group operates on the IT professional services market and provides in particular long-term services.

As indicated in note 4.22 to the consolidated financial statements, revenues from fixed-price projects and multi-year contracts are recognized on a percentage-of-completion basis. The percentage of completion is calculated on the basis of the costs incurred compared with the total projected costs to completion discounted to present value. According to this method, revenues are recognized in the period the service is rendered in, independently of the billing cycle.

Given the high degree of judgment exercised by management in determining the stage of completion of fixed-price projects and multi-year contracts, we considered that revenue recognition for these services was a key issue in our audit.

### Our response to risk

Our audit approach to revenue recognition for services includes tests of internal control and substantive procedures.

We have examined the internal control procedures implemented by the Group relating to contracting, invoicing, accounting, and the performance and monitoring of fixed-price services.

Our substantive procedures consisted in examining, on the basis of a sample of contracts, the determination of the level of completion by performing the following procedures:

- assessment of the consistency of costs incurred as a result of the operational monitoring of projects with the accounting data;
- assessment, through interviews with project managers and comparisons with similar contracts, of the reasonableness of the remaining costs to be incurred;
- comparison of the profit margin on these contracts with that recognized on similar past contracts;
- verification of the arithmetical accuracy of the sales figures for the year.

We have also assessed the appropriateness of the information disclosed in note 4.22 to the consolidated financial statements.

### Specific procedures and disclosures

In accordance with professional standards applicable in France, we have also performed the specific verifications required by law and regulations on the Group information provided in the board of directors' management report.

We have no matters to report regarding its fair presentation and consistency with the consolidated financial statements.

We hereby certify that the consolidated statement of non-financial performance provided for by article L.225-102-1 of the French Commercial Code is included in the information on the Group provided in the management report, it being noted that, in accordance with the provisions of article L.823-10 of this code, we have not verified the fair presentation or consistency with the consolidated financial statements of the information contained in this statement, which should be reported on by an independent third party.

### Other verifications or information required by law and regulations

#### Presentation format of the consolidated financial statements to be included in the annual financial report

In accordance with the professional standard on the due diligence of statutory auditors in relation to the annual and consolidated financial statements presented in accordance with the single European electronic reporting format, we have also verified that the consolidated financial statements to be included in the annual financial report referred to in I of Article L. 451-1-2 of the French Monetary and Financial Code, which are the responsibility of the Chairman and Chief Executive Officer, comply with this format as defined by European Delegated Regulation No. 2019/815 of December 17, 2018. In the case of consolidated financial statements, our work includes verifying that the markup of these financial statements conforms to the format defined by the above-mentioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements for inclusion in the annual financial report complies, in all material respects, with the single European electronic reporting format.

Furthermore, it is not our responsibility to verify that the consolidated financial statements which will be included by your company in the annual

financial report filed with the AMF correspond to those on which we have performed our work.

#### Appointment of the auditors

We were appointed statutory auditors of NEURONES S.A. by the Shareholders' Meeting of June 25, 2004 for KPMG S.A. and of June 30, 1997 for BM&A.

At December 31, 2022, KPMG SA was in the 19th uninterrupted year of its assignment and BM&A in the 25th year, thus respectively 19 and 23 years since the Company's securities were listed on a regulated stock exchange.

#### Responsibilities of management and the people 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 Board of Directors has approved the consolidated financial statements.

#### Statutory auditors' responsibilities for the audit of the consolidated financial statements

##### Audit objectives and approach

Our responsibility is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that 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 there is one. 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 exercise professional judgment throughout the audit. Furthermore, the statutory auditor:

- 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 due to fraud is higher than the risk of not detecting a material misstatement due to error, because fraud may involve collusion, falsification, willful omission, misrepresentation or circumvention of internal control;
- reviews the 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;
- assesses 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 application 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 its 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 are 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 provides a fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

##### Report to the audit 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 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 judgment, were of most significance in the audit of the financial statements for 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 statement provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as defined 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 be reasonably thought to bear on our independence and the related safeguards.

#### The Statutory Auditors

Paris La Défense, April 20, 2023

**KPMG S.A.**

Camille Mouysset  
Associate

Paris, April 20, 2023

**BM&A**

Thierry Bellot  
Partner

Céline Claro  
Associate



# 5 Company financial statements

## 5.1. PARENT COMPANY BALANCE SHEET AND INCOME STATEMENT

### Parent Company Balance Sheet

ASSETS	12/31/2021	12/31/2022		
	Net	Gross	Amortization and depreciation and provisions	Net
(in thousands of euros)				
Franchises, patents and licenses	10	119	101	18
Intangible assets under construction	-	19	-	19
INTANGIBLE ASSETS	10	138	101	37
Fixtures and installations	250	753	185	568
IT and office equipment	35	130	80	50
TANGIBLE ASSETS	285	883	265	618
Financial interests	78,522	79,974	-	79,974
Loans	-	-	-	-
Other financial assets	562	583	-	583
FINANCIAL ASSETS	79,084	80,557	-	80,557
TOTAL FIXED ASSETS	79,379	81,578	366	81,212
Trade and related accounts receivable	30,114	35,823	-	35,823
Other receivables	24,320	27,948	-	27,948
Marketable securities	148,030	154,590	-	154,590
Cash and cash equivalents	21,002	18,718	-	18,718
TOTAL CURRENT ASSETS	223,466	237,079		237,079
Prepaid expenses	70	73		73
TOTAL ASSETS	302,915	318,730	366	318,364

LIABILITIES <i>(in thousands of euros)</i>	12/31/2021	12/31/2022
Share capital	9,691	9,691
Additional paid-in capital	30,614	30,614
Legal reserve	971	971
Retained earnings	21,261	4,920
<b>PROFIT FOR THE YEAR</b>	<b>7,882</b>	<b>36,387</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>70,419</b>	<b>82,583</b>
Contingency provisions	13	13
<b>TOTAL CONTINGENCY AND LOSS PROVISIONS</b>	<b>13</b>	<b>13</b>
Loans and debts with lending institutions	-	-
Trade and related accounts payable	32,830	30,897
Outstanding payroll & payroll taxes	6,123	10,379
Debts on fixed assets and related accounts	3	-
Other debts	193,527	194,492
<b>TOTAL DEBTS</b>	<b>232,483</b>	<b>235,768</b>
Prepaid income	-	-
<b>TOTAL LIABILITIES</b>	<b>302,915</b>	<b>318,364</b>

## Parent Company Income statement

INCOME STATEMENT (in thousands of euros)	2021	2022
Sales of goods	120	206
<i>Services provided</i>	139,577	145,965
<i>Incidental income</i>	4,746	4,944
Sale of services	144,323	150,909
<b>NET REVENUES</b>	<b>144,443</b>	<b>151,115</b>
Operating subsidies	11	5
Other income	9	-
<b>OPERATING INCOME</b>	<b>144,463</b>	<b>151,120</b>
Goods purchased	120	206
Other purchases and external expenses	141,398	148,959
Taxes, duties and similar payments	269	270
Salaries and wages	1,546	1,733
Payroll taxes	788	934
Allocations to amortization and depreciation on fixed assets	56	62
Contingency and loss provisions	-	-
Other expenses	19	18
<b>OPERATING EXPENSES</b>	<b>144,196</b>	<b>152,182</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>267</b>	<b>(1,062)</b>
Financial income from equity investments	7,758	35,982
Other interest and similar income	657	990
Write-backs on provisions for financial contingencies and expense transfers	317	-
Positive foreign exchange variations	10	-
<b>FINANCIAL INCOME</b>	<b>8,742</b>	<b>36,972</b>
Net financial allocations to amortization, depreciation and provisions	-	-
Interest and similar expenses	881	580
Negative foreign exchange variations	-	31
<b>FINANCIAL EXPENSES</b>	<b>881</b>	<b>611</b>
<b>FINANCIAL PROFIT (LOSS)</b>	<b>7,861</b>	<b>36,361</b>
<b>PRETAX INCOME FROM ORDINARY BUSINESS</b>	<b>8,128</b>	<b>35,299</b>
Non-recurring income from management operations	-	-
Non-recurring income from capital operations	18	1,809
<b>NON-RECURRING INCOME</b>	<b>18</b>	<b>-</b>
Non-recurring expenses on management operations	2	-
Non-recurring expenses on capital operations	18	553
<b>NON-RECURRING EXPENSES</b>	<b>20</b>	<b>553</b>
<b>NON-RECURRING PROFIT/(LOSS)</b>	<b>- 2</b>	<b>1,256</b>
Corporate income tax	244	168
<b>TOTAL INCOME</b>	<b>153,223</b>	<b>189,901</b>
<b>TOTAL EXPENSES</b>	<b>145,341</b>	<b>153,514</b>
<b>PROFIT/(LOSS)</b>	<b>7,882</b>	<b>36,387</b>

## 5.2. NOTES TO THE COMPANY FINANCIAL STATEMENTS

### 1. INTRODUCTION

The Company's annual financial statements for the year ended December 31, 2022 were prepared according to generally accepted accounting principles in compliance with the regulations in force, resulting from the application of Regulation No. 2016-07 of November 4, 2016.

### 2. ACCOUNTING RULES AND METHODS

#### 2.1. Intangible assets

Software acquired for in-house use is depreciated based on the straight-line method over its estimated useful life from one to five years.

#### 2.2. Tangible assets

Tangible assets are valued at their acquisition cost. They are depreciated according to the following methods:

Fixtures and installations	Straight-line 5 to 10 years
Transportation equipment	Straight-line 2 to 4 years
Computer hardware	Declining balance and straight-line 3 to 5 years
Office equipment	Straight-line 5 to 10 years

#### 2.3. Financial assets

Capitalized securities are valued at their acquisition cost. A provision for impairment is recognized when the security's value in use is less than its acquisition cost. When the share of net assets held is less than the acquisition cost at the balance sheet date, the value in use is assessed using a DCF approach and a multiple of operating income.

As of December 31, 2022, no impairment of investments was required.

#### 2.4. Receivables and debt

Receivables and debt are valued at their nominal value.

If necessary, a provision for impairment is made on a case-by-case basis when the fair market value is less than the book value.

#### 2.5. Marketable securities and cash and cash equivalents

Marketable securities recorded in assets correspond to historical acquisition prices.

Accrued interest on commercial paper and certificates of deposit are booked prorata temporis over the accrual period until the closing date.

If necessary, a provision for impairment is made on a case-by-case basis when the fair market value is less than the book value.

### 3. NOTES TO THE BALANCE SHEET

#### 3.1. Intangible assets

(in thousands of euros)	12/31/21	+	Reclassification	-	12/31/22
Dealerships, patents and licenses	105	14	-	-	119
Goodwill	-	-	-	-	-
Other intangible assets	-	17	2	-	19
<b>TOTAL GROSS VALUES</b>	<b>105</b>	<b>31</b>	<b>2</b>	<b>-</b>	<b>138</b>
Amortization of concessions, patents, licenses	(95)	(6)	-	-	(101)
<b>TOTAL DEPRECIATION</b>	<b>(95)</b>	<b>(6)</b>	<b>-</b>	<b>-</b>	<b>(101)</b>
<b>TOTAL NET VALUES</b>	<b>10</b>	<b>25</b>	<b>2</b>	<b>-</b>	<b>37</b>

#### 3.2. Tangible assets

(in thousands of euros)	12/31/21	+	Reclassification	-	12/31/22
Fixtures and installations	390	-	363	-	753
IT and office equipment	102	1	27	-	130
Fixed assets under construction and advances	2	390	(392)	-	-
<b>TOTAL GROSS VALUES</b>	<b>494</b>	<b>391</b>	<b>(2)</b>	<b>-</b>	<b>883</b>
Depreciation of fixtures and fittings	(142)	(43)	-	-	(185)
Amortization of IT and office equipment	(67)	(13)	-	-	(80)
<b>TOTAL DEPRECIATION</b>	<b>(209)</b>	<b>(56)</b>	<b>-</b>	<b>-</b>	<b>(265)</b>
<b>TOTAL NET VALUES</b>	<b>285</b>	<b>335</b>	<b>(2)</b>	<b>-</b>	<b>618</b>

#### 3.3. Financial assets

(in thousands of euros)	12/31/21	+	Reclassification	-	12/31/22
Equity investments	78,522	2,005	-	553	79,974
Other financial assets	562	107	-	86	583
<b>TOTAL GROSS VALUES</b>	<b>79,084</b>	<b>2,026</b>	<b>-</b>	<b>553</b>	<b>80,557</b>

The following changes in investments occurred during the year ended December 31, 2022:

- acquisition and subsequent disposal of approximately 12% of the capital of Arondor from minority shareholders;
- acquisition of slightly more than 0.02% of the capital of Neurones IT from a manager of a subsidiary of this company;
- acquisition from a former manager of 40% of the capital of Dataquantic, resulting in the holding of the entire capital;
- acquisition of approximately 0.01% of the capital of Codilog from two managers of the company.

The other financial assets include €552,000 in funds made available to the share liquidity contract and the balance in security deposits.

### 3.4. Trade accounts and notes receivable

<i>(in thousands of euros)</i>	12/31/21	12/31/22
Trade receivables	30,067	35,713
Unbilled revenue	46	110
<b>GROSS TOTAL</b>	<b>30,113</b>	<b>35,823</b>
Impairment	-	-
<b>NET TOTAL</b>	<b>30,113</b>	<b>35,823</b>

### 3.5. Maturity of receivables at year-end

<i>(in thousands of euros)</i>	More than 1 year	Less than 1 year	Gross amount
Other financial assets	335	-	335
<b>TOTAL FIXED ASSETS</b>	<b>335</b>	<b>-</b>	<b>335</b>
Suppliers – credit notes receivable	-	4	4
Personnel	-	-	-
Trade accounts and notes receivable	-	35,823	35,823
Tax receivables	-	9,394	9,394
Debit current accounts	-	18,541	18,541
Other receivables	-	9	9
<b>TOTAL CURRENT ASSETS</b>	<b>-</b>	<b>63,771</b>	<b>63,771</b>
Prepaid expenses	-	73	73
<b>TOTAL</b>	<b>335</b>	<b>63,844</b>	<b>64,179</b>

Current accounts are used to record movements linked to corporate income tax (tax charge, payment on account and settlement of corporate income tax) in the framework of the tax consolidation scheme set up between NEURONES and the subsidiaries belonging to the tax consolidation group.

They are also used to record cash movements within the framework of the cash pooling agreement (cash pooling with the transfer of capital in value via a mirror account) between NEURONES and subsidiaries that are members of this agreement.

### 3.6. Marketable securities

<i>(in thousands of euros)</i>	12/31/21		12/31/22	
	Purchase value	Net asset value	Purchase value	Net asset value
Monetary funds	2,026	2,382	2,026	2,115
Term deposits	146,004	146,408	152,564	152,814
<b>TOTAL MARKETABLE SECURITIES</b>	<b>148,030</b>	<b>148,790</b>	<b>154,590</b>	<b>154,929</b>



### 3.7. Shareholders' equity

#### 3.7.1. Capital

At December 31, 2022, the share capital amounted to €24,228,216; comprised of €9,691,286.40 fully paid-up shares of the same class with a face value of €0.40.

The number of shares outstanding did not change during fiscal year 2022:

Number of shares in circulation at 01/01/2022	Increase	Decrease	Number of shares in circulation at 12/31/2022
24,228,216	-	-	24,228,216

#### 3.7.2. Share-based compensation

##### Bonus share attribution plans

The Shareholders' meeting of June 14, 2018 authorized the Board of Directors to attribute a bonus share plan for up to 242,000 common shares.

On this same date, the Board of Directors used part of this authorization (valid for a period of twenty-four months) by attributing 13,000 bonus shares (Plan G).

The Shareholders' meeting of June 4, 2020 authorized the Board of Directors to attribute a bonus share plan for up to 120,000 common shares. On September 9, 2020, the Board of Directors made partial use of this delegation (valid for a period of twenty-four months) by attributing 54,500 bonus shares (Plan H).

The Shareholders' meeting of June 2, 2022 authorized the Board of Directors to attribute a bonus share plan for up to 240,000 common shares. On June 2, 2022, the Board of Directors made partial use of this delegation (valid for a period of twenty-four months) by attributing 50,000 bonus shares (Plan I).

The various bonus share plans decided by the Board of Directors, which are still subject to a vesting and/or holding period at December 31, 2022, have the following characteristics:

	Bonus share plan G	Bonus share plan H	Bonus share plan I
Date of the Shareholders' Meeting	6/14/2018	6/4/2020	6/2/2022
Date of the Board of Directors meeting	6/14/2018	9/9/2020	6/2/2022
Vesting period term	6/14/2021	9/9/2023	6/2/2025
Holding period term	6/14/2023	9/9/2025	6/2/2027
Number of beneficiaries	6	12	10
- of which executives	-	-	-
Number of bonus shares attributed	13,000	54,500	50,000
Cumulative number of expired shares at 12/31/2021	2,500	4,000	-
Number of shares in the vesting period at 01/01/2022	-	50,500	-
Number of shares expired during the vesting period over the year	-	-	-
Number of shares in the vesting period at 12/31/2022	-	50,500	50,000
Number of shares in holding period at 1/1/2020	10,500	-	-
Number of shares in holding period at 1/1/2020	10,500	-	-
Potential dilution (excluding canceled options) -% of capital at 12/31/2022	-	0.21%	0.21%
<b>TOTAL POTENTIAL DILUTION</b>			<b>0.42%</b>

No performance conditions have been set for the above-mentioned plans.

The main criteria used to measure the fair value of options and bonus shares for plans attributed after November 7, 2002 (date when a new accounting standard applicable to stock options and other share-based payments took effect) are as follows:

	Bonus share plan G	Bonus share plan H	Bonus share plan I
Life	3 years	3 years	3 years
Volatility	17%	N/A	N/A
Risk-free rate	0%	0%	0%
Dividend payout rate	1%	1%	1%

## Fair value of stock option plans

Based on the Black & Scholes model, the options' unit fair values are as follows:

Plan and date of the Board of Directors meeting (in euros)	Date of final award	Exercise price	Fair value	Price at the final attribution date (euros)
June 14, 2018 (plan G) – Bonus shares	6/15/2021	-	-	28.70
September 9, 2020 (plan H) – Bonus shares	5/31/2019	-	24.1	-
June 2, 2022 (Plan I) – Bonus shares	6/2/2025	-	36.3	-

## 3.7.3. Changes in shareholders' equity

(in thousands of euros)	12/31/21	+	-	12/31/22
Share capital	9,691	-	-	9,691
Merger premium	30,614	-	-	30,614
Legal reserve	971	-	-	971
Retained earnings	21,261	7,882	24,223	4,920
Profit for FY 2021	7,882	-	7,882	-
Profit for FY 2022	-	36,387	-	36,387
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>70,419</b>	<b>44,269</b>	<b>32,105</b>	<b>82,583</b>

The main variations are:

- dividend distribution (€1 per share) for €24,224,069.
- allocation of the result to retained earnings.

## 3.8. Provisions for contingencies and expenses

(in thousands of euros)	12/31/21	+	-	12/31/22
Contingency Provision	13	-	-	13
<b>TOTAL GROSS VALUES</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>13</b>

## 3.9. Accrued income and expenses

(in thousands of euros)	12/31/21	12/31/22
Suppliers: credit notes receivable	-	4
Unbilled revenue	46	110
Other accrued income	19	115
Accrued interest receivable	404	250
<b>TOTAL ACCRUED INCOME</b>	<b>469</b>	<b>479</b>
Trade and related accounts payable	360	158
Outstanding payroll & payroll taxes	664	974
Clients - Credit notes to be issued - Advances	17	108
Other debts	18	18
<b>TOTAL ACCRUED LIABILITIES</b>	<b>1,059</b>	<b>1,258</b>

## 3.10. Maturity of receivables

(in thousands of euros)	More than 1 year	Less than 1 year	Gross amount
Loans with credit institutions	-	-	-
Loans and other financial liabilities	-	-	-
Trade and related accounts payable	-	30,897	30,897
Outstanding payroll & payroll taxes	-	10,379	10,379
Credit current accounts	-	194,194	194,194
Other debts	-	298	298
<b>TOTAL</b>	<b>-</b>	<b>235,768</b>	<b>235,768</b>

Current accounts in credit correspond to the subsidiaries' cash invested in the Group's cash pool.

## 4. NOTES TO THE INCOME STATEMENT

### 4.1. Analysis of revenue

<i>(in thousands of euros)</i>	<i>(as %)</i>	2021	<i>(as %)</i>	2022
Cross-charging "head office expenses"	2%	3,126	2%	2,980
Cross-charging "reference accounts"	97%	139,577	97%	146,172
Other	1%	1,741	1%	1,963
<b>TOTAL</b>	<b>100%</b>	<b>144,444</b>	<b>100%</b>	<b>151,115</b>

Revenues, which were generated in France.

### 4.2. Analysis of financial income and expenses

Financial income consists mainly of dividends received from subsidiaries amounting to €35,982,000 as well as interest and net income from sales of mutual funds and term deposits for €898,000.

Financial expenses consisted mainly of interest on the cash pool between NEURONES and some of its subsidiaries amounting to €485,000.

### 4.3. Analysis of non-recurring income and expenses

The acquisition/sale of shares in Arondor generated a net capital gain of €1,257,000 for a sale price of €1,809,000.

### 4.4. Breakdown of income tax

<i>(in thousands of euros)</i>	2021	2022		
	Income after tax	Income before tax	Tax	Income after tax
Profit from ordinary business	7,884	35,299	(137)	35,162
Extraordinary income	(2)	1,256	38	1,294
Tax consolidation expense	-	-	(69)	(69)
<b>TOTAL</b>	<b>7,882</b>	<b>36,555</b>	<b>(168)</b>	<b>36,387</b>

## 5. OTHER INFORMATION

### 5.1. Security given

None

### 5.2. Pension liabilities

At December 31, 2022, the amount of commitments related to retirement benefits was valued based on the retrospective method, but was not recorded in the company financial statements. The amount of commitments at the end of December 2022 amounted to €91,000.

### 5.3. Other off-balance sheet commitments

None

### 5.4. Degree of exposure to interest rate and foreign exchange risks

Due to the nature of its business, conducted in France and invoiced in euros, NEURONES SA is not exposed to any significant interest rate or foreign exchange risks.

### 5.5. Average number of employees

	2021	2022
Managers	17	17
Employees	5	6
<b>TOTAL</b>	<b>22</b>	<b>23</b>

### 5.6. Remuneration of officers and directors

Members of NEURONES' Board of Director were paid total remuneration of €498,000 in FY 2022.

### 5.7. Note 19 – Other Company commitments related to rewards for long-service

The collective bargaining agreements in force in NEURONES do not make any special provisions for rewards for long service.

### 5.8. Increase and lightening of the future tax debt

<i>(in thousands of euros)</i>	12/31/21	12/31/22
C3S	197	205
Unrealized capital gains or losses on mutual funds	356	89
<b>TOTAL REINTEGRATIONS FOR THE YEAR TO BE DEDUCTED IN THE FOLLOWING YEAR</b>	<b>553</b>	<b>294</b>

### 5.9. Tax scheme for Group companies

Since January 1, 2022, the NEURONES Group has opted for tax consolidation for the years 2022 to 2025.

Methods of distributing the corporate tax based on the entire Group's profit are as follows:

- the consolidated companies, subsidiaries and parent company support the tax burden as if there is no tax consolidation. Consequently, this expense

is calculated based on each company's own taxable income after charging all of their prior losses.

- the parent company retains all tax savings earned by the Group due to losses. The parent company also keeps any non loss-linked savings earned by the Group.

Difference between the tax booked and the tax incurred without tax consolidation	2022
(in thousands of euros)	
Tax booked	(172)
Tax born without tax consolidation	(103)

### 5.10. Identity of the company preparing the consolidated financial statements

This is the parent company, NEURONES S.A., head of the group.

### 5.11. Fees billed by the statutory auditors

(in thousands of euros)	BMA	KPMG
Statutory auditors	24	24
Missions directly related to the statutory auditors	6	2
<b>TOTAL FEES</b>	<b>30</b>	<b>26</b>

### 5.12. Diluted and undiluted earnings per share

(in euros)	2021	2022
Net corporate income	7,882,206	36,386,781
Undiluted earnings per share	0.33	1.50
Diluted earnings per share	0.33	1.50

### 5.13. Subsequent events

None.

## 5.3. INFORMATION ON EQUITY INVESTMENTS

COMPANY	Capital	Other share- holders' equity	Share of capital held <i>(as %)</i>	Carrying amount of securities held		Loans & advances granted	Security and guarantees given	Revenues	Net profit	Dividends received by the parent company
				Gross	Net					
<i>(in thousands of euros)</i>										
I – SUBSIDIARIES (more than 50% owned)	-	-	-	-	-	-	-	-	-	-
Arondor	202	6,157	58.1%	3,870	3,870	-	-	23,246	1,088	55
AS International Group	562	15,214	97.3%	12,006	12,006	-	-	6,701	383	1,945
Codilog	6,320	20,343	76.5%	6,010	6,010	-	-	38,941	3,948	-
Dataquantic	250	132	100%	250	250	-	-	3,071	230	-
Edugroupe	4,190	5,441	99.6%	5,247	5,247	-	-	7,950	1,080	-
Finaxys	438	14,568	76.1%	2,783	2,783	-	-	38,678	1,760	3,044
Helpline	1,111	100,023	91.8%	5,060	5,060	-	-	183,073	19,373	15,100
Dragonfly	1,036	24,569	94.1%	5,638	5,638	-	-	1,442	12,651	2,822
Karré	220	1,043	51%	112	112	-	-	4,824	1,004	56
NEURONES Consulting	40	6,161	100%	40	40	-	-	0	2,485	-
NEURONES IT	33,293	40,067	96.6%	30,033	30,033	-	-	52,819	4,148	8,013
RS2i	687	17,062	98.9%	8,924	8,924	-	-	21,198	3,359	4,947
II – EQUITY INVESTMENTS (10 to 50% held)	-	-	-	-	-	-	-	-	-	-
III – OTHER SECURITIES	-	-	-	-	-	-	-	-	-	-
TOTAL				79,974	79,974	-	-			35,982

\* Before distribution but after allocation of 2022 earnings.

## 5.4. AUDITORS' REPORT ON THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

To the attention of the Shareholders' Meeting of NEURONES S.A.,

### Opinion

In accordance with the terms of our appointment at your Shareholders' meetings, we have audited the accompanying annual financial statements of NEURONES S.A. for the fiscal year ended December 31, 2022.

In our opinion, the financial statements give a true and fair view of the financial position and the assets and liabilities of the company as of December 31, 2022 and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France.

The opinion expressed above is consistent with our report to the audit committee.

### Basis for opinion

#### Audit framework

We conducted our work in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the audit of the annual Financial Statements" section of our report.

#### Independence

We conducted our audit in accordance with the rules of independence set out in the French Commercial Code and in the Code of Ethics for Statutory Auditors, for the period from January 1, 2022 to the date of our report, and in particular we did not provide any services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

### Basis of our assessments – Key points of the audit

In accordance with the provisions of Articles L.823-9 and R.823-7 of the French Commercial Code concerning the basis of our assessments, we are required to inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were the most significant in our audit of the annual financial statements for the current period, as well as how we addressed those risks.

We identified that there were no key audit issues to report.

### Specific procedures and disclosures

In accordance with professional standards applicable in France, we have also performed the specific verifications required by law and regulations.

#### Information provided in the management report and in the other documents on the financial situation and the annual financial statements sent to the shareholders

We have no matters to report as to the fair presentation and the conformity with the financial statements of the information given in the management report of the Board of Directors, and in the other documents relating to the financial position and the financial statements addressed to the shareholders.

We hereby certify that the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code is accurate and consistent with the financial statements.

#### Information relating to corporate governance

We hereby certify that the section of the management report of the Board of Directors dealing with corporate governance contains 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 provided in accordance with the requirements of article L. 22-10-9 of the French Commercial Code relating to remunerations and benefits paid or granted to corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements or with the data used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlled by it and included in the scope of consolidation. Based on our work, we attest to the accuracy and fairness of this information.

Concerning the information relating to items that your company considered likely to have an impact in the event of a public tender offer or exchange offer, provided in accordance with the provisions of Article L. 22-10-11 of the French Commercial Code, we have verified its consistency with the documents from which it was extracted and which were communicated to us. On the basis of our work, we have no matters to report on this information.

#### Other information

In accordance with French law, we have ensured that the required information concerning the purchase of investments and controlling interests and the names of the principal shareholders and holders of voting rights has been properly disclosed in the management report.

### Other verifications or information required by law and regulations

#### Presentation format of the annual financial statements to be included in the annual financial report

In accordance with the professional standard on the due diligence of statutory auditors in relation to the annual and annual financial statements presented in accordance with the single European electronic reporting format, we have also verified that the annual financial statements to be included in the annual financial report referred to in I of Article L. 451-1-2 of the French Monetary and Financial Code, which are the responsibility of the Chairman and Chief Executive Officer, comply with this format as defined by European Delegated Regulation No. 2019/815 of December 17, 2018.

Based on our work, we conclude that the presentation of the annual financial statements for inclusion in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the annual financial statements which will be included by your company in the annual financial report filed with the AMF correspond to those on which we have performed our work.

#### Appointment of the auditors

We were appointed statutory auditors of NEURONES S.A. by the Shareholders' Meeting of June 25, 2004 for KPMG S.A. and of June 30, 1997 for BM&A.

At December 31, 2022, KPMG SA was in the 19th uninterrupted year of its assignment and BM&A in the 25th year, thus respectively 19 and 23 years since the Company's securities were listed on a regulated stock exchange.

### Responsibilities of management and the people charged with governance for the annual financial statements

Management is responsible for the preparation and fair presentation of the annual financial statements in accordance with French accounting rules and principles, and for such internal control as management determines is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual 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 Board of Directors has approved the annual financial statements.

## Statutory auditors' responsibilities for the audit of the annual financial statements

### Audit objectives and approach

Our responsibility is to issue a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual 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 there is one. 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 exercise professional judgment throughout the audit. Furthermore, the statutory auditor:

- identifies and assesses the risks of material misstatement of the annual 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 due to fraud is higher than the risk of not detecting a material misstatement due to error, because fraud may involve collusion, falsification, willful omission, misrepresentation or circumvention of internal control;
- reviews the 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;

- assesses the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the annual financial statements;
- assesses the appropriateness of management's application 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 its 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 annual financial statements or, if such disclosures are not provided or are inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the annual financial statements and assesses whether these statements represent the underlying transactions and events in a manner that provides a 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 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 judgment, were of most significance in the audit of the financial statements for the year 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 statement provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as defined 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 be reasonably thought to bear on our independence and the related safeguards.

### The Statutory Auditors

Paris La Défense, April 20, 2023

**KPMG S.A.**

Camille Mouysset  
Associate

Paris, April 20, 2023

**BM&A**

Thierry Bellot  
Partner

Céline Claro  
Associate

# 6 Ordinary Shareholders' Meeting of June 8, 2023

## 6.1. MANAGEMENT REPORT PRESENTED BY THE BOARD OF DIRECTORS

Dear shareholders,

We called this Ordinary Shareholders' Meeting pursuant to the legal and statutory provisions in order to report to you on the Group's activities during the past fiscal year, to submit for your approval the annual and consolidated financial statements for the fiscal year ending December 31, 2022, the compensation policy for corporate officers, the renewal of the term of office of one of the statutory auditors, and to inform you of the outlook.

### 1. CONSOLIDATED FINANCIAL STATEMENTS

#### Comments on the Group's activity during FY 2022

Since 2005 the consolidated financial statements have been presented according to IFRS, pursuant to the provisions adopted by the European Union.

In 2022, NEURONES continued its profitable growth. Revenues amounted to €665.4 million compared to €579.9 million the previous year (overall growth of 14.7% and organic growth of 14.2%).

Subcontracting purchases continued to grow faster than revenues. In 2022, they will represent 26.6% of revenues (25.1% in 2021). The proportion of employees in the regions and abroad also continues to grow steadily.

Operating profit rose from €61.6 million to €72.9 million. In terms of rates, it represents 11% of revenues, which is a record level that probably cannot be reproduced regularly.

The financial result is balanced. It mainly corresponds to interest on cash investments in term deposits at progressive rates, less the financial expense related to the application of IFRS 16 on leases.

The Group benefited from the reduction in the prime rate of corporate income tax in France (from 26.5% to 25%) and the stability of the rules for calculating the CVAE (down slightly from 3.1 to 2.8 million euros). The corporate income tax expense amounted to €21 million (compared with €18.8 million in the previous year). The average corporate tax rate (corporate income tax + CVAE) totaled 28.9% (30.5% in 2021).

Net income was €51.8 million (€42.9 million in 2021). It grew by 20.7%, faster than revenues.

Net income attributable to owners of the parent (€44.2 million) was up 17% on 2021 (€37.7 million).

#### Comments on the consolidated financial situation

##### Assets

Intangible assets were €46.1 million, compared to €45.9 million the previous year. Rights of use (IFRS 16) amount to €33.8 million.

Net tangible assets increased €3 million to €16 million at the end of 2022. This mainly concerns IT equipment related to cloud computing activities and the fitting out of premises.

Financial assets (€9.5 million) are comprised primarily of 1% housing loans and security deposits.

The deferred tax asset amounts to €5.3 million. It is comprised primarily of temporary tax differences.

At €227.8 million, trade and other accounts receivable increased 16.3%. Overall, these accounts receivable and unbilled revenue represent 81 days of turnover (including 11 days for unbilled revenue).

##### Liabilities

Long-term provisions relate to retirement indemnities, while short-term provisions relate mainly to employee-related risks.

Current and non-current rental debts (IFRS 16) amount to €35.8 million.

The trade and other accounts payable item increased 11% to €189.2 million.

##### Cash flow

Cash flows from operating activities, after net financial income and taxes, amounted to €71.2 million in 2022.

The increase in trade receivables explains most of the increase in operating working capital (€13.2 million).

Productive investments (CAPEX) consumed €10.6 million (compared to €6.6 million in 2021). They primarily concerned the cloud computing activities as well as the service centers in general (computer hardware and software, office improvements, etc.).

Free cash flow – comprised of net income, depreciation, amortization, provisions and changes in working capital requirements less net capital expenditures – amounted to €37.7 million compared with €51.8 million the previous year.

After equity transactions (earn-out payments, dividend payment of €24.2 million, disposals, share buybacks from minority shareholders in subsidiaries, capital increases, etc.), the Group generated €6.6 million of cash in 2022, compared to using up €1.5 million in 2021.

At December 31, 2021, cash and cash equivalents (net of borrowing) amounted to €271.8 million (€264.6 million in 2021).

##### Note on the debt situation of the Company and the Group

The Group has a positive gross cash position of €272.1 million and borrowing of €0.3 million. The debt situation, in light of the volume of business, clearly poses no risk to the company.

##### Outlook

Historically, NEURONES has always grown faster than its reference market. Fiscal year 2022 is in line with this trend (+14.2% organic growth compared to the growth (+5.1%) of the Consulting and IT Services market (source: Numeum – December 2022). The Group's potential is real since its share of the French market is only around 1.8%. Thanks to its "multi-specialist" model and its strong presence in the digital, cloud and

cybersecurity segments, NEURONES should once again grow faster than the market in 2023.

### Equity investments, share movements, capital operations and other legal operations

In 2022, NEURONES S.A. carried out the following operations:

- acquisition of slightly more than 0.02% of the capital of Neurones IT from a manager of a subsidiary of this company;
- acquisition from a former manager of 40% of the capital of Dataquantic, resulting in the holding of the entire capital;
- acquisition of approximately 0.01% of the capital of Codilog from two managers of the company.

NEURONES S.A. subsidiaries and sub-subsidiaries carried out the following acquisition and disposal operations in 2022:

- Colombus Consulting acquired approximately 0.14% of its own shares from two former managers and sold 0.38% of the capital to the two founding partners of one of its subsidiaries and 0.23% of the capital to an executive and a manager of the company;
- Neurones IT sold 0.68% of Scalesquad's capital to three of its managers and then acquired 0.52% of the capital from a former executive of the company;
- Arondor has sold 30% of the capital of Arondor Software to five executives and managers of the company.

They also carried out the following operations:

- Deodis carried out a capital increase for the purpose of delivering 5,214 new shares to the beneficiaries of a free share allocation plan and a cash capital increase to which two employees subscribed and which resulted in the issue of 1,544 new shares. These two increases represent 1.4% of the share capital as of December 31, 2022;
- Colombus Consulting carried out three capital increases in order to deliver four free share allocation plans, resulting in the issue of 6,560 new shares, and two other capital increases in cash subscribed to by employees and two managers of a subsidiary, resulting in the issue of 6,192 new shares. As of December 31, 2022, these five transactions represent approximately 2.9% of the capital;
- ScaleSquad completed a cash capital increase subscribed by Neurones IT and an executive of the company. The increase resulted in the creation of 650,000 shares representing approximately 3% of the capital;

- Neurones IT formed the company Netfeel with the two directors of this company who hold 49% of the capital;
- Mobiapps created Whize, of which it holds just under 72% of the capital, the remainder being owned by a company director;
- Arondor carried out two capital reductions not motivated by losses by acquiring its own shares and cancelling them. These two operations resulted in the cancellation of 32,365 shares, i.e. approximately 13.8% of the capital before reduction;
- Cloud Temple Africa sold all the shares held in the capital of Cloud Temple West Africa;
- Upgrade carried out a capital increase in cash by issuing 77,373 new shares subscribed by the two directors of the company and representing a little less than 18% of the capital;
- Edugroupe increased its capital in cash by issuing 410 new shares, representing slightly less than 0.1% of the capital, subscribed by a manager of the company;
- Helpline carried out a capital increase for the purpose of delivering 38,715 new shares to the beneficiaries of a free share allocation plan and a cash capital increase to which fourteen employees subscribed and which resulted in the issue of 7,192 new shares. These two increases represent slightly more than 1% of the capital as of December 31, 2022;
- Experteam carried out a cash capital increase, issuing 10,176 new shares, representing less than 0.1% of the capital, to which three employees subscribed;
- Iliade Consulting carried out a capital increase through the issue of new shares to deliver 940 shares, i.e. around 1.5% of the capital, to the beneficiaries of a free share allocation plan;
- AS International Group reduced its capital not due to losses by acquiring and then cancelling 5,092 of its own shares, i.e. slightly more than 0.3% of the capital before reduction;
- Codilog increased its capital by issuing 949 new shares, i.e. slightly more than 0.2% of the capital, allocated to the beneficiaries of a free share allocation plan at the end of the acquisition period;
- Intrinsec Sécurité increased its capital by issuing 6,637 new shares, i.e. slightly less than 2.3% of the capital, which were allocated to beneficiaries of a free share allocation plan.

Some of these operations led to a change in NEURONES S.A. percentage stakes in certain Group companies.

## Main business activity of operational entities

The contributions\* to the Group's main consolidated aggregates are summarized hereafter:

(in thousands of euros)	Company	Contribution to 2022 revenues *	Contribution to 2022 operating profit *	Contribution to 2022 net profit *
Parent company	NEURONES	-	-1,463	- 2,271
Subsidiaries	Arandor	23,600	1,124	874
	AS International Group	43,734	4,773	3,483
	Cloud Temple	39,182	4,743	3,736
	Codilog	40,796	3,395	2,353
	Colombus Consulting	45,451	6,237	4,311
	Deodis	29,581	3,226	2,300
	Experteam	15,555	1,563	1,128
	Finaxys	41,270	2,548	1,851
	Helpline	189,228	22,466	16,172
	Iliade Consulting	21,625	3,287	2,335
	Intrinsec	19,944	1,450	1,214
	MobiApps	19,193	2,731	1,940
	NEURONES IT	70,968	5,565	4,052
	RS2i	21,150	4,993	3,732
	Scalesquad	25,995	2,288	1,618
	Other	18,109	3,967	2,943
<b>TOTAL</b>		<b>665,379</b>	<b>72,893</b>	<b>51,771</b>

\* After eliminating inter-company flows and including sub-subsidiaries.

## 2. NEURONES S.A. COMPANY FINANCIAL STATEMENTS

### Comments on the business activity during FY 2022

Revenues amounted to €151.1 million compared to €144.4 million in the previous year. They were comprised of a minor amount of fees for services to subsidiaries and primarily cross-charges for sales made by Group companies to corporate accounts that contracted with the parent company (thereby fulfilling the role of unique point of billing).

The operating result amounted to a loss of €1 million. After including the dividends from subsidiaries, financial income was €37 million. The Company's net income was a profit of €36.4 million.

### Outlook

Since January 1, 2000, NEURONES S.A. has been a holding company that combines the following functions: Group management, finances, legal, marketing and communications and overall relations with a few key accounts. The Company aims to merely balance its current operating expenditures by charging back its services to its different subsidiaries.

### Allocation of profit

In light of positive retained earnings of €4,919,554 and a profit for the year of €36,386,780.89, distributable profit stands at €41,306,334.89.

A motion will be put to the Shareholders' Meeting to distribute a dividend of €1.10/share, namely a total estimated at €26,651,037.60 (\*).

Following this distribution, the retained earnings account would thus increase from €4,919,554 to €14,655,297.29.

The dividend will be ex-dividend as of June 14 and payable on June 16, 2023.

The amount thus distributed between the Shareholders is fully eligible for the 40% allowance provided for in Article 158(3)(2°) of the French General Tax Code.

The following dividends were distributed during the past three fiscal years:  
2019: €0.2 per share,  
2020: €2 per share,  
2021: €1 per share,

\* Calculated based on the number of shares making up the share capital on December 31, 2022 (i.e. 24,228,216), which will be adjusted if necessary.

### 3. OTHER FINANCIAL INFORMATION

#### Subsequent events

No known events at March 8, 2023 had a significant impact on the Group's financial structure.

#### Vendor payment terms (company financial statements)

The vast majority (>95%) of NEURONES S.A. purchases are made with Group companies. At December 31, 2022, the outstanding trade payables of NEURONES S.A. (parent company) were as follows:

Outstanding trade payables at 12/31/22 by maturity date <i>(in thousands of euros, taxes incl.)</i>	Past due invoices				Invoices not due	Total
	> 90 d	60 to 90 d	30 to 60 d	0 to 30 d		
Intra-Group	109	25	14	229	29,211	29,588
Third parties	207	31	6	54	847	1,145
<b>TOTAL</b>	<b>316</b>	<b>56</b>	<b>20</b>	<b>283</b>	<b>30,058</b>	<b>30,733</b>
Number of invoices concerned	88				1,908	1,996
% of the value of purchases for the year					16.8%	

The term of payment used to calculate late payments is: net 60, date of invoice, or net 45 end of month.

For intra-Group suppliers, past due invoices not settled correspond to situations where adjustments are necessary with the end clients. Past due invoices concerning third party suppliers that aren't yet paid at December 31, 2022 correspond to disputes.

At December 31, 2021, the outstanding trade payables of NEURONES S.A. (parent company) were as follows:

Outstanding trade payables at 12/31/21 by maturity date <i>(in thousands of euros, taxes incl.)</i>	Past due invoices				Invoices not due	Total
	> 90 d	60 to 90 d	30 to 60 d	0 to 30 d		
Intra-Group	84	(6)	24	374	31,526	32,002
Third parties	18	20	1	30	305	374
<b>TOTAL</b>	<b>102</b>	<b>14</b>	<b>25</b>	<b>404</b>	<b>31,831</b>	<b>32,376</b>
Number of invoices concerned	53				2,154	2,207
% of the value of purchases for the year					18.7%	

#### Client payment terms (company financial statements)

At December 31, 2022, the outstanding client receivables of NEURONES S.A. (parent company) were as follows:

Outstanding client receivables at 12/31/22 by maturity date <i>(in thousands of euros, taxes incl., excl. unbilled revenue)</i>	Past due invoices				Invoices not due	Total
	> 90 d	60 to 90 d	30 to 60 d	0 to 30 d		
Third parties	1,102	1,165	546	1,971	30,260	35,044
Intra-Group	42	30	(6)	62	369	497
<b>TOTAL</b>	<b>1,144</b>	<b>1,195</b>	<b>540</b>	<b>2,033</b>	<b>30,629</b>	<b>35,541</b>
Number of invoices concerned	628				1,677	2,305
% of the value of sales for the year					16.9%	

The term of payment used to calculate late payments is: net 60 (date of invoice) or net 45 end of month.

Late payments by corporate clients are related to the complexity of their accounts payable channels (payment authorization, etc.). The share of past due invoices corresponding to disputes is in the minority. Most often they involve requests to correct details (number of half-days, overtime hours, etc.) that are generally settled amicably.

At December 31, 2021, the outstanding trade payables of NEURONES S.A. (parent company) were as follows:

Outstanding client receivables at 12/31/22 by maturity date <i>(in thousands of euros, taxes incl., excl. unbilled revenue)</i>	Past due invoices				Invoices not due	Total
	> 90 d	60 to 90 d	30 to 60 d	0 to 30 d		
Third parties	(86)	486	850	2,160	26,009	29,419
Intra-Group	(8)	0	(29)	107	395	465
<b>TOTAL</b>	<b>(94)</b>	<b>486</b>	<b>821</b>	<b>2,267</b>	<b>26,404</b>	<b>29,884</b>
Number of invoices concerned	396				1,577	1,973
% of the value of sales for the year					15.2%	



## Research and development activity

Research and development investments are made in each Group company. The costs, corresponding to the time spent, are expensed in the year they are incurred and are not capitalized. Significant development expenses that meet the IAS 38.57 definition have not been identified.

## 4. SOCIAL AND ENVIRONMENTAL CONSEQUENCES OF THE BUSINESS ACTIVITY AND COMMITMENTS TO SOCIETY REGARDING SUSTAINABLE DEVELOPMENT

These aspects are reviewed in Chapter 2 ("Extra-Financial Performance Statement – EFPS") of this Annual Financial Report.

## 5. STOCK OPTIONS

All the authorizations granted by various Shareholders' Meetings, as well as all the plans decided on the basis of these authorizations, expired in previous years.

## 6. SPECIAL REPORT ON THE BONUS SHARE ATTRIBUTIONS

Pursuant to the provisions of article L.225-197-4 of the French Commercial Code, the purpose of this report is to inform shareholders about the attributions of bonus shares during FY 2022 decided by NEURONES or its subsidiaries, to the benefit of their employees and company officers.

### Attributions of bonus shares of NEURONES

During 2022, the Board of Directors has decided to grant 50,000 free shares (plan I).

The following table sets out the characteristics of the three bonus share allocation plans with vesting or retention periods as of December 31, 2022.

	Bonus share plan G	Bonus share plan H	Bonus share plan I
Date of the Shareholders' Meeting	6/14/2018	6/4/2020	6/2/2022
Date of the Board of Directors meeting	6/14/2018	9/9/2020	6/2/2022
Vesting period duration and term	3 years – 6/14/2021	3 years – 9/9/2023	3 years – 6/2/2025
Holding period duration and term	2 years – 6/14/2023	2 years – 9/9/2025	2 years – 6/2/2027
Number of employee beneficiaries (NEURONES and affiliates)	6 (6 and 0)	12 (4 and 8)	10 (7 and 3)
Number of corporate officer beneficiaries (NEURONES and affiliates)	-	-	-
Number of bonus shares attributed	13,000	54,500	50,000
Cumulative number of expired shares at 12/31/2021	2,500	4,000	-
Number of shares in the vesting period at 12/31/2021	-	50,500	-
Number of shares expired during the vesting period over the year	-	-	-
Number of shares in the vesting period at 12/31/2022	-	50,500	50,000
Number of shares in holding period at 12/31/2022	10,500	-	-
Potential dilution (excluding canceled options) - % of capital at 12/31/2022	-	0.21%	0.21%

### Attributions of bonus shares of companies affiliated with NEURONES

No NEURONES executive officer has ever been granted bonus shares of related companies under the conditions provided for in article L.225-197-2 of the Commercial Code or shares of controlled companies within the meaning of article L.233-16 because of mandates and functions exercised in the company or its subsidiaries.

In FY 2022, twelve bonus share allocation plans were decided by the chairmen of seven NEURONES related companies. The final allocation of shares at the end of the vesting period is always linked to a condition of presence, i.e. that a beneficiary must have been a permanent employee or corporate officer of the company that allocated the shares or of an affiliated company within the meaning of article L.225-197-1, and sometimes more restrictively within the meaning of 1° of said article. In addition to this presence condition (which applies to all plans), a plan may also be subject to economic performance conditions. In the latter case, the shares definitively allocated to beneficiaries at the end of the vesting period are calculated in relation to the achievement of the performance targets set out in the plan regulations.

The two following tables give details of these twelve bonus share allocation plans of NEURONES related companies decided in 2022:

	Upgrade Plan A	Upgrade Plan B	Columbus 2022 <sup>(1)</sup>	Plan Colombus 2022 <sup>(2)</sup>	Plan Colombus 2022 <sup>(3)</sup>	Plan H Helpline	Plan I Helpline
Date of the Shareholders' Meeting	3/22/22	3/22/22	3/31/22	3/31/22	3/31/22	4/27/22	4/27/22
Date of attribution by the Chairman	3/23/22	3/23/22	5/30/22	5/30/22	5/30/22	4/27/22	7/20/22
Unit value of a share at the attribution date	€18.13	€18.13	€92.55	€92.55	€92.55	€44.33	€44.58
Performance-based plan	-	Yes	-	-	-	Yes	-
Number of bonus shares attributed	4,512	12,499	1,300	5,800	1,670	46,650	4,553
Percentage of capital as of 12/31/2022		3.94%		1.99%			1.15%
Vesting period term	3/23/24	3/23/25	5/30/23	5/30/23	5/30/26	4/27/25	7/20/24
Duration of the period	2 years	3 years	1 year	3 years	4 years	3 years	2 years
Holding period term	N/A	N/A	5/30/24	N/A	N/A	N/A	N/A
Duration of the period	-	-	1 year	-	-	-	-
Total number of beneficiaries	1	2	2	10	15	21	15
Number of beneficiaries who are corporate officers of the company	1	2	1	-	-	2	2
Number of bonus shares attributed to this executive officer or officers	4,512	12,499	1,200	-	-	21,050	1,630
Number of employee beneficiaries of the Company or an affiliated company	-	-	1	10	15	19	13
Number of bonus shares attributed to these employees by category	-	-	Managers: 100	Managers: 5,800	Managers: 1,670	Managers: 25,600	Managers: 2,923
Number of shares granted during the year to each of the ten employees of the company, other than company officers, who received the largest number of bonus shares	-		Colombus 2022 (1) to (3) Plans: 1: 1,200 2 5: 800 6-7: 600 8-10: 400			Helpline Plans I and H: 1: 2,400 2: 1,968 3-4: 1,912 5-6: 1,724 7: 1,648 8-10: 1,400	

	Experteam Plan C	Experteam Plan D	Codilog Plan E	Deodis Plan B	Scalesquad Plan A
Date of the Shareholders' Meeting	4/22/22	4/22/22	6/1/22	4/27/22	6/30/21
Date of attribution by the Chairman	4/22/22	7/20/22	8/1/22	7/21/22	12/16/22
Unit value of a share at the attribution date	€1.78	€1.72	€93.80	€45.25	€1.02
Performance-based plan	Yes	-	-	-	-
Number of bonus shares attributed	122,726	10,176	3,672	997	317,591
Percentage of capital as of 12/31/2022		0.77%	0.87%	0.21%	1.43%
Vesting period term	4/20/25	7/20/24	8/1/24	7/21/24	12/16/25
Duration of the period	3 years	2 years	2 years	2 years	3 years
Holding period term	N/A	N/A	N/A	N/A	N/A
Duration of the period	-	-	-	-	-
Total number of beneficiaries	5	3	10	3	5
Number of beneficiaries who are corporate officers of the company	1	1	2	1	-
Number of bonus shares attributed to this executive officer or officers	36,818	4,361	748	225	-
Number of employee beneficiaries of the Company or an affiliated company	4	2	8	2	5
Number of bonus shares attributed to these employees by category	Managers: 85,908	Managers: 5,815	Managers: 2,924	Managers: 772	Managers: 317,591
Number of shares granted during the year to each of the ten employees of the company, other than company officers, who received the largest number of bonus shares	Experteam Plans C and D: 1: 31,974 2: 27,613 3: 16,795 4: 15,341		1: 1,200 2-3: 600 4: 300 5: 106 6: 75 7: 32 8: 11	1: 552 2: 220	1-3: 69,516 4: 68,152 5: 40,891

The following are the plans attributed by affiliated companies in years prior to FY 2022 and still in the vesting period at December 31, 2022 (listed in chronological order of the vesting period):

	Neurones IT Plan C	Helpline Plan F	Codilog Plan D	Experteam Plan B	Helpline Plan G	Cloud Temple Plan A	Neurones IT Plan F	Colombus 2019 (3) Plan	Deodis 2021 Plan
Date of the Shareholders' Meeting	5/20/20	5/24/19	6/1/21	5/28/21	5/31/21	6/30/21	5/31/21	10/15/19	5/27/21
Date of attribution by the Chairman	3/1/21	5/31/21	7/1/21	7/2/21	7/7/21	10/13/21	11/9/21	12/13/19	12/13/21
Vesting period term	3/1/21	5/31/23	7/1/23	7/2/23	7/7/23	10/13/23	11/9/23	12/13/23	12/13/23
Number of bonus shares attributed	2,000	1,000	5,533	16,235	3,341	153,846	2,199	1,200	1,797
- of which attributed to corporate officers	-	-	236	4,998	127	-	-	-	-
Total number of beneficiaries	1	1	9	4	15	3	3	10	6
- of which to the Company's corporate officers	-	-	1	1	1	-	-	-	-
Number of shares expired between the attribution date and December 31, 2022	-	-	2,044	-	-	-	-	100	-
Number of shares in the vesting period at December 31, 2022	2,000	1,000	3,489	16,235	3,341	153,846	2,199	1,100	1,797
Percentage of the company's share capital concerned at December 31, 2022	0.09%	0.02%	0.83%	0.09%	0.08%	1.15%	0.10%	0.25%	0.38%

	Colombus 2021 (2) Plan	Neurones IT Plan D	Neurones IT Plan E	Mobiapps Plan A	Visian Plan A	Colombus 2021 (5) Plan	Colombus 2021 (3) Plan	Colombus 2021 (6) Plan
Date of the Shareholders' Meeting	12/4/20	5/31/21	5/31/21	5/27/21	6/30/21	10/8/21	12/4/20	10/8/21
Date of attribution by the Chairman	1/20/21	7/9/21	7/9/21	7/9/21	7/9/21	11/26/21	1/20/21	11/26/21
Vesting period term	1/20/24	7/9/24	7/9/24	7/9/24	7/9/24	11/26/24	1/20/25	11/26/25
Number of bonus shares attributed	3,250	5,400	22,728	60	33,000	5,295	600	1,140
- of which allocated to the company's corporate officers	-	-	-	60	11,000	-	-	-
<b>TOTAL NUMBER OF BENEFICIARIES</b>	10	3	5	1	3	12	8	11
- of which to the Company's corporate officers	-	-	-	1	1	-	-	-
Number of shares expired between the attribution date and December 31, 2022	-	1,350	-	-	-	200	-	-
Number of shares in the vesting period at December 31, 2022	3,250	4,050	22,728	60	33,000	5,095	600	1,140
Percentage of the company's share capital concerned at December 31, 2022	0.74%	0.19%	1.04%	3.21%	2.61%	1.16%	0.14%	0.26%

## 7. TREASURY SHARES – TREASURY STOCK

At December 31, 2022, the company held 6,329 of its own shares, which are included in the balance sheet of its liquidity contract.

## 8. EMPLOYEE STATUTORY PROFIT SHARING

Employees don't hold any NEURONES shares through a Company Savings Plan, a Company Mutual Fund or covered by the period of unavailability provided for in article L.3324-10 of the French Labor Code.

## 9. AUTHORIZATION FOR THE COMPANY TO ACQUIRE ITS OWN SHARES AND TO REDUCE THE CAPITAL BY CANCELLING TREASURY SHARES

Implementation of a scheme for the Company to buy-back its own shares falls within the scope of Article L.22-10-62 of the French Commercial Code.

The Shareholders' Meeting held on June 3, 2021 renewed the authorization for the Company to buy-back its own shares subject to the following main terms and conditions:

- term of the authorization: eighteen months from the date of the Shareholders' Meeting (i.e., until December 3, 2022),
- maximum share of capital to be acquired: 10%,
- maximum purchase price: €35 per share (excluding acquisition costs),
- maximum share acquired with a view to the subsequent remittance on exchange or as payment: 5% of the capital.

On the same day, the Board of Directors published the description of the share buyback program authorized by the Shareholders' Meeting and the effective implementation of this program as of June 4, 2021, with the sole objective of stimulating the market for the company's shares under the liquidity contract entered into with CIC.

Under this program, between January 1 and June 2, 2022, 14,010 shares were purchased and 13,573 shares were sold under the liquidity contract with CIC. At that time, 4,522 shares were included in the liquidity contract.

The Shareholders' Meeting of June 2, 2022 renewed the authorization granted to the Board of Directors to buy back the company's own shares. The main features of the authorization, which supersedes the above authorization, are:

- term of the authorization: eighteen months from the date of the Shareholders' Meeting (i.e., until December 2, 2023),

- maximum share of capital to be acquired: 10%,
- maximum purchase price: €55 per share (excluding acquisition costs),
- maximum share acquired with a view to the subsequent remittance on exchange or as payment: 5% of the capital.

The Board of Directors immediately decided to implement a buyback program with the sole objective of stimulating the market for the company's shares under the liquidity contract. Between June 3 and December 31, 2022, 48,098 shares were purchased and 45,931 shares were sold under the liquidity contract, so that as of December 31, 2022, the company held 6,329 of its own shares, all of which appear on the balance sheet of the liquidity contract at a value of €248,413.

The Company would like to retain the opportunity to purchase its own shares for the following potential purposes:

- to cancel them subsequently,
- to cover:
  - stock option plans and other forms of allocating shares to employees and/or Group officers, especially for Company profit sharing, a Company Savings Plan (CSP) or the allocation of bonus shares,
  - financial securities conferring the right to receive Company shares,
- to support the share price through an Investment Service Provider via a liquidity agreement pursuant to the code of professional conduct of the Association Française des Marchés Financiers (French Association of Financial Markets), and
- to hold purchased shares for subsequent use as exchange or payment as part of an acquisition.

Consequently, a motion will be put to the Shareholders' Meeting of June 8, 2023 (19th resolution) to renew the authorization given to the Board of Directors to buy back the Company's own shares with the following main terms and conditions:

- the authorization is valid for a period of 18 months from the date of the Shareholders' Meeting,
- the shares may be purchased by intervening on the market or by purchasing blocks, without any specific limitation for such block acquisitions,
- the maximum purchase price is set at €75 per share,
- the maximum number of shares that can be repurchased by the Company is limited to 10% of the total number of shares comprising the authorized share capital (for information, 2,422,821 shares based on the share capital at December 31, 2022, representing a maximum purchase amount, excluding acquisition fees, of €181,711,575), it being noted that the maximum number of shares acquired with the view of subsequently being exchanged or used as payment as part of external growth operations cannot exceed 5% of the capital,
- this number of shares and the purchase limit will be adjusted in the event of any financial transactions by the company or decisions affecting the share capital.

In its report to the Annual Shareholders' Meeting, the Board of Directors will provide shareholders with all information relating to actual share purchases and sales.

This authorization would supersede any previous delegation of authority for the same purpose and would therefore replace that granted by the Shareholders' Meeting of June 2, 2022.

The actual implementation of a share buyback program will be the responsibility of the Board of Directors. In this case, the company will distribute a description of the program, in accordance with the provisions of the AMF's General Regulations in force.

It should also be noted that the Shareholders' Meeting of June 6, 2019 renewed the authorization given to the Board of Directors, for a period of five years, to reduce the share capital by canceling treasury shares. The capital can be reduced once or several times by cancelling all or part of the treasury shares. Up to 10% of the shares comprising the share capital may thus be cancelled per twenty-four month period under the authorization.

## 10. ATTRIBUTIONS OF BONUS SHARES

The Board of Directors would like to have the possibility at any time to attribute bonus shares, a favorable mechanism that helps to strengthen the motivation and loyalty of beneficiaries, by associating them directly with the company's performance.

The current authorization is that granted by the Shareholders' Meeting of June 2, 2022, which is valid for a period of 24 months (i.e. until June 4, 2024). The Board of Directors used this authorization by attributing 50,000 of the 240,000 authorized bonus shares on June 2, 2022.

The Board of Directors reports to the shareholders, under the conditions defined by the current regulations, in a special report containing the information set out in Article L.225-197-4 of the French Commercial Code, on the bonus shares attributed pursuant to the authorizations granted by the Shareholders' Meeting to the Board of Directors.

## 11. AUTHORIZATIONS TO INCREASE THE SHARE CAPITAL

According to the terms mentioned in the Management Report and within chapter 6.3 of the 2021 Annual Financial Report, seven resolutions have been submitted to the Meeting of June 2, 2022 to authorize the Board to increase the capital with different objectives and in different conditions and contexts. These resolutions, which are extraordinary in nature, were approved by the Meeting and are valid for a period of 26 months, i.e. until August 2, 2024.

The delegations granted to the Board by the Meeting of June 2, 2022 related to the following items:

- delegation to increase capital by issuing, with shareholders' preferential subscription rights, ordinary shares and/or any securities giving access, immediately or in the future, to ordinary shares to be issued, in cash or by offsetting debts and/or by incorporating reserves, premiums and profits through the free allocation of shares and/or by increasing the par value of existing shares (19<sup>th</sup> resolution),
- delegation to increase the capital by issuing, without preferential subscription rights and by public offering, ordinary shares and/or any securities giving access, immediately or in the future, to ordinary shares to be issued, in cash or by offsetting debts (20<sup>th</sup> resolution),
- delegation to increase the capital by issuing ordinary shares and/or any securities giving access to ordinary shares to be issued, without shareholders' pre-emptive subscription rights and by private placement in accordance with Article L.411-2 II of the French Monetary and Financial Code (21<sup>st</sup> resolution),
- delegation to issue ordinary shares and/or securities giving access to the company's capital, entailing an increase in capital, in remuneration of contributions in kind consisting of equity securities or securities giving access to capital, when the provisions of Article L.22-10-54 of the French Commercial Code are not applicable and up to a limit of 10% of the capital at the time of the issue (23<sup>rd</sup> resolution)
- delegation to issue ordinary shares and/or securities giving access to the company's capital in the event of a public exchange offer initiated by the company (24<sup>th</sup> resolution).

For each of the issues decided pursuant to the authorizations granted in the 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> resolutions, the Shareholders' Meeting has authorized the Board to increase, at its sole discretion, in compliance with the overall ceiling set forth in the following resolution, up to a maximum of 15% of the initial issue, and at the same price as the initial issue, in accordance with Article R.225-118 of the French Commercial Code, the number of common shares or marketable securities to be issued if the Board notes that there is excess demand (22<sup>nd</sup> resolution).

For all the issues that would be decided by the Board, by virtue of the authorizations granted above, the Shareholders' Meeting has set the ceiling on issues as follows (25<sup>th</sup> resolution):

- the maximum aggregate nominal amount of the capital increases at nine million euros (€9,000,000), it being specified that this ceiling includes, where applicable, the nominal amount of any additional shares that may

be issued to preserve the rights of holders of marketable securities conferring entitlement to the share capital,

- the aggregate nominal amount of marketable debt securities conferring entitlement to the company's share capital at ninety million euros (€90,000,000).

In addition, pursuant to the provisions of Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 et seq. of the French Labor Code, and as a consequence of the foregoing resolutions, the Board has

submitted to the June 2, 2022 Shareholders' Meeting a resolution to carry out a capital increase for which the subscription would be reserved for members of a Company Savings Plan established in accordance with Articles L. 3332-18 et seq. of the French Labor Code. This resolution was rejected by the Shareholders' Meeting.

All delegations of authority and powers granted by the General Meeting or the Board of Directors during the year ended and the use that may have been made of them by the Board are indicated in the Corporate Governance Report.

## 12. STATUS OF THE CUMULATIVE DILUTION FOR THE DIFFERENT CAPITAL OPERATIONS

	Situation at 12/31/2022	Treasury shares (excluding liquidity contract)	Dilutive instruments stock options	Dilutive instruments bonus shares	Total
Number of shares	24,228,216	-	-	100,500	24,328,716
% dilution	-	-	-	0.41%	0.41%

## 13. SECURITIES TRANSACTIONS CARRIED OUT BY SENIOR EXECUTIVES

Pursuant to the provisions of Articles L.621-18-2 of the French Monetary and Financial Code and 223-26 of the AMF's General Regulations, the following share transactions carried out by the senior executives were reported to the AMF.

During fiscal year 2022, the directors did not carry out any transactions in securities that had to be reported.

## 14. RISK FACTORS

The risk analysis is carried out in part 3 of this Universal Registration Document.

## 15. EXCEPTIONAL EVENTS, ONGOING LITIGATION AND LAWSUITS

As far as the senior executives are aware, there are no exceptional events or litigation that have had or are likely to have any significant repercussions on the Group's operations, assets or financial situation.

## 16. CONCLUSION

In conclusion, we ask you to approve the financial statements for the year ended December 31, 2022, the Board of Directors' management report and, consequently, to give the Board faithful discharge of duty for its management during the said year and to adopt the resolutions that will be submitted to your vote.

Board of Directors

## APPENDIX TO THE MANAGEMENT REPORT: TABLE OF THE LAST FIVE YEARS

(in euros)	2018	2019	2020	2021	2022
<b>Capital at year-end</b>					
• Share capital	9,714,345	9,714,345	9,687,086	9,691,286	9,691,286
• Number of common shares outstanding	24,285,862	24,285,862	24,217,716	24,228,216	24,228,216
• Number of preferred shares (without voting rights) outstanding	-	-	-	-	-
• Maximum number of future shares to create					
- by bond conversions	-	-	-	-	-
- by exercising voting rights	-	-	-	-	-
<b>Operations and income for the year</b>					
• Revenues (ex. VAT)	127,544,403	131,828,057	136,879,786	144,443,158	151,115,740
• EBIT, employee profit sharing and allocations to depreciation and provisions	5,809,299	7,484,448	4,232,597	7,865,319	36,616,807
• Corporate income tax	(326,053)	(188,421)	(476,354)	(244,103)	(168,066)
• Employee statutory profit sharing due for the year	-	-	-	-	-
• After tax income, employee profit sharing and allocations to depreciation and provisions	5,727,198	7,231,311	3,698,492	7,882,206	36,386,781
• Income distributed	1,457,152	4,857,172	48,435,432	24,228,216	131,828,057
<b>Earnings per share</b>					
• After tax income, employee profit sharing, but before allocations to depreciation and provisions	0.24	0.30	0.15	0.31	1.50
• After tax income, employee profit sharing and allocations to depreciation and provisions	0.24	0.30	0.15	0.33	1.50
• Dividend attributed to each share	0.06	0.20	2	1	1.1*
<b>Personnel</b>					
• Average number of salaried personnel employed during the year	19	18	20	22	23
• Payroll for the year	1,618,457	1,567,229	1,459,368	1,546,304	1,732,920
• Sums paid for fringe benefits for the fiscal year (Social Security, social services, etc.)	749,953	684,120	644,368	660,867	743,847

\* Subject to approval by the Shareholders' Meeting (third resolution) of June 8, 2023.



## 6.2. DRAFT RESOLUTIONS

The resolutions presented below were approved by the Board of Directors on March 8, 2023 and will be submitted for approval to the Ordinary Shareholders' Meeting on June 8, 2023. They may be supplemented by the shareholders who have the power to do so, in accordance with the procedures and within the time limits set by law. The rationale for certain resolutions is also indicated in the management report or the report on corporate governance.

### *Presentation and explanatory statement – 1<sup>st</sup> and 2<sup>nd</sup> resolution*

The first two resolutions allow, after reading the Board of Directors' reports, the company annual financial statements, the Group consolidated financial statements and the statutory auditors' reports, to give an opinion on the NEURONES consolidated and corporate financial statements for the year ending December 31, 2022 and as presented in the "Consolidated financial statements" and "Corporate financial elements" sections of the 2022 Universal registration document.

### First resolution

#### Approval of the consolidated financial statements

The Shareholders, after having reviewed:

- the management report;
  - the report on corporate governance,
  - the auditors' report on the consolidated financial statements,
- 1) approve the consolidated financial statements for the year, showing a net profit (Group share) rounded to €44.2 million,
  - 2) approve, in addition, all the transactions and measures reflected in those financial statements or summarized in the Board of Directors' management report.

### Second resolution

#### Approval of the Company financial statements

The Shareholders, after having reviewed:

- the management report;
  - the report on corporate governance,
  - the auditors' report on the company financial statements,
- 1) approve the financial statements for the Company's financial year, showing a net profit rounded to €36.4 million,
  - 2) approve, in addition, all the transactions and measures reflected in those financial statements or summarized in the management report.

### *Presentation and explanatory statement – 3<sup>rd</sup> resolution*

With this third resolution, the Board of Directors, after noting the distributable profit for fiscal year 2022, proposes that shareholders approve the distribution of a dividend of €1.1 per share. The difference between the dividend calculated based on the number of shares composing the capital at December 31, 2022 and the dividend actually paid will, if necessary, be charged to retained earnings. This dividend is fully eligible for the 40% allowance mentioned in 2° of Article 158 of the French General Tax Code.

### Third resolution

#### Allocation of profit and distribution of a dividend

In light of positive retained earnings of €4,919,554 and a profit for the year of €36,386,780.89, distributable profit stands at €41,306,334.89.

The Shareholders decide to distribute a dividend of €1.1 per share, i.e. a total of €24,228,216\*. Following this, retained earnings would amount to €14,655,297.29.

\* Calculated based on the number of shares making up the share capital on December 31, 2022 (i.e. 24,228,216), which will be adjusted if necessary.

The dividend will be ex-dividend as of June 14 and payable on June 16, 2023.

The amount thus distributed between the Shareholders is fully eligible for the 40% allowance provided for in Article 158(3)(2°) of the French General Tax Code.

As required by law, the dividends distributed over the past three years are noted:

2019: €0.2 per share,

2020: €2 per share,

2021: €1 per share.

### *Presentation and explanatory statement – 4<sup>th</sup> resolution*

The Board of Directors carried out a review of agreements between, directly or through an intermediary, a corporate officer of NEURONES S.A. or one of the shareholders with more than 10% of voting rights and the company or another company controlled by NEURONES S.A. This review showed that no new regulated agreement was concluded during the year 2022. Only the agreement relating to the re-invoicing of shared expenses, concluded and authorized during the previous fiscal year and which continued to be executed, is a regulated agreement. The fourth resolution thus proposes to note that the statutory auditors' special report on regulated agreements and commitments with third parties does not mention any new agreements.

### Fourth resolution

#### Regulated agreements and commitments

The Shareholders note that the Statutory Auditors' special report on the agreements and commitments referred to in Article L. 225-38 et seq. of the French Commercial Code does not mention any new agreements.

### *Presentation and explanatory statement – 5<sup>th</sup> resolution*

The Board of Directors proposes to the Shareholders' Meeting to approve its management during the 2022 fiscal year. The discharge is obviously only a release from liability for acts of management that the Shareholders' Meeting has been made aware of and which it has been able to ascertain.

### Fifth resolution

#### Faithful discharge of duty

The Shareholders give the Board of Directors full, final and unconditional discharge for its management as at December 31, 2022.

### *Presentation and explanatory statement – 6<sup>th</sup> to 11<sup>th</sup> resolutions*

The following six resolutions concern the renewal of the terms of office of the company's directors, which expire at the Shareholders' Meeting of June 8, 2023, in accordance with the provisions of the Bylaws that set their term of office at one year (renewable). The term of office of the Director representing the employees, appointed by the Group Committee, is not concerned. The qualifications, and more generally the information concerning the directors, are mentioned in the Corporate Governance Report, in the chapter "Board of Directors".

#### Renewal of Directors' terms of office

### Sixth resolution

The Shareholders decide to renew the term of office of Mr. Luc de Chamard as a Director, for one year, until the date of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2023, who has declared that he accepts the renewal of his office.

## Seventh resolution

The Shareholders decide to renew the term of office of Mr. Bertrand Ducurtil as a Director, for one year, until the date of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2023, who has declared that he accepts the renewal of his office.

## Eighth resolution

The Shareholders decide to renew the term of office of Mrs. Marie-Françoise Jaubert as a Director, for one year, until the date of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2023, who has declared that she accepts the renewal of her office.

## Ninth resolution

The Shareholders decide to renew the term of office of Mr. Jean-Louis Pacquement as a Director, for one year, until the date of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2023, who has declared that he accepts the renewal of his office.

## Tenth resolution

The Shareholders decide to renew the term of office of Mr. Hervé Pichard as a Director, for one year, until the date of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2023, who has declared that he accepts the renewal of his office.

## Eleventh resolution

The Shareholders decide to renew the term of office of Host Développement SAS, represented by Mrs. Daphné de Chammard, as a Director, for one year, until the date of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2023, which has declared that it accepts the renewal of its office.

### *Presentation and explanatory statement – 12<sup>th</sup> resolution*

In accordance with legal provisions, the Board of Directors must submit to the Shareholders' Meeting for approval the compensation policy for corporate officers, whether or not they are executives. This policy is described in the Corporate Governance Report of the 2022 Universal Registration Document.

## Twelfth resolution

### **Approval of the compensation policy applicable to corporate officers ("say on pay" *ex ante*)**

The Shareholders, having reviewed the Board of Directors' corporate governance report, approve, pursuant to Article L. 22-10-8(II) of the French Commercial Code, the compensation policy applicable to corporate officers, as presented in the "Compensation policy applicable to corporate officers" section in the "Compensation and benefits of corporate officers" chapter of the Corporate Governance Report of the 2022 Universal Registration Document.

### *Presentation and explanatory statement – 13<sup>th</sup> resolution*

The Directors, other than senior executives and Directors representing employees, receive compensation for their activity on the Board of Directors. In accordance with the legal provisions, the Board of Directors must submit to the Meeting a resolution to set an annual ceiling amount for the remuneration of the directors for the year 2023. This global sum, in whole or in part, will then be allocated among the directors concerned, in consideration of the compensation policy, which was the subject of the previous resolution.

## Thirteenth resolution

### **Setting the total annual compensation of directors ("say on pay" *ex ante*)**

The Shareholders, after having reviewed the Corporate Governance Report, decide to set, for 2023, the amount of the annual fixed sum provided for in Article L. 225-45 of the French Commercial Code to be allocated to the directors as a whole to compensate their work, at €20,000 (twenty thousand euros).

### *Presentation and explanatory statement – 14<sup>th</sup> resolution*

In accordance with legal provisions, the Shareholders' Meeting must reach a decision on a draft resolution concerning the information mentioned in paragraph I of article L.22-10-9. These are the elements concerning the compensation paid and benefits granted, where applicable, to the various corporate officers, pursuant to the compensation policy and detailed in the Corporate Governance Report (chapter 7.4).

## Fourteenth resolution

### **Approval of information relating to the compensation of corporate officers ("say on pay" *ex post*)**

Pursuant to Article L. 22-10-34(I) of the French Commercial Code, the Shareholders approve the information referred to in Article L. 22-10-9(I) of the same Code, set out in the "Report on compensation" section in the "Compensation and benefits of corporate officers" chapter of the Corporate Governance Report of the 2022 Universal Registration Document.

### *Presentation and explanatory statement – 15<sup>th</sup> and 16<sup>th</sup> resolutions*

In accordance with the provisions of the French Commercial Code, the Shareholders' Meeting must decide on the fixed, variable and exceptional items making up the total compensation and benefits of any kind paid during the past fiscal year or attributed for the same fiscal year by separate resolutions for the Chairman and CEO and the Executive Vice-President.

## Fifteenth resolution

### **Approval of the compensation of the Chairman and CEO ("say on pay" *ex post*)**

Pursuant to Article L. 22-10-34(II) of the French Commercial Code, the Shareholders approve the components of the total compensation and benefits of any kind paid during or awarded for the year ended December 31, 2022 to Mr. Luc de Chammard, as presented in the "Compensation paid or awarded during or for 2022 to executive officers, benefits and other commitments" in the "Report on compensation" section in the "Compensation and benefits of corporate officers" chapter of the Corporate Governance Report of the 2022 Universal Registration Document.

## Sixteenth resolution

### **Approval of the compensation of the Executive Vice-President ("say on pay" *ex post*)**

Pursuant to Article L. 22-10-34(II) of the French Commercial Code, the Shareholders approve the components of the total compensation and benefits of any kind paid during or awarded for the year ended December 31, 2022 to Mr. Bertrand Ducurtil, as presented in the "Compensation paid or awarded during or for 2022 to executive officers, benefits and other commitments" paragraph in the "Report on compensation" section in the "Compensation and benefits of corporate officers" chapter of the Corporate Governance Report of the 2022 Universal Registration Document.

*Presentation and explanatory statement – 17<sup>th</sup> and 18<sup>th</sup> resolutions*

The term of office of one of the two statutory auditors (KPMG S.A.) will expire at the Shareholders' Meeting of June 8, 2023. Pursuant to the regulations, this appointment may be renewed one last time. It is therefore proposed that KPMG S.A. be reappointed for a period of six fiscal years. The term of office of its alternate auditor, KPMG Audit IS, is also coming to an end. It is also proposed to renew it for the same term as the incumbent.

**Seventeenth resolution****Reappointment of a statutory auditor**

The term of office of KPMG S.A., statutory auditor, expires at the end of this Meeting. The latter decides to renew the appointment for a six-year term, namely until the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2028.

**Eighteenth resolution****Reappointment of the alternate statutory auditor**

The appointment of KPMG IS audit, alternate auditor of KPMG S.A., expires at the end of this Meeting. The latter decides to renew the appointment for a six-year term, namely until the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2028.

*Presentation and explanatory statement – 19<sup>th</sup> resolution*

The Shareholders' Meeting of June 2, 2022 renewed the authorization given to the company to buy back its own shares. The characteristics of this current authorization and its use are specified in the chapter entitled "Authorization for the company to acquire its own shares and to reduce capital by cancelling treasury shares" in the Management Report of the 2022 Universal Registration Document.

As the company wishes to retain the opportunity to purchase its own shares, it is proposed that the Meeting renew the authorization given to the Board, which may pursue the three objectives listed in Article 5 of the European Market Abuse Regulation, as well as the stimulation of the share price through a liquidity contract, a market practice introduced by the AMF pursuant to Article 13 of the above-mentioned Regulation. The proposed terms and conditions will be identical to the authorization currently in force and granted by the Shareholders' Meeting of June 2, 2022, with the exception of the maximum price at which the shares may be acquired, which the Board proposes to set at €75.

For information purposes, it is specified that, based on the share capital at December 31, 2022 (comprising 24,228,216 shares), the maximum number of shares that may be purchased by the company is 2,422,821, representing a maximum purchase amount of €181,711,575. This number of shares and the purchase price limit will be adjusted, if necessary, in the event the Company conducts any financial transactions or takes decisions affecting the share capital. The Board of Directors will provide shareholders in its report to the annual Shareholders' Meeting, all information related to share purchases and sales actually carried out based on the authorization.

It should also be noted that the Shareholders' Meeting of June 6, 2019 renewed the authorization given to the Board of Directors by the Shareholders' Meeting of June 5, 2014 to reduce the share capital by canceling treasury shares. A maximum of 10% of the shares comprising the share capital could be cancelled per 24-month period pursuant to this authorization. The authorization was given for a period of five years and was used only once by the Board, which decided in 2021 to reduce the capital by cancelling 68,146 treasury shares.

**Nineteenth resolution****Company buy-back of its own shares (valid for 18 months)**

Pursuant to the provisions of Article L. 22-10-62 of the French Commercial Code, the Shareholders, after having reviewed the Board of Directors' management report, authorize the Board of Directors, for a period of up to 18 months from the date of this Meeting, to purchase the Company's own shares in order to:

- 1) subsequently cancel them,
- 2) cover:
  - a. stock option plans and other forms of allocating shares to employees and/or to Group officers, especially for Company profit sharing, a Company Savings Plan (CSP) or the allocation of bonus shares,
  - b. financial instruments carrying a right to an allotment of shares in the Company,
- 3) simulate the share price through an Investment Service Provider via a liquidity agreement complying with the code of professional conduct of the Association Française des Marchés Financiers (French Association of Financial Markets),
- 4) hold purchased shares for subsequent use in exchange or as payment for an acquisition.

The shares may be bought back through market transactions or by purchasing blocks, without any specific limitation for such block acquisitions.

The maximum price at which the shares may be acquired is set at €75 (excluding acquisition costs) per share.

The number of shares that can be purchased by the Company cannot exceed 10% of the Company's share capital, it being noted that the number of shares acquired with the view of subsequently being exchanged or used as payment as part of acquisitions cannot exceed 5% of the share capital.

The Shareholders grant full powers to the Board of Directors, with the right to sub-delegate, to place all stock market orders, conclude all agreements, make all statements and perform all formalities with all organizations and, in general, do everything necessary.

The Shareholders note that this authorization supersedes any previous authorization given for the same purpose.

**Twentieth resolution****Powers**

The Shareholders grant full powers to the holder of a copy of or extract from the minutes of this Meeting to fulfill all legal filing and public notice formalities.

# 7 Governance (report on corporate governance)

This report on corporate governance has been prepared in accordance with the provisions of Articles L.225-37 and L.22-10-8 et seq. of the French Commercial Code. It should be noted that as a medium-sized Group, with a majority shareholder among the senior executives, NEURONES has chosen to refer to MiddleNext's Corporate Governance Code (published in December 2009 and which was last revised in September 2021).

## 7.1. SHARES, CAPITAL AND DISTRIBUTION

### Disposal and transmission of shares

There are no statutory provisions restricting share transfers.

### Double voting right (Article 17 of the bylaws)

Each member of the Shareholders' Meeting has as many votes as he owns or represents. However, a double voting right is granted to all fully paid

shares provided the shares have been registered in the same shareholder's name for at least four years. This right is granted from the time of issue, in case of a capital increase by incorporation of reserves, profits or additional paid-in capital, to registered shares freely attributed to a shareholder holding old shares entitled to this right.

Every share that changes ownership loses this double voting right. Nevertheless, the transfer of ownership due to inheritance, the settling of communal estate between spouses or donation inter vivos to a spouse or relative entitled to inherit does not cause the acquired right to be lost and does not interrupt the four-year period, if it is underway. The merger of the Company has no effect on the double voting right, which may be exercised in the absorbing company, if the by-laws so provide.

### Stripping (article 8 of the by-laws)

In case bare ownership shares of the Company are donated with the donor retaining beneficial ownership, the voting right for these split shares shall belong to the bare owner for all decisions, whether ordinary or extraordinary, except for decisions concerning the allocation of profits for which the voting right shall belong to the beneficial owner.

### Changes in the distribution of capital and voting rights during the past three years

	Situation at December 31, 2020				Situation at December 31, 2021				Situation at December 31, 2022			
	Number of shares	% of capital	Number of voting rights	% of voting rights	Number of shares	% of capital	Number of voting rights	% of voting rights	Number of shares	% of capital	Number of voting rights	% of voting rights
<b>Senior executives</b>												
Host Développement	11,169,013	46.1%	22,327,696	54.6%	11,169,013	46.1%	22,327,696	54.9%	11,169,013	46.1%	22,327,696	54.9%
Luc de Chamard and children	3,863,419	16%	7,726,838	18.9%	3,838,419	15.8%	7,676,838	18.9%	3,838,419	15.8%	7,676,838	18.9%
<b>SUBTOTAL JOINTLY CONTROLLED SHARES</b>	<b>15,032,432</b>	<b>62.1%</b>	<b>30,064,864</b>	<b>73.5%</b>	<b>15,007,432</b>	<b>61.9%</b>	<b>30,004,534</b>	<b>73.8%</b>	<b>15,007,432</b>	<b>61.9%</b>	<b>30,004,534</b>	<b>73.8%</b>
Bertrand Ducurtil and children	939,000	3.9%	1,728,000	4.2%	939,000	3.9%	1,602,000	3.9%	939,000	3.9%	1,602,000	3.9%
Other senior executives with registered shares	973,484	4%	1,466,968	3.6%	923,584	3.8%	1,371,168	3.4%	874,612	3.6%	1,294,194	3.2%
<b>SUBTOTAL SENIOR EXECUTIVES</b>	<b>16,944,916</b>	<b>70%</b>	<b>33,259,832</b>	<b>81.3%</b>	<b>16,870,016</b>	<b>69.6%</b>	<b>32,977,702</b>	<b>81.1%</b>	<b>16,821,044</b>	<b>69.4%</b>	<b>32,900,728</b>	<b>80.9%</b>
Employees with registered shares	188,870	0.8%	341,740	0.8%	182,104	0.8%	322,708	0.8%	177,414	0.8%	326,328	0.8%
Treasury shares*	9,855	0%	-	-	3,725	0%	-	-	6,329	0%	-	-
Public**	7,074,075	29.2%	7,294,063	17.9%	7,172,371	29.6%	7,364,765	18.1%	7,223,429	29.8%	7,441,113	18.3%
<b>TOTAL</b>	<b>24,217,716</b>	<b>100%</b>	<b>40,885,305</b>	<b>100%</b>	<b>24,228,216</b>	<b>100%</b>	<b>40,665,175</b>	<b>100%</b>	<b>24,228,216</b>	<b>100%</b>	<b>40,668,169</b>	<b>100%</b>

\* Within the framework of the liquidity contract.

\*\* Registered shares (other than group executives and employees) and bearer shares.

## Share lock-up undertakings / shareholder agreements / jointly controlled shares

### Lock-up undertakings

As of December 31, 2022, three collective lock-up agreements, entered into in 2021, remain outstanding. The first, entered into between Host Développement, Luc de Chammard, Bertrand Ducurtil and his children, relates to 10,126,005 shares. The other two were concluded between Host Développement, Bertrand Ducurtil, Luc de Chammard and his children and relate to 12,669,018 and 13,169,018 shares respectively.

### Shareholder agreements

None

### Jointly controlled shares

Luc de Chammard, his children and Host Développement (held 100% by Luc de Chammard, his wife and their children) act in concert.

## Securities providing access to the capital

There are no current stock options.

In 2022, the Board of Directors decided to grant 50,000 bonus shares (plan I). No bonus share plan arrived at the end of the acquisition period and therefore no shares were delivered in 2022.

The H plan decided in September 2020 concerns 50,500 shares under the vesting period as of December 31, 2022, 4,000 shares having lapsed since the decision to grant them, and represents approximately 0.21% of the capital.

## Company buy-back of its own securities

All information on the company's purchase of its own shares is provided in paragraph 9 of the Management Report.

## Authorized capital

The Shareholders' Meeting of June 2, 2022 authorized the Board of Directors, for a period of 26 months (i.e., until August 2024), to increase the capital on one or more occasions by issuing, in France or on foreign markets, shares or financial securities conferring immediate or future entitlement to the company's capital, in cash or by offsetting debts and/or by capitalizing reserves, profits or premiums.

These issues may be carried out with or without preemptive subscription rights, possibly by public offering, private placement or in the event of a

public exchange offer initiated by the company, and may not increase share capital by more than €9 million. Furthermore, the total nominal amount of debt securities conferring entitlement to the capital may not exceed €90 million.

In compliance with these ceilings, the issue of common shares or financial securities conferring immediate or future entitlement to common shares in order to remunerate contributions in kind granted to the company and consisting of equity securities or financial securities conferring entitlement to the capital, where the provisions of Article L.22-10-54 of the French Commercial Code are applicable, may not exceed 10% of the share capital at the time of issue.

## Thresholds and crossing of thresholds

Under Article L.233-7 of the French Commercial Code, every natural person or legal entity, acting alone or in concert, has the obligation to inform the Company and the AMF if they end up holding, directly or indirectly, more than one twentieth (5%), one tenth (10%), three twentieths (15%), one fifth (20%), one quarter (25%), three tenths (30%), one third (33.3%), one half (50%), two thirds (66.6%), nine tenths (90%) or nineteen twentieths (95%) of the capital or voting rights. This information is also given under the same conditions when the capital stake or voting rights become less than the aforementioned thresholds.

The information must be sent to the Company and to the Autorité des Marchés Financiers (French financial markets authority), no later than before the close of trading on the fourth trading day following the day the threshold was crossed. The form of statement and the methods of filing with the AMF are fixed by the AMF's instructions. The AMF shall make this statement public, via its Decision and Financial Information Database, within three trading days of receiving the full statement.

In addition, any market maker informs the AMF within five trading days that it conducts or intends to conduct market making activities for a given issuer. When it ceases to carry out these transactions, it shall also inform the Autorité des Marchés Financiers within the same period.

In addition, in accordance with Article 16 of the bylaws, every shareholder, acting alone or in concert, is required to inform the company when he ends up directly or indirectly holding shares representing 2% of the capital or voting rights. This duty of disclosure applies to every 2% fraction of the capital or voting rights.

No threshold crossings were declared during the 2022 financial year.



## Change in share capital since the Company's founding

Date	Type of operation	Capital increase	Additional paid-in capital and contribution	Number of shares issued	Cumulative amount of share capital	
					Number of shares	Capital
December 1984	Company formed	-	-	-	8,000	F800,000
8/15/1985	Capital increase	F210,000	-	2,100	10,100	F1,010,000
6/30/1993	Company buy-back of its own securities and capital reduction	-	-	(4,954)	5,146	F514,600
6/30/1993	Capital increase by incorporating reserves and raising the share face value from F100 to F200	F514,600	-	-	5,146	F1,029,200
12/30/1997	Capital increase by incorporating reserves and raising the share face value from F200 to F4,000	F19,554,800	-	-	5,146	F20,584,000
11/29/1999	Capital increase by incorporating reserves, converting capital into euros and raising the share face value to €1,500	F30,049,320.83	-	-	5,146	€7,719,000
11/29/1999	Share face value divided from €1,500 to €2	-	-	-	3,859,500	€7,719,000
4/5/2000	Share face value divided from €2 to €0.04	-	-	-	19,297,500	€7,719,000
5/23/2000	Capital increase during the listing on the stock exchange (Nouveau Marché / New Market)	€1,389,420	€29,872,530	3,473,550	22,771,050	€9,108,420
12/31/2004	Capital increase following the exercise of BSPCE (company creator stock options)	€30,488	€213,416	76,220	22,847,270	€9,138,908
12/31/2005	Capital increase following the exercise of BSPCE (company creator stock options)/stock options	€166,260	€1,163,820	415,650	23,262,920	€9,305,168
12/31/2005	Capital reduction after cancellation of a repurchased block of shares	-	-	(98,000)	23,164,920	€9,265,968
12/31/2006	Capital increase after exercise of stock options	€33,353.60	€276,359.60	83,384	23,248,304	€9,299,321.60
12/31/2007	Capital increase after exercise of stock options	€53,809.20	€402,778.20	134,523	23,382,827	€9,353,130.80
12/31/2008	Capital increase after exercise of stock options	€10,916.40	€89,871.40	27,291	23,410,118	€9,364,047.20
12/31/2009	Capital increase after exercise of stock options	€25,708	€238,298	64,270	23,474,388	€9,389,755.20
12/31/2010	Capital increase after exercise of stock options	€34,682	€329,517	86,705	23,561,093	€9,424,437.20
12/31/2011	Capital increase after exercise of stock options	€24,666.40	€253,087.50	61,666	23,622,759	€9,449,103.60
12/31/2012	Capital increase following the exercise of stock options and the delivery of shares to the beneficiaries of the Plan C bonus share attribution	€54,762	€85,775.50	136,905	23,759,664	€9,503,865.60
12/31/2013	Capital increase following the exercise of stock options and the delivery of shares to the beneficiaries of the Plan D bonus share attribution	€80,647.60	(€11,911.10)	201,619	23,961,283	€9,584,513.20
12/31/2014	Capital increase after exercise of stock options	€8,190.40	€101,915.40	20,476	23,981,759	€9,592,703.60
12/31/2015	Capital increase following the exercise of stock options and the delivery of shares to the beneficiaries of the Plan E bonus share attribution	€99,847.60	€301,384.10	249,619	24,231,378	€9,692,551.20
12/31/2016	Capital increase after exercise of stock options	€4,993.60	€42,445.60	12,484	24,243,862	€9,697,544.80
12/31/2018	Capital increase following the delivery of shares to the beneficiaries of the Plan F bonus share attribution	€16,800.00	-	42,000	24,285,862	€9,714,344.80
12/31/2020	Capital reduction by cancelation of treasury shares	-	-	(68,146)	24,217,716	€9,687,086.40
12/31/2021	Capital increase for the delivery of shares to the beneficiaries of plan G for the allocation of bonus shares	€4,200.00	-	10,500	24,228,216	€9,691,286.40
12/31/2022	-	-	-	-	24,228,216	€9,691,286.40

## 7.2. SHAREHOLDERS' MEETINGS, CURRENT DELEGATIONS

### Terms of participation and procedures

Shareholders' Meetings are convened and deliberate in the conditions laid down by the legal and regulatory provisions.

Meetings are held either at the registered office or at another location specified in the advance notice and the notice of the meeting.

Attendance at the meeting is open to any shareholder who can furnish evidence of shares registered in his name, or in the name of the intermediary duly registered on his behalf, two working days before the meeting at mid-

night, either in the registered share accounts or the bearer share accounts held by his authorized intermediary.

Shareholders may also vote by correspondence or by proxy according to the legal and regulatory conditions. To be counted in the ballot, the form for postal or proxy votes, accompanied by share-holding certificates for bearer shareholders, must have been received by the Company or by the establishment holding the registered share accounts at least three days prior to the date of the meeting.

The meetings are chaired by the Chairman of the Board of Directors or, in his absence, by a Director specially appointed for the purpose by the Board. Failing that, the meeting elects its Chairman.

Minutes of the meeting are taken and copies are certified and issued as required by law.

### Summary of delegations of authority and powers granted by the shareholders' meeting to the Board of Directors

Valid delegations of authority granted by the SM to the Board of Directors	Period of validity – End date of validity	Main conditions and ceilings	Use during the year
OSM of 03/6/2021 (ordinary resolution): Company acquisition of its own shares (article L.22-10-62 of the French Commercial Code)	18 months – 12/3/2022 Replaced by the authorization granted by the Ordinary Shareholders' Meeting of 6/2/2022	10% of the total number of shares. Maximum purchase price: €35. Proportion of shares given as payment as part of acquisitions limited to 5% of the share capital	Share price support: between January 1 and June 2, 2022, 14,010 shares were acquired and 13,573 shares sold under the liquidity contract.
OSM of 6/2/2022 (ordinary resolution): Company acquisition of its own shares (article L.22-10-62 of the French Commercial Code)	18 months – 12/2/2023	10% of the total number of shares. Maximum unit purchase price: €55. Proportion of shares given as payment as part of acquisitions limited to 5% of the share capital	Share price support: between June 3 and December 31, 2022, 48,098 shares were acquired and 45,931 shares were sold under the liquidity contract.
Shareholders' Meeting of 6/6/2019 (extraordinary resolution): Capital reduction by cancellation of treasury shares (articles L.225-204 and L.225-209 of the French Commercial Code)	60 months – 6/6/2024	10% of the capital per 24-month period	Not used
Shareholders' Meeting of 6/4/2020 (extraordinary resolution): Attributions of bonus shares, existing or to be issued (articles L.22-10-59, L.22-10-60 and L.225-197-1 et seq of the French Commercial Code)	24 months – 6/4/2022 Replaced by the authorization granted by the Shareholders' Meeting of 6/2/2022	Maximum: 120,000 shares	Not used
Shareholders' Meeting of 6/2/2022 (extraordinary resolution): Attributions of bonus shares, existing or to be issued (articles L.22-10-59, L.22-10-60 and L.225-197-1 et seq of the French Commercial Code)	24 months – 6/2/2024	Maximum: 240,000 shares	Attribution of 50,000 bonus shares in June 2022 (plan I)
Shareholders' Meeting of 6/2/2022 (extraordinary resolution): Capital increase by issuing ordinary shares and/or any securities giving access to ordinary shares, with preferential subscription rights, in cash or by offsetting debts and/or by incorporating reserves, premiums and profits through the allocation of bonus shares and/or by raising the par value of existing shares	26 months – 8/2/2024 Replaces the authorization granted by the AGM of 6/4/2020, which was only used for the issue of 10,500 new shares in June 2021 (plan G for the allocation of bonus shares)	Maximum nominal amount of shares issued ("overall ceiling" applying to this authorization and to the five subsequent ones): €9 million. Maximum nominal amount of debt securities ("overall ceiling" applying to this and the next five authorizations): €90 million.	Not used
Shareholders' Meeting of 6/2/2022 (extraordinary resolution): Capital increase by issuing, without preferential subscription rights and by public offering, ordinary shares and/or any securities giving access, immediately or in the future, to ordinary shares to be issued, in cash or by offsetting debts	26 months – 8/2/2024 Replaces the authorization granted by the Shareholders' Meeting of 6/4/2020 and which has not been used	The maximum nominal amount of shares issued and the maximum nominal amount of debt securities are deducted from the overall ceiling. Up to a maximum of 10% of the capital per 12-month period, issue price at least equal to the average of the prices for the last 20 trading days, with the possibility of a maximum discount of 10%.	Not used

Valid delegations of authority granted by the SM to the Board of Directors	Period of validity – End date of validity	Main conditions and ceilings	Use during the year
Shareholders' Meeting of 6/2/2022 (extraordinary resolution): Capital increase by issuing ordinary shares and/or any securities giving access to ordinary shares to be issued, with cancellation of preferential subscription rights and by private placement (article L.411-2 II of the French Monetary and Financial Code)	26 months – 8/2/2024 Replaces the authorization granted by the Shareholders' Meeting of 6/4/2020 and which has not been used	The maximum nominal amount of shares issued and the maximum nominal amount of debt securities are deducted from the overall ceiling. Total amount of immediate or future capital increases limited to 20% of the capital per year.	Not used
Shareholders' Meeting of 6/2/2022 (extraordinary resolution): Authorization to increase the amount of issues in the event of oversubscriptions	26 months – 8/2/2024 Replaces the authorization granted by the Shareholders' Meeting of 6/4/2020 and which has not been used	Within the overall ceiling, for each of the issues decided pursuant to the three preceding resolutions, the number of shares or securities to be issued may be increased if there is excess demand, up to a limit of 15% of the initial issue and at the same price.	Not used
Shareholders' Meeting of 6/2/2022 (extraordinary resolution): Authorization to increase the capital in consideration for contributions in kind consisting of equity securities or securities giving access to the capital	26 months – 8/2/2024 Replaces the authorization granted by the Shareholders' Meeting of 6/4/2020 and which has not been used	In compliance with the overall ceiling and within the limit of 10% of the share capital at the time of issue, when the provisions of Article L.22-10-54 of the French Commercial Code are not applicable.	Not used
Shareholders' Meeting of 6/2/2022 (extraordinary resolution): Authorization to increase the capital in the event of a public exchange offer initiated by the Company	26 months – 8/2/2024 Replaces the authorization granted by the Shareholders' Meeting of 6/4/2020 and which has not been used	Up to the overall limit.	Not used

All of the resolutions are available on the company website ([www.neurones.net](http://www.neurones.net) – Investors – Shareholders' Meetings).

## 7.3. BOARD OF DIRECTORS, BOARD MEMBERS

### Composition and independence

At present there are seven directors on the Board of Directors:

- two members (CEO and the Executive Vice-President) have a full-time operational role in the Company,
- four outside directors, with no operational role in the Group, two of whom are considered independent,
- a director representing the employees (appointed by the Group Committee in June 2019).

Director	Independent director	Date of first appointment	End of current term of office
Luc de Chamard Chairman and CEO	No	December 5, 1984*	SM of June 8, 2023
Bertrand Ducurtail Executive Vice-President	No	June 30, 1999	SM of June 8, 2023
Jean-Louis Pacquement	Yes	December 5, 1984*	SM of June 8, 2023
Hervé Pichard	No	October 15, 2004	SM of June 8, 2023
Marie-Françoise Jaubert	Yes	June 9, 2011	SM of June 8, 2023
Host Développement SAS, represented by Daphné de Chamard	No	June 9, 2016	SM of June 8, 2023
Emmanuelle Canza, representing employees	No	June 7, 2019	SM called to approve the accounts for the year ending December 31, 2023

\* NEURONES' founding date.

The powers of the Chairman & CEO and the Executive Vice-President are those provided for by law. The bylaws stipulate that the Board of Directors can limit these powers as an internal measure, which can't be enforced against third parties. This option has not been used.

The obligations relating to gender balance on the Boards of Directors are respected. Pursuant to article L.225-18-1 of the French Commercial Code, the difference between the number of directors of each gender is not greater than two.

Marie-Françoise Jaubert and Jean-Louis Pacquement are considered as independent directors based on the MiddleNext Code that NEURONES adheres to. They have never been employees, executive officers, customers, suppliers or auditors of the company or of a group company, and have no family ties to a corporate officer or a reference shareholder. Lastly, they are not themselves majority shareholders of the Company. Therefore, no financial, contractual or family relationship is likely to alter the independence of their judgment.

These directors' term of office expires at the end of the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2022. Accordingly, a motion will be put to this Meeting to renew their term of office for one year, pursuant to the bylaws.

It should also be noted that based on the proposal of the Board of Directors, the Shareholders' Meeting of June 14, 2018 opted for the Group Committee to appoint the director representing the employees, in accordance with Article L.225-27-1 of the French Commercial Code. The term of office of this director is three years, tacitly renewable once for the same period, unless the Group Works Council decides not to renew it. It must then appoint a new director at the end of the Shareholders' Meeting called to approve the accounts for the previous financial year and held in the year in which the first three-year period expires.

## Other offices held by the directors

The main function and other duties performed by the members of the NEURONES Board of Directors are described hereafter.

### Chairman of the Board of Directors

Luc de Chamard, born on September 16, 1954

- Other offices held outside the Group:
  - Chairman and member of the Supervisory Board: Host Développement – 122, avenue Charles-de-Gaulle 92200 Neuilly-sur-Seine – Nanterre Register of Commerce No. 339 788 713.

### Executive Vice-President

Bertrand Ducurtail, born on April 11, 1960

- Other offices held in the Group :
  - CEO: NEURONES Consulting – 205, Avenue Georges Clemenceau – 92000 Nanterre – Nanterre Register of Commerce No. 509 152 468.
  - CEO: NG Cloud – 44, avenue Georges Pompidou – 92300 Levallois-Perret – Nanterre Register of Commerce No. 801 244 492.
  - CEO: RS2i – 44, avenue Georges Pompidou – 92300 Levallois-Perret – Nanterre Register of Commerce No. 385 166 640.
- Other offices held outside the Group:
  - Member of the Supervisory Board: Host Développement.

### Director

Marie-Françoise Jaubert, born on September 27, 1941, Honorary Magistrate.

- Other non-Group mandates: none.

### Director

Jean-Louis Pacquement, born on April 21, 1955, Senior Advisor for Lazard Frères Gestion Privée.

- Other offices held outside the Group:
  - CEO: JLP et Associés Conseil – 9, place du Palais Bourbon – 75007 Paris – Paris Register of Commerce No. 820 223 543.

### Director

Hervé Pichard, born on May 20, 1955, lawyer admitted to the Hauts-de-Seine and New York bars

- Other offices held outside the Group :
  - CEO: Pichard et associés – 122, avenue Charles-de-Gaulle – 92200 Neuilly-sur-Seine – Nanterre Register of Commerce No. 391 504 628.
  - Director: SECO Ressources et Finances – 122, avenue Charles-de-Gaulle – 92200 Neuilly-sur-Seine – Nanterre Register of Commerce No. 429 837 172.
  - Director: UPM-Kymmene Groupe – 122, Avenue Charles-de-Gaulle 92200 – Neuilly-sur-Seine – Nanterre Register of Commerce No. 407 655 893.
  - Member of the Supervisory Board: Host Développement.

### Director

Host Développement, represented by Daphné de Chamard, born on March 17, 1949.

- Other offices held outside the Group:
  - Chief Executive Officer and member of the Supervisory Board: Host Développement.

## Experience of Board members (excluding senior executives)

Marie-Françoise Jaubert has proven experience in law and more specifically in private law. Daphné de Chamard (representing Host Développement SAS and spouse of Luc de Chamard) has 15 years of experience in HR and sales supervision. Jean-Louis Pacquement has significant experience in finance and mergers-acquisitions. Furthermore, he has the benefit of hindsight and the perspective of the “historic” director. Hervé Pichard brings his skills as a lawyer and company administrator and has been handling the company’s main “corporate” cases for more than twenty years.

None of the directors above was employed by or maintained business relations with NEURONES, except Hervé Pichard, who is one of its lawyers.

## Frequency of meetings

Beyond the two annual sessions closing the annual and half-yearly financial statements that the statutory auditors participate in and the meeting held at the end of the annual Shareholders' Meeting, the Board meets whenever the situation requires (e.g., opinion on potential acquisitions, decision to attribute bonus shares, calling an Extraordinary Shareholders' Meeting, contribution of assets, merger, etc.) and in any case at least four times per year.

The Board of Directors met four times in 2022:

Date	Agenda
March 9	<ul style="list-style-type: none"> <li>• Audit Committee Report</li> <li>• Related-party agreements</li> <li>• Year-end closing of the company and consolidated financial statements for the 2021 fiscal year</li> <li>• Compensation of the CEO, the Executive Vice-President and other members of the Board</li> <li>• Revision of the Board's rules of procedure</li> <li>• Management report and corporate governance report</li> <li>• Resolutions to be submitted to the next General Meeting and convening of the latter</li> <li>• Various questions</li> </ul>
June 2 (at the end of the Shareholders' Meeting)	<ul style="list-style-type: none"> <li>• Renewal of the mandate of the Chairman of the Board and determination of his powers</li> <li>• Renewal of the Executive Vice-President's term of office</li> <li>• Compensation of the CEO and Executive Vice-President in view of the vote of the Shareholders' Meeting</li> <li>• Effective launch of a share buyback program</li> <li>• Implementation of a bonus share allocation plan (plan I)</li> <li>• Opportunities and strategy for external growth</li> <li>• Various questions</li> </ul>
September 7	<ul style="list-style-type: none"> <li>• Approval of the consolidated financial statements for the half-year ended June 30, 2022</li> <li>• Professional gender and salary equality policy</li> <li>• Various questions</li> </ul>
December 8	<ul style="list-style-type: none"> <li>• Measures and procedures to prevent and detect cases of corruption or influence peddling</li> <li>• Review potential conflicts of interest</li> <li>• Review of the risk map</li> <li>• Various questions</li> </ul>

In 2022, the attendance rate of the members of the Board of Directors was 86%.

## Operation

Almost two-thirds of the capital and three-quarters of the voting rights are represented by two directors, who are also operational managers. Historically there has always been a wide distribution of power within the Board. Logically, therefore, no specific provision has been established to ensure that control of the Group is not misused.

The company is especially concerned about protecting the interests of minority shareholders since they include many executives and managers of the parent company and its subsidiaries.

In practice:

- all major decisions are taken in collegial discussions among senior executives and then with the Board of Directors,
- arrangements have been made for the Chairman's succession. In the event the CEO is unable to fulfill his duties, the long-standing plan has been that the Executive Vice-President, who has been in the Company since 1991, will succeed the CEO. This is regularly confirmed at Board

meetings when the issue of management succession is discussed. In addition, the Board has noted that the successor to the Executive Vice-President, if necessary, could be found among certain executive officers of subsidiaries who have been with the Group for a long time and have good knowledge of its operations and businesses,

- the power of oversight is exercised as described in this chapter and the Board's rules of procedure,
- the Board's rules of procedure, initially adopted in June 2010 and updated in September 2016, were revised again in March 2022. Signed by the members of the Board, it complies with the recommendations of the MiddleNext Code in this area. It provides a precise reminder of the role and missions of the Board and the specialized Committees, the ethical standards to be respected by the directors and the operating procedures of the Board to ensure compliance with the principles of good governance. It is published on the company's website.

To date there has been no formal self-assessment of the Board's work. Nevertheless, Council members are keeping the issue in mind and are not ruling it out.

Two specialized committees (Audit and Ethics and Compliance) have been set up in accordance with legal and regulatory requirements. Their role is outlined below and in the Board's rules of procedure. It should be noted that, unlike the Audit Committee, which is composed exclusively of Board members, the Ethics and Compliance Committee has not been set up within the Board, since its members are not Directors.

In addition, there are no plans to set up other specialized committees (compensation, strategy, etc.). The Board considers that, given the collegial nature of decision-making, the still modest size of the Group, its highly decentralized structure, the geographical proximity of the main subsidiaries, the fact that the directors have a stake in the company, the operational role of two of the six Board members and their high overall shareholding, the creation of committees reporting to the Board, with the exception of the Audit Committee and the Ethics and Compliance Committee, would have more disadvantages than advantages. More specifically, with regard to the establishment of a specialized CSER committee recommended by the MiddleNext Code, this essential issue is directly and seriously taken into account by the operating subsidiaries. It should be noted that the Sustainable Development Committee, under the responsibility of the Chief Financial Officer, has been leading the Group's CSER approach since 2012. Its precise role is defined in Chapter 2 of this document. Although no specialized CSER committee has been set up within the Board, the Sustainable Development Committee fulfills this role to the full, in particular by making it possible to select projects, monitor results and share best practices among subsidiaries that have their own approach to Corporate Social Responsibility.

Without prejudice to the reasons mentioned above, the Board does not exclude the creation of an ad hoc, temporary or permanent specialized committee, should the company's current situation so warrant.

The members of the Board, "persons discharging managerial responsibilities" within the meaning of the European Market Abuse Regulation, as well as "persons closely linked to them", are subject to the legal provisions and the recommendation of the AMF on the subject. Directors must refrain from trading, for their own account or for the account of third parties, during a so-called "blackout period" or "negative window" starting thirty calendar days before the publication of the annual and half-yearly results press release. A fifteen-day cooling-off period before the publication of the quarterly information must also be observed by the directors. Each member of the Board must, at all times, strictly refrain from carrying out transactions if he or she is in possession of privileged information. No other negative or positive windows have been defined by the company. Directors are clearly informed of their obligation to report to the AMF any transactions carried out, when their total amount exceeds €20,000 over the calendar year, and to notify the company of this report.

Each director has undertaken, in particular through the Board's internal regulations, to inform the Chairman of any conflict of interest situation

in which he or she may find himself or herself. Before each Board meeting, depending on the agenda, each member must declare any conflicts of interest and refrain from participating in the vote during any deliberation directly or indirectly concerning a conflict of interest and even from attending the debates. In any event, the Board shall make all reasonable inquiries and take action proportionate to the situation (clear statement of reasons, removal of the members concerned from the meeting to ensure that the decision is in the best interests of the company). These measures allow for both the protection of the individual interest of each Board member and the strengthening of the Board's authority. An annual procedure for disclosing and monitoring conflicts of interest has been put in place, with the subject being placed on the agenda of a meeting each year. On this occasion, the various situations that may lead to a conflict of interest are recalled and each director must confirm that he or she is not in such a potential or actual situation. In this case, the Board shall establish a follow-up procedure.

Apart from certificates and services rendered in application of legal or regulatory texts, no services other than the certification of accounts have been entrusted to the company's statutory auditors.

### Audit committee

The Committee is comprised of two directors, Hervé Pichard and Jean-Louis Pacquement, who chair the committee.

Jean-Louis Pacquement, independent director, and Hervé Pichard have considerable experience and proven skills in financial and accounting matters. The Audit Committee met twice in 2022, with both members present. The Board followed their recommendations. Concerning the statutory auditors' supplementary report for FY 2022, the discussions between the members of the Audit Committee and the statutory auditors took place before their report was submitted.

The main objective of this Committee is to monitor issues concerning the preparation and control of the accounting and financial information. It acts under the collective responsibility of the members of the Board of Directors. The Committee does not relinquish its decision-making power to the Board but defers and reports to it. Neither does it supersede the officers' prerogatives.

Without prejudice to the competences of the Board of Directors and senior management, the Audit Committee is responsible in particular for the following assignments:

- monitor the financial reporting process and, where appropriate, make recommendations to ensure its integrity,
- ensure the relevance, consistency and reliability of the company's accounting policies, including a review of any changes to those policies,
- monitor the effectiveness of internal control and risk management systems concerning procedures related to the preparation and treatment of accounting and financial information,
- update the risk mapping on the above items, reviewed and approved by the Board once a year,
- examine significant risks and off-balance sheet commitments, assess any weaknesses and inform the Board, if necessary,
- issue a recommendation on the statutory auditors proposed for appointment by the Shareholders' Meeting or in the event of a proposal to renew their appointment,
- monitor the statutory auditors' performance on their assignment and take into account the conclusions of the Haut Conseil du Commissariat aux Comptes (French High Counsel of Statutory Auditors) following the controls carried out pursuant to the regulations,
- ensure that the statutory auditors comply with the independence criteria under the conditions and in accordance with the terms and conditions provided for by the regulations,
- ensure that statutory auditors comply with the legal and regulatory provisions relating to the incompatibilities of the profession, and in particular with rotation obligations,
- approve in advance the provision of "Services Other than the Certification of the Financial Statements" by the statutory auditors, it being specified



that the total amount of these services over a fiscal year may not exceed 70% of the average amount of the statutory auditors' fees for the last three fiscal years for the legal certification of the financial statements,

- ensure that independent directors receive no compensation other than that provided for in respect of their duties as directors,
- report regularly to the Board on the performance of its assignments and immediately inform the Board of Directors of any problems encountered. It also reports regularly the results of the financial statements certification assignment, how this assignment contributed to the integrity of the financial information and the role it played in this process.

The Audit Committee has made sure that the statutory auditors are independent.

It may, if the conditions and situation warrant it, rely on special training courses and experts. However, the Board of Directors must first approve such uses. The Audit Committee may, any time it senses the need, meet with the statutory auditors as well as all members of the Group's finance departments.

#### **Board of Director's work (closing financial statements)**

The financial statements (balance sheet, income statement and notes) are generally drawn up at the end of January (for the annual financial statements) and the end of August (for the half-yearly financial statements). The finance department prepares them and they are initially approved by the two directors who have an operational role in the Group.

These financial statements are then sent to:

- on the one hand, to outside directors, who have several days before the Board meeting to ask the other two directors or the financial department any questions they may have. Furthermore, the members of the Audit Committee may meet with the statutory auditors or the finance department,
- to the statutory auditors who carry out their audit work.

At the end of their audit, a summary meeting is held with at least one director (usually the Executive Vice-President), the Group Chief Financial Officer and the statutory auditors. The statutory auditors share their observations and, if necessary, any requested adjustments. These points are discussed and, with the statutory auditors' agreement, the financial statements are presented to the Board of Directors. Before the meeting, the statutory auditors submit their supplementary report to the Audit Committee. On this occasion, the statutory auditors report to the Audit Committee on the scope and conclusions of their assignments as well as their comments. The Audit Committee may then question the statutory auditors on a key issue addressed in the report. The objective of the supplementary report is to strengthen the value of the legal audit of the financial statements by improving the communication between the statutory auditors and the members of the Audit Committee.

During the Board of Directors meeting, the Audit Committee presents to the other directors the conclusions of its assignments, starting with the follow-up of questions concerning the preparation and control of the accounting and financial information. Where necessary, it formulates recommendations to ensure the integrity of these processes and to improve the review of the internal control work.

It then presents to the Board of Directors:

- the main figures (income items, presentation of the balance sheet and financial situation).
- the accounting principles and methods used,
- the main accounting options adopted,
- the impacts of possible changes in methods,
- changes in the scope of consolidation.

The annual parent company and consolidated financial statements, or the half-yearly consolidated financial statements as the case may be, are then approved by the Board of Directors, and the annual parent company and consolidated financial statements are then submitted to the Shareholders' Meeting for approval.

#### **Ethics and compliance committee**

In accordance with Law 2016-1691 of December 9, 2016 on transparency, combating corruption and modernizing economic life (known as the Sapin II Law), in 2017 the Board approved measures and procedures to be implemented within the Group to prevent and combat corruption and influence peddling.

In particular, the Board approved the creation of an Ethics and Compliance Committee, composed of the General Counsel and the Group Chief Financial Officer and chaired by the latter. This Committee is therefore not established within the Board. Its mission is to receive reports from Group employees, customers, subcontractors and suppliers of potential or actual non-compliance with the Code of Conduct. This committee specifies the measures in force, the inappropriate behaviors and the best practices. A warning system appears to be the most effective procedure when a failure to comply is detected. Protection is guaranteed for anyone who would report any proven failure to comply or any suspect or ambiguous situation. It is also guaranteed for members of the Committee who cannot be sanctioned by their employer for fulfilling this assignment. In addition to its role of processing any reports received, investigating and giving an opinion on the compliance of reported practices with the Code of Conduct, the Committee:

- reviews, controls and monitors all of the Group's ethics and compliance practices,
- updates and evaluates at least annually the Ethics and Compliance Risk Map, as amended from time to time and approved annually by the Board,
- implements action plans following this evaluation,
- advises the Group on stakeholder relations on all matters relating to ethics and compliance.

Since 2019, the Ethics and Compliance Committee has presented an annual report to the Board on any difficulties encountered in implementing the measures and any alerts it may have received. In 2022, the Committee was alerted by an employee about the suspicious behavior of a prospect, which did not comply with the Group's Code of Conduct. Following this detailed report, the commercial relationship with this buyer was terminated.

The Committee may, more generally, be heard by the Board of Directors whenever the situation warrants.

#### **Related-party agreements**

During fiscal year 2022, no new regulated agreements, as defined in Article L.225-38 of the French Commercial Code, were entered into.

NEURONES S.A. carries some pooled expense on behalf of its subsidiaries: finance, legal, marketing and Group general management. These costs are covered by back charging on a flat rate basis the companies concerned by this agreement. This is the only regulated agreement entered into and authorized in a prior fiscal year that continued to be performed in fiscal 2022.

This flat-rate back-charging of these pooled expenses is consistent with the parent company's budget and the costs are distributed based on the projected revenues of the companies concerned by this agreement. The sums back-charged in this regard by NEURONES S.A. are indicated in the auditors' special report on related-party agreements.

As every year, on the occasion of the Board meeting to close the accounts, the directors reviewed existing agreements, directly or through an intermediary, between, on the one hand, one of the corporate officers of NEURONES S.A. or one of the shareholders with more than 10% of voting rights and, on the other hand, NEURONES S.A. or another company controlled within the meaning of article L.233-3 of the French Code of Commerce. The list of these agreements, drawn up by identifying the financial flows, and including the evaluation elements, is sent to the members of the Board by the Chief Financial Officer and the Executive Vice-President. The people, if any, directly or indirectly interested in any of them, do not participate in the discussion. If the Board considers that an agreement is not or is no longer free, it will be subject to the regulatory regime for regulated agreements. The Board's most recent assessment according to

these procedures did not reveal any regulated agreements other than the one mentioned above.

The other existing agreements are unrestricted and not regulated within the meaning of the legal and regulatory provisions. They relate to current operations concluded under normal conditions. Moreover, due to their purpose and their financial implications, these voluntary agreements are not significant for any of the parties.

Depending on the configuration and the amounts involved, the Board may decide that an independent expert opinion is appropriate.

## 7.4. CORPORATE OFFICERS' COMPENSATION AND BENEFITS

In accordance with legal and regulatory provisions, the Shareholders' Meeting must vote ex ante on the compensation policy, presented below, for company officers, whether or not they are executives.

In accordance with Article L.22-10-34 of the French Commercial Code, the remuneration of company officers is also subject to an ex post vote by the Meeting on the information relating to the remuneration referred to in I of Article L.22-10-9. This information is also presented in this chapter.

Lastly, the compensation paid or awarded to the Chairman and Chief Executive Officer during or in respect of fiscal year 2022 is subject to an ex post vote by the Meeting on the basis of a specific resolution. The same applies to the Executive Vice-President.

### Compensation policy applicable to corporate officers, subject to an ex ante vote by shareholders at the Shareholders' Meeting of June 8, 2023 (Article L.22-10-8 of the French Commercial Code)

This section sets out the compensation and benefits of any kind attributable to the Directors, the Chairman and Chief Executive Officer and the Executive Vice-President.

The compensation policy for corporate officers complies with legal and regulatory provisions and the MiddleNext Code for Corporate Governance. It is in line with the corporate interest and contributes to the Company's commercial strategy and sustainability.

The Board does not make any provision to derogate from its application, as set out in this paragraph, in accordance with the second paragraph of paragraph III of Article L.22-10-8 of the French Commercial Code. Where applicable, newly appointed corporate officers shall be subject to the provisions of the latest compensation policy approved by the Shareholders' Meeting, without the possibility of making any significant changes thereto prior to approval by the Shareholders' Meeting.

Measures to avoid and manage conflicts of interest are specified in the Board's policies and procedures and the issue is placed on the agenda of an annual Board meeting to disclose potential or actual conflicts of interest.

The implementation of the compensation policy, determined by the Board at its first meeting of the year, is subject to continuous monitoring.

In developing, monitoring and reviewing compensation policy, the Board takes into account the terms and conditions of compensation and employment of the Company's employees.

No exceptional compensation may be awarded to corporate officers, nor may benefits in kind be granted.

The corporate officers do not benefit from the attribution of stock options or bonus shares.

No contractual compensation is provided for termination of their term of office or change of duties. They do not receive any termination benefits in

the event of retirement nor do they benefit from a supplementary defined contribution pension scheme.

There is no non-competition agreement between the company and a corporate officer.

The officers and directors or members of their families do not own, directly or indirectly, any assets, especially real estate, used by the Company or the Group.

No loans or collateral have been granted or formed in favor of members of administrative or management bodies.

### Directors' compensation

Directors, other than senior executives and employee representatives, receive compensation for their participation in the work of the Board and the Audit Committee, or any other committee that may be created in the future. For this purpose, and in accordance with the law, each year a global sum is submitted to the Shareholders' Meeting for approval. For fiscal year 2023 the proposed amount, identical to that proposed and approved for 2022, is €20,000.

Each member's share is paid at the end of the fiscal year. It does not, of course, include the compensation paid to executive company officers, who are paid exclusively in accordance with the compensation policy applicable to them, as detailed below.

With the exception of the latter, and the employee representative, each director will receive a fixed annual share (€2,000 for the current fiscal year). It will be increased (by €1,000) for committee members, in particular the Audit Committee. A supplement (variable and €500 for this year) will be charged for each physical presence at Board meetings.

The breakdown of the maximum overall amount allocated by the Shareholders' Meeting takes into account the time spent in the position (including, for example, the surcharge for participation in the Audit Committee) and values professionalism and involvement. The variable portion, which may represent half of the total compensation, is an incentive to encourage regular attendance.

The actual amount owed by each director for the previous year is calculated and paid at the beginning of the year. Any balance remaining from the maximum sum allocated by the Shareholders' Meeting is not redistributed. Conversely, in the event that the annual budget voted for by the Shareholders' Meeting is exceeded, the portion paid to each director concerned will be capped in proportion to the amounts due. At its first annual meeting, the Board approves the individual amounts and their payment.

In addition, directors are reimbursed for any expenses incurred in the exercise of their mandate.

### Senior executives' compensation

The executive compensation policy, which is subject to approval by the Shareholders' Meeting of June 8, 2023, is consistent with that approved by the Shareholders' Meeting of June 2, 2022.

Each executive (Chairman and Chief Executive Officer and Executive Vice-President) is to receive a fixed cash amount of two hundred and sixty thousand euros per year in 2023, divided into twelve monthly payments over the calendar year. This amount was set by the Board at its first annual meeting. It may be reconsidered at the meeting following the Annual Shareholders' Meeting asked to approve the financial statements, depending on the vote of the Annual Shareholders' Meeting.

These amounts are therefore fixed and exclude any variable (short, medium or long term) or exceptional component and any benefit in kind, whether immediate or deferred.

The reasonableness of these measures is in the social interest. In addition, they are well within the range of amounts observed in the sector, when compared with those of companies of similar size and/or performance, given the size and complexity of the group and the experience of the people concerned. Their rationale is proven by comparing them

with the compensation of the senior executives of the other companies in the Group.

This compensation is therefore balanced, consistent and measured, taking into account both the Company's short and medium-term performance, even though it is not directly indexed to the latter. The same qualifiers apply if they are reconciled with the Group's general policy on salaries, including senior executives, to market practices or to NEURONES' overall interest.

Balance, extent and comparability with the compensation of sector companies of comparable size and/or performance and consistency with the salary hierarchy in Group companies are the main principles that structure the compensation of the executive corporate officers.

They also benefit from the collective death and disability insurance scheme in force for employees and corporate officers of other Group companies, as well as the joint health insurance scheme.

### Elements of the compensation policy per corporate officer

The following table summarizes, for each corporate officer, the elements of compensation and the minimum information required by paragraph II of Article R.22-10-14 of the French Commercial Code:

	Luc de Chamnard Chairman and CEO	Bertrand Ducurtil Executive Vice- President	Jean-Louis Pacquement	Hervé Pichard	Marie-Françoise Jaubert	Host Développement SAS, represented by Daphné de Chamnard	Emmanuelle Canza (representing employees)
Fixed remuneration	Paid in 12 monthly installments during the fiscal year	Paid in 12 monthly installments during the fiscal year	Paid in one installment at the beginning of the following fiscal year	Paid in one installment at the beginning of the following fiscal year	Paid in one installment at the beginning of the following fiscal year	Paid in one installment at the beginning of the following fiscal year	No compensation linked to his mandate
Variable compensation	No	No	Paid at the same time as the fixed compensation	Paid at the same time as the fixed compensation	Paid at the same time as the fixed compensation	Paid at the same time as the fixed compensation	No compensation linked to his mandate
Exceptional compensation	No	No	No	No	No	No	No
Bonus shares or options	No	No	No	No	No	No	No
Duration and end of term	1 year/SM of June 8, 2023	1 year/SM of June 8, 2023	1 year/SM of June 8, 2023	1 year/SM of June 8, 2023	1 year/SM of June 8, 2023	1 year/SM of June 8, 2023	6 years*/SM held in 2024
Employment contract with the Company	No	No	No	No	No	No	No (employee of a company subsidiary)
Supplementary pension plan	No	No	No	No	No	No	No
Allowances or benefits due to termination or change of duties	No	No	No	No	No	No	No
Indemnities relating to a non-competition clause	No	No	No	No	No	No	No
Benefits in kind	No	No	No	No	No	No	No
Group benefits and health expenses plan	Group plan benefits applicable to Group employees	Group plan benefits applicable to Group employees	No	No	No	No	Group plan benefits applicable to Group employees

\* As designated by the Group Committee.

## Report on compensation (Article L.22-10-9 of the French Commercial Code)

### Directors' compensation

Apart from their remuneration for their activity on the Board, non-executive directors do not receive any special benefits from the company or from a company included in the scope of consolidation within the meaning of Article L.233-16 of the French Commercial Code.

As the composition of the Board complies with the provisions of Article L.225-18-1 of the French Commercial Code on gender balance, the provisions of the second paragraph of Article L.225-45 of the French Commercial Code, which provide for the suspension of the payment of directors' compensation, did not apply during fiscal year 2022.

The members of the Board have been remunerated for the fiscal year 2022 in accordance with the remuneration policy for corporate officers approved by the General Meeting. The total paid to the directors amounted to €18,000 (€17,500 in the previous year).

The remuneration paid to each member of the Board for the exercise of his or her mandate in 2022 is as follows (with information for the previous year):

(in euros)	Hervé Pichard		Jean-Louis Pacquement		Marie-Françoise Jaubert		Host Développement	
	2021	2022	2021	2022	2021	2022	2021	2022
Fixed remuneration	3,000	3,000	3,000	3,000	2,000	2,000	2,000	2,000
Variable compensation	2,000	2,000	2,000	2,000	1,500	2,000	2,000	2,000
<b>TOTAL</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>3,500</b>	<b>4,000</b>	<b>4,000</b>	<b>4,000</b>

### Compensation paid or attributed during or for fiscal year 2022 to executive corporate officers, benefits and other commitments

Executive compensation paid or awarded during or in respect of fiscal year 2022 is in line with the policy approved by the Shareholders' Meeting of June 2, 2022 and contributes to the company's long-term performance

During FY 2022, no payments were made to the Chairman and CEO or the Executive Vice-President for previous fiscal years.

The details of the compensation paid or granted to each executive director in respect of fiscal year 2022 are as follows, with the elements for the previous fiscal year as a reminder:

(in euros)	Luc de Chamard (Chairman and CEO)		Bertrand Ducurtil (Executive Vice-President)	
	2021	2022	2021	2022
Fixed remuneration	220,000	240,000	220,000	240,000
Variable compensation	None	None	None	None
Exceptional compensation	None	None	None	None
Compensation related to directorship	None	None	None	None
Options or shares granted during the year	None	None	None	None
Supplementary pension plan (defined benefit or defined contribution)	None	None	None	None
Indemnities for taking up or leaving office	None	None	None	None
Indemnities related to a non-competition clause	None	None	None	None
Amounts collected under the Group benefits and health expenses plan	None	None	None	None
Benefits in kind	None	None	None	None
<b>TOTAL</b>	<b>220,000</b>	<b>240,000</b>	<b>220,000</b>	<b>240,000</b>

All compensation due for FY 2022 was paid during the fiscal year.

No compensation was paid or attributed to executive corporate officers by a company included in the NEURONES consolidation scope as defined in article L.233-16 of the French commercial code.

### Equity ratios

In accordance with the provisions of paragraphs 6 and 7 of Article L.22-10-9 of the French Commercial Code, the following table shows the average and median compensation paid to executive directors (on a full-time equivalent basis). The table also shows changes over five years in compensation, ratios and net income attributable to the Group. In accordance with the recommendation of the Middlednext Code on the definition and transparency of executive directors' compensation (to be strengthened when the Code is revised in 2021), ratios are added for comparison with the minimum wage, an independent reference value common to all companies. Finally, the growing proportion of offshore and nearshore employees explains most of the near-stagnation of the averages and medians for all employees.

(in thousands of euros)	2018	2019	2020	2021	2022
<b>NEURONES' performance</b>					
Net profit – Group share	25,959	30,799	30,918	37,700	44,243
Change	- 4.9%	+ 18.6%	+ 0.4%	+ 21.9%	+ 17.3%
<b>Minimum wage</b>					
Gross annual minimum wage	18	18.3	18.5	18.8	19.7
Change	+ 1.2%	+ 1.5%	+ 1.2%	+ 1.6%	+ 5%
<b>Employee compensation</b>					
Average compensation	38.9	39.2	39.5	39.6	40.5
Change	- 0.3%	+ 0.8%	+ 0.8%	+ 0.3%	+ 2.3%
Median compensation	36.1	36.25	36.5	36.2	34.5
Change	+ 0.4%	+ 0.4%	+ 0.7%	- 0.8%	- 4.7%
<b>Chairman and CEO</b>					
Compensation	220	220	220	220	240
Change	+ 10%	0%	0%	0%	+ 9%
Ratio/average compensation of employees	5.66	5.61	5.57	5.56	5.93
Ratio/median compensation of employees	6.09	6.07	6.03	6.08	6.96
Ratio/Minimum wage	12.23	12.05	11.91	11.73	12.18
<b>Executive Vice-President</b>					
Compensation	220	220	220	220	240
Change	+ 10%	0%	0%	0%	+ 9%
Ratio/average compensation of employees	5.66	5.61	5.57	5.56	5.93
Ratio/median compensation of employees	6.09	6.07	6.03	6.08	6.96
Ratio/Minimum wage	12.23	12.05	11.91	11.73	12.18

Methodology: the average compensation of employees was calculated by dividing total gross salaries worldwide by the average number of employees worldwide. It includes the fixed part and the variable part where applicable, but does not take into account any profit-sharing or incentive bonuses. Median and average compensation is calculated for France. The median/average ratio for France (85.2% in 2022) has been applied to the worldwide scope to determine the median compensation for the Group.



## 7.5. COMPLIANCE WITH THE MIDDLENEXT CODE

As a medium-sized Group, with a majority shareholder among the senior executives, NEURONES has chosen to refer to the MiddleNext Corporate Governance Code. The following table shows its status in relation to all 22 recommendations of this Code (revised in September 2021):

MiddleNext Code recommendation	Compliance	Application procedures or reasons for non-application
R1: Director ethics	Y	The members of the Board comply with all the rules of ethics listed in the recommendation.
R2: Conflicts of interest	Y	The recommended actions and procedures are followed by the Board and its members.
R3: Composition of the Board of Directors – Presence of independent members	Y	The Board has two members who are presumed to be independent in accordance with the criteria set out in the Code (see section “Composition and independence” of paragraph 3 of the Corporate Governance Report).
R4: Board member information	Y	Prior to a Board meeting, the company provides the directors with all available information relating to the agenda in sufficient time to allow them to read it and ask any questions they may deem useful. More generally, the directors are provided with the information they need to know.
R5: Training of Board members	N	Although the Board has not yet implemented a training plan for its members, it does not rule out the possibility of doing so as soon as a need is identified. It is important to note that most of the directors have solid experience in business life and company management.
R6: Organization of Board meetings and committees	Y	The frequency and duration of Board meetings and committees allow for review and discussion of the topics on the agenda. The physical presence of the Directors is required when a meeting concerns, in particular, the examination of the half-yearly or annual accounts. Some of the other sessions (out of a total of at least four meetings per year) are held by videoconference, which is now a proven practice for Board members. Information on the meetings and composition of the Board is published in the Corporate Governance Report.
R7: Creation of committees	Y	Given the organization of the Group, an Audit Committee has been set up with qualified directors, while an Ethics and Compliance Committee has members who are not members of the Board and who can be called upon more easily when necessary.
R8: Establishment of a specialized CSER committee	N	The Sustainable Development Committee (see section “Operation” of chapter 7.3 of the Corporate Governance Report), adapted to the size and organization of the Group, currently fulfills, and has for years, the role of reviewing CSR objectives and actions. Thus, no specialized committee has been set up within the Board.
R9: Introduction of Board rules of procedure	Y	The Board's rules of procedure, which were last revised on March 9, 2022, are consistent with the recommendation. It is available on the company's website.
R10: Selection of each Board member	Y	Detailed information on candidates for appointment or reappointment as directors is readily available to shareholders. They are posted on the company's website prior to the Shareholders' Meeting and are also included in the Corporate Governance Report (chapter 7.3).
R11: Directors' term of office	Y	In practice and from experience, the statutory duration of terms of office (one year, renewable) is conducive to the Board's efficient operation. Due to this duration, the renewal of directors cannot be staggered.
R12: Remuneration of the Board member for his mandate	Y	The thirteenth resolution of the next Shareholders' Meeting, called to approve the 2022 financial statements, provides for a global envelope for the remuneration of directors. This sum will be allocated in accordance with the remuneration policy, which defines objective allocation criteria and takes into account, in particular, the attendance and investment of each Board member.
R13: Introduction of Board evaluation	N	To date, there has been no formal self-evaluation of the Board's work, although the idea of doing so in the future has not been ruled out.
R14: Relationship with shareholders	Y	With the two directors holding more than three quarters of the voting rights, the approval rates for resolutions are very high (between 88% and 100% in 2022). Nevertheless, negative votes are investigated. In addition to professional meetings (investor fairs, presentations to analysts, etc.), which allow professionals to perfect their knowledge of the company, the managers communicate with shareholders who wish to do so, to provide them with any clarification deemed useful. All exchanges respect the equality of information of the shareholders.
R15: Diversity and Equity Policy	Y	Given the small number of employees within the parent company and the organization of the group, the provisions concerning diversity, equity and the challenges in this area are located at the level of the subsidiaries. The policies implemented and the results are partially and notably indicated in the “Diversity and inclusion” section of paragraph 2.4 of the Statement of Non-financial Performance (CSER report).
R16: Definition and transparency of the compensation of executive corporate officers	Y	The compensation policy for executive directors is based on the principles of comprehensiveness, balance and measurement, and consistency with market and Group practices, as well as with the company's performance. There are no variable elements in the remuneration of executives. Annual information to shareholders on this subject is transparent. The equity ratios, already published, have been supplemented by an equity ratio allowing comparison with the minimum wage. All information is presented in chapter 5 of this corporate governance report.
R17: Preparation for the succession of executive officers	Y	The procedures for the succession of senior executives, the Chairman and Chief Executive Officer and the Executive Vice-President, are set out in the Board's internal regulations. The subject is regularly discussed by the Board.
R18: Corporate officers and employment contracts	Y	No employment contracts given to serving corporate officers.
R19: Golden handshakes	Y	No severance or non-competition payments.
R20: Supplementary retirement schemes	Y	No supplementary retirement schemes
R21: Stock-options and attribution of bonus shares	Y	The corporate officers have not benefited from the attribution of bonus shares since 2007 and no stock-options have been attributed since 1999.
R22: Review of crucial points to monitor	Y	At the meeting of September 9, 2020, the members of the Board expressly confirmed that they were aware of, had reviewed and adhered to the points of vigilance of the MiddleNext Code, which had previously been communicated to them. Each year, directors are asked to confirm that they are keeping them in mind and respecting them. In March 2022, the Board members reviewed these items, which have undergone some changes as a result of the September 2021 revision of the above Code.

## 8 Miscellaneous

### 8.1. GENERAL LEGAL INFORMATION

#### Company and trading name

NEURONES.

#### Registered Office:

Building “le Clemenceau 1” – 205, avenue Georges Clemenceau – 92000 – Nanterre – France.

#### Legal form

The Company was set up as a French société anonyme (limited liability Company) with a Board of Directors governed by the French Commercial Code and the decree of March 23, 1967 on commercial companies.

#### Nationality

French.

#### Date of incorporation and duration of the Company

The Company was set up on December 5, 1984 for a term of 99 years, as of its registration in the Registre du Commerce et des Sociétés (French Company Trade Register) on January 15, 1985.

It will end on January 15, 2084, unless an extraordinary shareholders' meeting decides to extend the term or disband the company early.

#### Corporate charter (Article 3 of the bylaws)

The purpose of the Company, in France, the French overseas departments and abroad, is to carry out directly or indirectly all transactions concerning: consulting, design, production, development, deployment, installation, support, operation and distribution of any IT and electronic systems, both for services and software, applications and hardware, and generally any operation related to information, communication and training processes.

To achieve its purpose, the company may:

- do business, subcontract, represent and commission,
- import and export,
- own, acquire, lease, fit out, equip or convert any building, work site, store or warehouse,
- take out interests or holdings, by any means or methods, in any similar company or company likely to promote the development of its business,
- and generally, carry out any commercial, industrial and financial operations pertaining directly or indirectly to its purpose.

#### Company Trade Register

331 408 336 R.C.S. Nanterre

#### Fiscal year

The fiscal year starts on January 1 and ends on December 31 of each year.

#### Share capital

At December 31, 2022, the Company's share capital amounted to €9,691,286.40 divided into 24,228,216 fully paid-up shares with a face value of €0.40.

#### Place where documents and information concerning the company may be consulted

The company bylaws, financial statements and reports, and the minutes of Shareholders' Meetings, can be consulted at its head office.

#### Statutory distribution of profits (Article 18 of the bylaws)

The profit or loss for the year is comprised of the difference between income and expenses for the year, after deducting amortization, depreciation, impairment and provisions, as reported in the income statement.

Any earlier losses are deducted from the year's profit, then at least 5% is deducted and allocated to a reserve fund known as “legal reserves”.

This deduction ceases to be mandatory when the legal reserves amount to one tenth of the share capital.

If there is an outstanding balance available, the Shareholders' Meeting decides to either distribute it, carry it over again, or enter it under one or more reserve items, which it decides how to allocate and use.

After having noted the existence of available reserves, the Shareholders' Meeting may decide to distribute sums drawn from these reserves. In this case, the decision shall expressly indicate the items from which the deductions are made.

The Shareholders' Meeting may grant shareholders the option to receive all or part of the dividend or interim dividend in cash or in shares.

#### Legal organization of the Group

NEURONES S.A. is the holding company of a group made up, as of December 31, 2022, of sixty subsidiaries and “sub-subsidiaries” (direct or indirect control, within the meaning of article L.233-3 of the Commercial Code). The direct subsidiaries are all French and the head offices are located in the Paris region: Nanterre, Paris, La Défense (Puteaux), Neuilly-sur-Seine and Levallois-Perret. The head offices of the “sub-subsidiaries” are located in the Paris region, in Nantes and abroad (Germany, Belgium, Ivory, United States, Great Britain, India, Italy, Romania, Singapore, Switzerland and Tunisia). Several Group companies have secondary establishments (in particular in Lyon, Angers, Nantes, Lille, Amiens, Bordeaux, Coutances, Orléans, Toulouse, Aix-en-Provence and Tours).

The majority of subsidiaries and “sub-subsidiaries” are simplified joint stock companies (forty-three of them, all French). Thirteen are limited liability companies or equivalent legal forms abroad (one in France and twelve abroad). Finally, three are limited companies or equivalent legal forms (in Tunisia, Switzerland and the United States).

The managers of subsidiaries and “sub-subsidiaries” hold a minority share (ranging from approximately 1% to 49%) of the capital of the company they manage. Although they have the most extensive powers vis-à-vis third parties, these powers are governed by the bylaws as an internal measure and the different corporate officers must first request authorization from the Shareholders' Meeting for any decision exceeding day-to-day management.

## 8.2. PERSONS IN CHARGE OF AUDITING THE FINANCIAL STATEMENTS

### Statutory Auditors

#### KPMG S.A.

Tour Egho – 2, avenue Gambetta – 92066 Paris La Défense cedex

Represented by Mrs. Camille Mouysset.

Date of first appointment: appointed during the Shareholders' Meeting of June 25, 2004.

Date of current appointment: renewed during the Shareholders' Meeting of June 8, 2017.

End of appointment: appointment expires at the Shareholders' Meeting called to rule on the financial statements for the year ended December 31, 2022.

#### BM&A

11, Rue Laborde – 75008 Paris

Represented by Mr. Thierry Bellot and Mrs. Céline Claro.

Date of first appointment: appointed during the Ordinary Shareholders' Meeting of June 30, 1997.

Date of current term: renewed at the Ordinary Shareholders' Meeting of June 3, 2021.

End of appointment: appointment expires at the Shareholders' Meeting called to rule on the financial statements for the year ended December 31, 2026.

### Alternate Auditors

#### SALUSTRO REYDEL

Tour Egho – 2, avenue Gambetta – 92066 Paris La Défense cedex

Represented by Mrs. Béatrice de Blauwe.

Date of first appointment (current appointment): appointed during the Shareholders' Meeting of June 8, 2017.

End of appointment: appointment expires at the Shareholders' Meeting called to rule on the financial statements for the year ended December 31, 2022.

#### Mr. Eric Blache

11, Rue Laborde – 75008 Paris

Date of first appointment: appointed during the Combined Shareholders' Meeting of June 24, 2005.

Date of current term: renewed at the Ordinary Shareholders' Meeting of June 3, 2021.

End of appointment: appointment expires at the Shareholders' Meeting called to rule on the financial statements for the year ended December 31, 2026.

### Person in charge of information

Luc de Chamard – NEURONES – Building “le Clemenceau 1” – 205, avenue Georges Clemenceau – 92000 – Nanterre – France.

### Affidavit of the person responsible for the Universal Registration Document

“I certify that the information contained in this Universal Registration Document, to the best of my knowledge, truly and fairly reflects the existing situation and contains no omissions that could impair its full meaning.

I certify, to the best of my knowledge, that 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 earnings of the Company and all of its consolidated subsidiaries, and further that the management report, included in this document, presents a true and fair view of the ongoing development and performance of the business, earnings and financial position of the Company and all of its consolidated subsidiaries as well as a description of the main risks and uncertainties to which they are exposed.”

## 8.3. RELATED INFORMATION

### Information included for reference purposes

Pursuant to Article 19 of European Regulation No. 2017/1129, the following information is included by reference in this Universal Registration Document:

- the consolidated financial statements and the statutory auditors' report thereon for the year ended December 31, 2020, set out on pages 75 to 94 and 95 to 96 respectively of the Universal Registration Document filed with the AMF on April 27, 2021 under number D.21-0367.
- the consolidated financial statements and the statutory auditors' report thereon for the year ended December 31, 2021, set out on pages 76 to 100 and 95 to 96 respectively of the Universal Registration Document filed with the AMF on April 22, 2022 under number D.22-0338.

### Publicly available documents

The following documents in particular are available on the company website ([www.neurones.net](http://www.neurones.net)):

- this 2022 Universal Registration Document,
- the 2019 to 2021 Universal Registration Documents and the 2000-2018 Reference Documents.

The company bylaws can be consulted at NEURONES' head offices: 205, avenue Georges Clemenceau – 92000 – Nanterre – France.

The 2019 to 2021 Universal Registration Documents and this 2022 Universal Registration Document are also available on the AMF website ([www.amf-france.org](http://www.amf-france.org)).

# Table of concordance of the Universal Registration Document

This table lists the main headings provided for in Delegated Regulation (EU) number 2019/980 of the European Commission of March 14, 2019 and refers to the corresponding pages of this document.

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## 2022 UNIVERSAL REGISTRATION DOCUMENT AND ANNUAL FINANCIAL REPORT

This Universal Registration Document was filed with the Autorité des Marchés Financiers on April 21, 2023, in its capacity as competent authority under Regulation (EU) No. 2017/1129, without prior approval in accordance with Article 9 of that Regulation.

The Universal Registration Document may be used for the purposes of a public offering of marketable securities or the listing of marketable securities for trading on a regulated market if it is supplemented by a marketable securities note and, where applicable, a summary and any amendments to the Universal Registration Document, all of which have been approved by the AMF in accordance with the aforementioned regulation.

This 2022 Universal Registration Document and Annual Financial Report is available at [www.neurones.net](http://www.neurones.net) - Investors - Annual reports.

# Glossary

The terms defined below essentially relate to NEURONES' various businesses. This glossary is therefore intended to facilitate the understanding of the technical words, acronyms and abbreviations used in the Group's publications, including this Universal Registration Document.

## **ACM (ADVANCED CASE MANAGEMENT OR CASE MANAGEMENT):**

A sub-family or evolution of Business Process Management (see BPM below), Case Management models processes that are not very or not at all predictive, longer and transversal, requiring collaborative work. Unlike BPM, the response steps within a Case Management solution evolve according to human interactions, throughout the process. Contingency management and collaborative work are at the heart of the solution. Case Management deals with processes where the user has more flexibility and freedom.

## **AGILE (AGILE METHODS, SEE ALSO: PRODUCT OWNER, SCRUM MASTER):**

software development technologies defined by the Agile manifesto (2001), as opposed to so-called traditional methodologies (V-model). Agile methods are interactive, encouraging regular and successive deliveries of versions and promoting the acceptance of functional changes during the project. Such projects largely involve the client or users, meaning that their requests are met with greater responsiveness. Agile methods include: RAD (rapid application development, appeared in 1991), the Scrum method (1995) and XP Extreme Programming (1999). While they avoid the "tunnel effect" (with users left without information during the long coding phase), often decried in traditional methodologies, they can reach their limits for complex applications requiring a global understanding of the data and their relationships.

## **ASSISTANCE TO PROJECT OWNERS (FRENCH AMO OR AMOA: ASSISTANCE À MAÎTRISE D'OUVRAGE):**

company assisting the project owner in defining its needs (drawing up the specifications and managing the call for tenders) and monitoring its relationship with the project owner during the project, its acceptance and during the guarantee period.

## **PREDICTIVE ANALYSIS (PREDICTIVE MAINTENANCE):**

a set of techniques using statistics and data from different sources to make predictions. Predictive analysis is used in many fields and the well-known application of predictive analysis is the assessment of client risk (FICO Score). In IT maintenance, it is used to predict potential workstation or server breakdowns (reference editor: Nexthink) by cross-referencing different parameters. Logs and various other data concerning the servers (capacity utilization rates, etc.) can also be cross-referenced to predict that an incident will occur on a piece of equipment or during processing.

## **ANALYTICS (DATA ANALYTICS):**

data analysis. This ranges from the feeding of data lakes or data warehouses to the formatting of information ("data visualization"), including the creation of multidimensional cubes. This also includes datamining and analytical processing applications. Data analysis covers the older concepts of "BI" (Business Intelligence).

**ANSSI:** French National Agency for the Security of Information Systems. Created in 2009, the ANSSI provides expertise and technical assistance to government agencies and companies, with a reinforced mission for operators of vital importance (OVI). It provides a monitoring, detection, alert and reaction service to computer attacks. Main qualifications awarded by Anssi: Pams, Passi, Pdis, Pris and SecNumCloud.

## **ANTIVIRUS (EPP, EDR, XDR):**

program that identifies, neutralizes and eliminates malware on workstations and servers. The classic EPP (Endpoint Protection Platform) antiviruses, of which the best known publishers are: Microsoft Defender, Sophos, McAfee, Symantec, Kaspersky) rely on signature databases that must be updated very frequently. More recent, EDR solutions (End Point Detection & Response, leading editor: Crowdstrike) are complements to traditional antivirus programs. Indeed, they do not have the ability to detect certain new attacks, such as cryptolockers that can be executed without a file (the signature databases are inoperative in this case). EDR detects abnormal behavior (attempted data encryption, registry access, script execution with privileges, etc.) and stops the suspected process. EDR is a tricky tool to install and maintain. When used incorrectly, it can block legitimate computer programs ("false positives"). The number of successful computer attacks, which have triggered long downtimes of information systems, is continuously growing. See "XDR" on page 146.

**API (APPLICATION PROGRAMMING INTERFACE):** interface that allows software programs to communicate with each other.

## **TECHNICAL ASSISTANCE (OR TIME SPENT):**

a form of service that provides the skills of a consultant at a defined daily rate for a specified period of time. Service companies only have an obligation to provide resources. The project management is then carried out by the customer, who doesn't need to share the specifications of the overall project with his service provider beforehand.

## **BIG DATA:**

data sets (sources: (Web, mobile telephone systems, cameras, sensors, transactions, etc.) that are so voluminous and so varied (relational, semi-structured, unstructured, etc.) and which are generated at such high speed that they become difficult to store in traditional or conventional databases and also difficult to analyze ("Big Analytics"). Researchers must therefore develop new tools to store (NoSQL, Google MapReduce, massively parallel databases such as Hadoop, etc.) and to analyze and extract value from these low density information data (algorithmic, inferential statistics, analytics, search, etc.). Big Data has applications in major scientific or public programs, digital marketing (definition of customer profiles by analyzing transactions, Facebook photos, websites visited, etc.) and financial markets (information processing for trading robots).

## **BLOCKCHAIN:**

technology for storing and transmitting information without a central control unit. Technically, it is a secure and distributed database. It is shared by its different users, without intermediaries, which allows everyone to check the validity of the chain. The information sent by users is checked and grouped at regular time intervals into blocks, thus forming a chain. The entire chain is secured by cryptography. This system of securing transactions is used on a large scale for, for example, virtual currency or cryptocurrency transactions.

## **BPM (BUSINESS PROCESS MANAGEMENT, WORKFLOW MANAGEMENT):**

set of methods and application tools that automate and optimize a company's processes, whether internal or involving third parties. One talks of integrating business processes into BPM. A classic case is customer



management: their orders, online payments, file validation, management of their potential claims, etc. While independent of operational data and applications, BPM draws on the latter, often using EAI (see below). Leading BPM vendors are: Tibco Software, Pega, IBM Websphere Process Server, Webmethods (Software AG) and Weblogic (Oracle).

**BPO (BUSINESS PROCESS OUTSOURCING):** outsourcing, no longer just of IT, but more globally of a function or a process: accounting, payroll, subscriber management, etc.

**BI (BUSINESS INTELLIGENCE):** see Analytics.

**CASE MANAGEMENT:** see ACM.

**SERVICE CENTER:** structure providing digital services (application maintenance, operation, service desk, etc.) for several customers and located in the premises of the ESN provider. This term is sometimes used more broadly and can refer to non-pooled services performed by a team working for a single client. In all cases, the Service Centers are specialized and follow well-defined processes.

**CERT (COMPUTER EMERGENCY RESPONSE TEAM):** team managing the response to a security incident or cyberattack: processing, lockdown and management of the return to normal and, also, prevention by disseminating information about the precautions to be taken to minimize the risks.

**CHATBOT (CONVERSATIONAL AGENT):** program that dialogs with a user while trying to reproduce a human conversation. The Internet user is asked to formulate his request in natural language, which will be treated during a friendly exchange. The chatbot is the natural extension of resolution trees, which are practical to treat simple, high-frequency incidents, effectively and efficiently as well as “self-help” solutions. Nevertheless, its development requires “extensive” configuration of the entire knowledge base, carried out by a chatbot-master (a new IT specialty). Hopes are driven by expectations of “conversational agents”, which are spreading and will be able to resolve certain incidents or handle requests without human intervention.

**CI/CD, CI/CD PIPELINE:** see Continuous Integration / Continuous Delivery.

**CLOUD COMPUTING:** provision of shared Infrastructure as a Service (IaaS), shared Platforms as a Service (PaaS) and Software as a Service (SaaS) “on demand” on private or public networks. For infrastructures, we distinguish between private and public clouds (e.g. Microsoft Azure hyperscalers, Amazon Web Services, Google Cloud Platform, etc.).

There are several forms of private cloud: dedicated (customer-specific infrastructure) or shared (infrastructure shared between several companies). A private cloud architecture will be deemed “complete” if services can be ordered on a self-service basis (provisioning), if the resources are then automatically allocated and, finally, if the services are billed on a per-use basis. Basically, in a typical private cloud, users pay their consumption “on demand” based on a number of server instances (CPU and memory), terabytes of storage and bandwidth. The IaaS and managed services provider provide a secure infrastructure consisting of shared and redundant virtual servers, storage capacity, networks and backups (including backup sites). Public clouds, on the other hand, are more highly automated and feature rich (especially PaaS services including, for example, managed databases). To take full advantage of these public clouds, applications must be compatible (i.e., either created in the latest environments or rewritten). Moving to the public cloud requires a preliminary application migration project. Billing is based on the actual use of resources (“pay as you go”), which requires vigilance on the part of user clients (see FinOps below). Knowing the location of sensitive data is a security issue. This is why the major public cloud providers, most of them American, have set up data centers in Europe. Most of the time, companies use both SaaS (see below) and several private and/or public clouds. This is called “hybrid cloud” and/or multi-cloud. More globally, with the cloud, companies offload the management of all or part of their IT infrastructure (IaaS, PaaS) and/or application management (SaaS).

The use of DevOps combined with the widespread use of the cloud profoundly changes how IT departments operate (processes, skills, etc.).

**HYBRID CLOUD, MULTI-CLOUD:** The hybrid cloud is the implementation of different types of clouds (public or private), linked by coordination functions. The multi-cloud refers to the deployment of multiple clouds of the same type (public or private), from different vendors.

**CLOUD MANAGEMENT PLATFORM:** a suite of integrated software tools that enable an organization to monitor and manage its cloud infrastructures (public, private, hybrid or multi-cloud).

**CMDB (CONFIGURATION MANAGEMENT DATA BASE):** a database describing the components of an information system and the relationships between them. It is used to track changes made in their configuration. CMDB is a fundamental component of an IT facility's ITIL architecture. A good description of an information system in production isn't natural: documentation by process, choice of level of detail, redundancy, updates, history management, etc.

**CMM (CAPABILITY MATURITY MODEL):** a repository of best practices in software development and maintenance. The model helps to optimize processes and evaluate the business on a maturity scale with five levels (initial, repeatable, defined, managed and optimized). Since 2006, this has been the latest version of the model - the CMMI (I: Integration) - that has been used.

**CMS (CONTENT MANAGEMENT SYSTEM):** design and dynamic updating of websites or multimedia applications with the following functionalities: ability for several people to work on the same document at the same time, workflow with the possibility of putting document content online, separation of form and content management, content structuring (documents, blogs, forums, using FAQs, etc.), ranking users according to a hierarchy and attributing roles and permissions (anonymous user, administrator, contributor, etc.). CMSs should not be confused with Electronic Document Management (EDM - see hereafter) systems, which can be used to manage content within a Company.

**COLLABORATIVE – COLLABORATIVE PLATFORM:** set of tools and applications making it possible to work collaboratively in a department, a company or a Group and between people located on different sites. This tool set includes communication features (rapid peer-to-peer messaging, audio-conferencing, etc.), collaboration (file sharing with common updates), project follow-up, process or workflow management tools, rights management (directory with photo gallery), a knowledge base, a discussion forum (with rating system for articles), multi-user instant messaging, an archiving system, personal pages, etc.

**SOFTWARE CONTAINER:** virtual envelope that groups an application and all the elements it needs to function: source code, execution environment, libraries, tools and files. In practice, software containers are used to test applications under development. The advantage is to have an autonomous and separate environment to perform all the necessary checks before deployment. A virtual machine (or VM) has its own operating system (OS), while the container uses the OS of the computer on which it is installed. For containers, the reference vendors are Docker and Kubernetes, an open-source system for automating the deployment, scaling and management of containerized applications.

**CONTINUOUS INTEGRATION / CONTINUOUS DELIVERY (CI/CD):** in applications development, a set of techniques that can be used to produce new versions very frequently (e.g. new functions or patches), while achieving such low volumes of bugs that a bug tracker or a simple bug inventory monitor are no longer useful. These techniques mainly concern the following areas: environments, data, test strategy, test automation and deployment pipeline management. In practice, CI/CD is always associated with DevOps, the Cloud and containers.

**COOKIE (SEE ALSO: DMP):** information sent by an Internet server to the Internet user's terminal, which the terminal then returns each time the said

server is queried. Non-executables, cookies are the equivalent of a small text file. These “tracers” contain personal information that can be exploited by data marketers (see DMP). They can be used for authentication or to store specific information about the user, such as his preferences or the contents of an electronic shopping cart.

**CRM (CUSTOMER RELATIONSHIP MANAGEMENT):** all Company functions aimed at winning and retaining clients. This term, which has replaced the term “front office”, groups together the management of client or prospect characteristics, marketing operations, sales support, customer service management and the call center. The CRM software packages on the market perform one or more of these functions.

**CYBERSECURITY:** see IT Security For specialists, cybersecurity has a larger dimension than IT security or information security since it includes cyber defense. In this document, the two terms are used indifferently.

**DATA CENTERS (OR HOSTING CENTERS):** processing centers that provide gains for companies by pooling equipment, software and services. Today, consolidated and virtualized servers (in high-density racks) and shared storage and backup systems (all of which consume a lot of electrical energy in terms of operation and cooling) are driving the sustained growth in the hosting market, since conventional machine rooms are no longer suited to the volumes processed. The latest generation of data centers provide the same computing power but consume less and less electricity (better PUEs, see below).

**DEVOPS:** movement to align the “Dev” (application development) and “Ops” (operations) teams around common objectives. DevOps should not be confused with Agile or Scrum development methodologies (see above and below), even though they are often implemented together. In concrete terms, DevOps is based on implementing software “tool chains” from design to production: project management (Jira), IDE integrated development environments (Eclipse or Visual Studio), “software forge” with partial automation of tests (SonarQube), source and compilation management (GitHub, Jenkins, Nexus, etc.), continuous deployment (XL Deploy or Octopus Deploy), automatic allocation of infrastructure resources (Ansible, CMP, API, etc.), self-service release (Python), etc. allowing very close successive releases. The teams that work in DevOps mode are small (about 10 people called “pizza teams” or “feature teams”) and bring together new profiles: product owners, scrum masters, Dev engineers, Ops engineers. They manage their application or their group of applications without load splitting and theoretically without needing the support of other teams. Recent participants, generally Internet pure players, have implemented this new organization. It is harder to implement in environments with large legacy applications, of varying age and technology.

**DIGITAL (DIGITAL TRANSFORMATION):** use of new IT technologies (Agile methods, DevOps, cloud computing, mobility, broadband networks, collaborative tools, social networks and blogs, connected devices, big data, analytics, security, Artificial Intelligence, predictive analysis, blockchain, etc.) that are potentially disruptive (causing profound upheavals) to create or rethink products and services, implement new business models (platforms, disintermediation, substitution, etc.), improve operational efficiency or set up new modes of internal collaboration. Digital transformation was initially the prerogative of marketing, sales and customer relations departments. The aim was to develop new uses and rethink the “customer journey” by integrating digital technology. It requires a mixed business and technological approach, with an upstream innovation phase (creative thinking workshops, serious games, design thinking, etc.). It applies to all sectors but above all the transportation, hotel and leisure, banking and insurance sectors (with the arrival of Fintech companies). It profoundly changes the relationship between the IT department and the other business lines in a Company. Digital transformation now concerns more generally the optimization of operational and support processes as well as the internal development of a digital and collaborative culture.

**DIGITAL WORKPLACE (DIGITAL WORK ENVIRONMENT):** a set of technologies enabling professionals to access all of their work information and

communicate and collaborate on their projects and activities. The digital work environment typically integrates a search engine, document management and enterprise social networking. It follows the intranet by allowing flexible work in time and space.

**DMP (DATA MANAGEMENT PLATFORM, SEE ALSO COOKIE):** platform managing the marketing data of prospects and clients, especially cookies and their historization. DMPs are often enriched with external data (M/F, age, consumption habits, revenues/CSP, client or not, etc.) and interfaced with the CRM. The DMPs can be used to create more precise client/prospect segments and to enrich media strategies. The leading vendors are: BlueKai (Oracle) and Krux (Salesforce).

**EAI (ENTERPRISE APPLICATION INTERFACE OR ENTERPRISE APPLICATION INTEGRATION), ESB (ENTERPRISE SERVICE BUS):** computer tools allowing communication between applications that were not designed to work together. For example, production management with inventory management, CRM with ERP (see definitions above and below) or even between two ERP systems within the same Group. Although often achievable through an exchange of files, but without the benefit of real time, the integration of two applications requires the development of interfaces (called connectors) between their corresponding APIs (see definition above). Different API standardization projects have been conducted, but without much success. As such, specific EAI solutions were developed which manage a limited number of software packages on the market. The Enterprise Service Bus (ESB) is now considered to be the new generation of Enterprise Application Integration (EAI) built based on standards such as XML, Java Message Service (JMS) or web services. The major difference with EAI is that ESB offers a completely distributed integration through the use of service containers. These “mini-servers” contain the integration logic and can be placed at different locations on the network.

**ECM (ENTERPRISE CONTENT MANAGEMENT):** see Content Management below.

**EDGE COMPUTING:** a form of IT architecture that prioritizes data processing on devices at the edge of the network (sensors, smartphones, tablets, laptops, etc.). Rather than transferring data generated by connected devices to the cloud or a data center, it involves processing data directly where it is created, thus reducing bandwidth requirements.

**ERP (ENTERPRISE RESOURCE PLANNING):** software package grouping together all the management applications required by a company, whether “horizontal” applications (accounting, human resources management, etc.) or “vertical” applications (production management, stock management, etc.). There are generalist ERPs and others, specialized by industry. Unlike a package of specific software, ERPs have a single common infrastructure for all functionalities (shared databases, exchange mechanisms between modules) and generally include cooperation tools (groupware, workflow). Traditionally dealing with back office operations, these structuring tools have gradually been equipped with decision-making and front office functions. They have also become more open; their APIs (see above) have been made public by their publishers, so as to facilitate interfacing with more specialized software packages using, for example, EAI tools (see definition above). SAP is the most widely used ERP in large companies.

**ESB (ENTERPRISE SERVICE BUS):** see EAI above.

**DSC:** Digital Services Company. Acronym equivalent to IT services company.

**ETL (EXTRACT AND TRANSLATION LANGUAGE):** software tools that extract information from production databases and load them into another database (usually a “data warehouse”). The leading vendors are: Informatica, DataStage and Talend.

**FINOPS (CONTRACTION OF THE WORDS “FINANCE” AND “OPERATIONS”):** an approach to control its consumption in the public cloud

and optimize it by making the right trade-offs: cost, speed (or agility) and quality. In practical terms, it's about understanding the cloud provider's bill, the cost drivers, and then taking action, for example, by turning off certain resources at night or actively disconnecting other resources that are no longer in use.

**FIORI (SAP FIORI):** user interface allowing in particular to use SAP indifferently on a mobile, a tablet or a screen.

**FRONT END, BACK END, FULL STACK (WEB DEVELOPMENT):** the "front end" refers to the elements of a site that you see on the screen and with which you can interact from a browser. The developer uses Photoshop templates and code in HTML, CSS, JavaScript and jQuery. These programming languages are interpreted by the browser, which displays a "visual" result. These include particular fonts, drop-down menus, buttons, transitions, sliders, contact forms, etc. The "back end" developer administers the application and the database. It generally uses languages like PHP, Ruby, Python and frameworks like Symfony. More and more developers have both back end and front end skills. They are called "full stack" developers, highly appreciated by startups for their varied expertise.

**3G, 4G, 5G:** transmission standards used by mobile telephony. Standard of the decade 2000-2010, 3G corresponded to a speed of about 1 to 10 megabits / s. Operational since 2012, the standard 4G offers a speed that reaches in practice 100 megabits / s. The 5G, meanwhile, was born in 2021 in France with speeds of about 1 to 20 gigabits / s.

**EDM (ELECTRONIC DOCUMENT MANAGEMENT):** computerized system for acquiring, filing, storing and archiving digital documents. Electronic publishing of incoming documents (mail received) or outgoing documents (bank statements or telephone operator invoices) are typical examples of EDM applications. See also: Content Management.

**ECM (ENTERPRISE CONTENT MANAGEMENT):** electronic management of unstructured information (letters, contracts, invoices, emails, HTML web files, photos, audio files, films, etc.), as opposed to information already structured in databases. ECM covers in particular:

- managing and formatting the content published on large Internet sites or extranet sites (WCM: Web Content Management),
- Electronic Document Management applications (production EDM and office EDM).

The leading content management publishers are: EMC Documentum, IBM FileNet, Microsoft Sharepoint, Alfresco, OpenText, Vignette, Broadvision.

**GREEN IT:** all IT methods, software, hardware and processes that reduce the impact of IT on the environment (energy saving, waste management, etc.), as well as the use of computers and new technologies to reduce a Company's ecological footprint in general (teleworking, etc.).

**HACKATHON:** an event where developer teams are invited to compete to build a prototype IT application. In the form of a timed competition, the winners are chosen by a jury. The term is a portmanteau made from the words hack and marathon. The reference to the marathon is warranted by the uninterrupted work of developers, often over two days, usually over a weekend.

**HOSTING PROVIDERS:** company equipped to host computer servers. An end client or a service provider (DSC specializing in managed server-based services) generally rents premises ("private cages" or "co-rental") from a hosting provider who provides the following basic services: air-conditioning/cooling, fire safety, reliable power supply by generators and secure physical access. The tenant installs its own hardware: racks, memory servers, Internet "pipes" and dedicated lines. The managed services professional performs its recurring services on a 24/7 basis: supervision and control of applications (backup, security management, recovery and reboot after an incident, etc.). Today, often for security reasons, only a few large organizations have kept their own data centers. It is difficult to stay on top of the best practices because of the rapid evolution of technologies specific to data

centers themselves. The leading hosting providers are: Interxion, Equinix, Telehouse, etc.

**AI (ARTIFICIAL INTELLIGENCE):** techniques for machine simulation of human intelligence. With the increase in computers' processing and storage capacity, after promising demonstrations, AI has once again become a hot topic since the year 2000. For an IT department, the immediate hopes with AI concern the automation of support services (see chatbots) and the predictive analysis of IT operating data (logs, etc.). Other concrete applications of AI will progressively affect the entire Information System of the company (for example: accounting, legal analysis of contracts, scoring, etc.).

**IAAS:** Infrastructure as a Service. See Cloud computing.

**INFRASTRUCTURE AS CODE (IAC):** automatic allocation of server resources within a data center, solely using definition files ("programmatically") rather than through manual configuration. This is also referred to as infrastructure automation or "automatic provisioning." The scope of the information system (IS) covered by these techniques can range from the hardware itself ("bare metal") to virtual machines and their resources. Cloud computing has made this approach possible. The "automatic provisioning" of servers contributes significantly to reducing application integration and deployment times, by eliminating load-splitting and a manual operation.

**CONTENT INSPECTION:** content inspection filters the content of emails or websites to prevent misuse of the web. Content inspection also detects mobile codes: small applications (applets) such as Java, ActiveX, .exe, which are often attached to emails and which are sometimes malicious.

**IOT (INTERNET OF THINGS):** see connected devices.

**ISO (ISO 9000, ISO 27000, ETC.):** standards based on the implementation of a quality management system and its continuous improvement loops (planning, implementation of improvements and monitoring). ISO 9000 (and ISO 9001) deals with quality in general while ISO 27000 (and ISO 27001) deals with Information System security. ISO 14000 refers to the environment, ISO 26000 relates to Corporate Social Responsibility, ISO 20000 relates to shared service centers, ISO 31000 relates to risk management in general.

**ITIL (INFORMATION TECHNOLOGY INFRASTRUCTURE LIBRARY):** repository of best practices for managing IT production services. It provides an organizational structure for optimizing these services in terms of quality and costs, based on ten key management processes (configuration management, incident management, etc.). ITIL has become a de facto standard.

**ITSM (IT SERVICE MANAGEMENT):** processes and tools for managing the activity of an IT team: system and network alert escalations, incident and user request management, problem management, change management and configuration management (see CMDB).

**KM (KNOWLEDGE MANAGEMENT):** a set of systems and tools for formalizing processes or know-how. Knowledge Management addresses the limitations of EDM (see definition above). Indeed, Electronic Document Management (EDM) systems only provide digital and indexed information that was previously only available in analog form (paper, voice, image, etc.). However, there is still a vast volume of knowledge (present on the Web or in diverse locations, for example in users' personal documents) that can never be completely organized into a hierarchy or made accessible in a database. With this in mind, Knowledge Management describes all the tools and techniques used to address the weaknesses of indexing systems, for example by extracting the meaning of a document (cognitive engineering), scanning all the content (full search or full text) or interpreting the user's question. These tools also draw on the technologies of expert systems technologies and case-based reasoning.

**MACHINE LEARNING (ML):** field of study of artificial intelligence that aims to give the computer the ability to “learn” from data (i.e., to improve its ability to solve tasks, without being explicitly programmed for each one).

**PRIME CONTRACTOR:** the project manager with a guaranteed-performance commitment. Depending on the case, this may be the client or one or more IT service providers to whom they have delegated this function.

**PROJECT OWNER:** an entity or decision-maker who has a new custom application developed, has all or part of a software package integrated or, more generally, orders an IT project.

**DIGITAL MARKETING (DIGITAL MARKETING, WEB MARKETING):** marketing actions that use digital channels (computers, tablets, mobile phones, etc.). Digital marketing seeks to reach consumers in a personalized, targeted and interactive way: listening to needs via blogs and social networks, emails and newsletters, e-commerce sites, sites with online quotes and orders, “mobile first” sites, purchases of keywords, videos and banners, retargeting, affiliation, presence on social networks, blogs and also customer support. The term is used in contrast to traditional offline marketing: market research, press advertising, radio, television, loyalty programs and after-sales management. Digital marketing budgets are steadily increasing, at the expense of traditional marketing budgets.

**MDM (MOBILE DEVICE MANAGEMENT):** management of a fleet of mobile devices (smartphones, tablets): operating system update and remote control, inventory, backup and restore, remote blocking and erasure (in case of theft), performance monitoring (battery status...), roaming management, etc. Leading vendors: Airwatch, Good Technology.

**SOCIAL MEDIA:** all websites that use Internet users to create content and communicate: publishing tools (Wikipedia, etc.), discussion tools (Skype, Teams, Zoom, Slack, etc.), social contact networks (Facebook, Twitter, LinkedIn, etc.) and social content networks (YouTube, Pinterest, etc.). This term is gradually replacing the term “Web 2.0”.

**META-DIRECTORY:** directory that groups together all users of all of a Company's applications, with their passwords associated with their authorized applications. This centralized and cross-functional view facilitates the management of secure access to company data (e.g., arrivals and departures of employees).

**MIDDLEWARE:** all technical software layers between the OS (Operating System) and user applications.

**MOBILITY:** set of tools and techniques allowing mobile users to remotely access, update or synchronize with their company's applications (business, messaging, schedules, etc.) and data. A mobility project includes in particular the choice of the terminal (thus the corresponding Operating System), a synchronization server, an Internet service provider, their integration and, where necessary, specific developments. Security is always an important component in such environments.

**MOOC (MASSIVE OPEN ONLINE COURSE):** an open, distance-learning course. Teachers and students communicate solely via the Internet. Often, this involves very large numbers of participants.

**CROSS-CHANNEL (CROSS-CHANNEL MARKETING):** simultaneous or alternating use of different contact channels to market products and for customer relations. Although multi-channel marketing and its development have been made possible by the widespread use of the Internet, multi-channel is not just about taking into account digital channels. The historical means of contact (retail outlets, telephone, mail, etc.) should also be integrated. Multi-channel also facilitates adaptation of customers' needs and behaviors. It can also help reduce contact and sales costs. Conversely, the development of multi-channel communication imposes constraints on the company: consistency of messages and sales policy from one channel to another, historical

records of contacts and actions on the different channels, etc. Increasingly, the customer is “multi-channel” during the same process: the information search phase on the Internet and then the purchase phase in the store, for example. Multi-channel has become so widespread that it no longer allows companies to differentiate themselves. Differentiation is now linked to the ability to manage multi-channel contact better than competitors. The goal therefore is to move from using multiple channels simultaneously, to a better overall organization of these channels (i.e., a cross-channel strategy).

**NEARSHORE:** see Offshore.

**CONNECTED DEVICES (IOT, INTERNET OF THINGS):** devices equipped with communication capabilities, which communicate via wireless devices. These can be mobile phones, sensors, terminals or everyday accessories. The Internet of Things (also known as IoT) and the processing of captured data are undergoing strong development.

**OFFSHORE:** an operation that involves providing services in geographical areas where the workforce is abundant, increasingly well trained and where labor costs are lower than in the client's home country. Offshoring may involve outsourcing or not. The term “nearshore” is used when the country is less than three hours by plane from France (e.g., North Africa). Certain services are more likely to be offshored than others (in the case of France, 60% of offshoring operations concern Third-Party Application Maintenance). In a contract which includes offshoring, part of the local service (sometimes called “front office”) remains in France. The part that may be offshored is called “back office”.

**PAAS (PLATFORM AS A SERVICE):** See also “cloud computing”. The provision of the infrastructure and all the components of a software platform (operating system, databases, middleware) required to install and run an application (e.g.: Java, .Net platforms, etc.). The customer no longer manages the platform, his role being limited to the development of applications that he will “deposit” on the platform of his PaaS provider.

**BCP (BUSINESS CONTINUITY PLAN):** its objective is to continue operations without service downtime and ensure information is available, regardless of the problems encountered. The BCP is a subset of the DRP. (see below).

**PGI (PROGICIEL DE GESTION INTÉGRÉ):** see ERP.

**PHISHING:** fraudulent request for confidential information by e-mail by pretending to be a known person.

**PLM (PRODUCT LIFECYCLE MANAGEMENT):** product life-cycle management groups together all information concerning the design, manufacture, repair and recycling of a complex product (airplane, car, subassembly, etc.) by including all the information within a single technical repository.

**PMO (PROJECT MANAGEMENT OFFICE):** the team that defines and maintains the reference system of processes linked to project management. The PMO's aim is to standardize and industrialize projects. It is in charge of their management, documentation and evaluation. It often draws on the Prince 2 methodology. By extension, it is said that the person who manages a project has a “PMO profile”.

**PPM (PROJECT PORTFOLIO MANAGEMENT):** processes and software tools used to manage a portfolio of projects.

**DRP (DISASTER RECOVERY PLAN) OR RTO, RPO:** plan to ensure that, in the event of a major or significant crisis in an information system, the infrastructure is reconstructed and applications are restarted. This plan should switch over to a backup system capable of taking over the IT systems in case of an accident. The plan includes several levels of recovery depending on the needs according to two parameters: the maximum recovery time following a major incident (RTO - Recovery Time Objective) and the maximum period of



data loss (RPO - Recovery Point Objective - expressed in seconds, minutes, hours or days). When an incident happens, the analysis time leading to the decision to launch the DRP or not is always a difficult step as it requires decision makers to be present and it must take place within very short timeframes (this duration is included in the overall RTO).

**PRODUCT OWNER (PO):** digital project manager, expert in the Agile methodology (Scrum). He is the main person responsible for the design or definition of a "product" (i.e., an application) by acting as an interface between the "clients" (future users), the various departments involved in the company and the designers and developers. In the Scrum methodological framework, the team is organized around three main roles: developers, Product Owner and Scrum Master (see hereafter).

**PROXY:** A server that regulates the security policy of inputs and outputs to the Internet at application-layer level (FTP/file transfer, HTTP/Internet browsing, SMTP/email), unlike the firewall which operates on the lower layers. For example, it is the proxy that denies access to certain websites that have nothing to do with the business activity. Often it is integrated in the firewall.

**PUE (POWER USAGE EFFECTIVENESS):** ratio between the energy consumption (in kWh) of servers connected to the power supply and the total electricity consumption of a data center (power used by servers added to that of all the different equipment, primarily related to cooling and power backup). In conventional computer rooms, the PUE is well above 2. In the latest generation of data centers (Tier3+) at full load, the target PUE can achieve levels below 1.5.

**QUALIOPI:** unified quality certification, launched by the Ministry of Labor in November 2019, for professional training organizations.

**RESPONSIVE DESIGN:** design characteristic of an application whose presentations (text, images and resolution) automatically adapt to the terminal using the application (computer, tablet or smartphone). As such, responsive-design applications (HTML5 and CSS3 standards) are developed once and can be used on all types of terminals.

**ROBOTIC PROCESS AUTOMATION (RPA):** automation of processes via robots (emulating a keyboard exchange) to eliminate tedious tasks, streamline operations and reduce costs. It aims to enable employees to focus on higher value-added work. The RPA scenarios range from the simple creation of an automatic response to an email to the deployment of multiple robots, each programmed to automate tasks in a process. This automation is at work in various fields: financial services, healthcare, distribution, human resources, etc.

**SAAS (SOFTWARE AS A SERVICE):** model for marketing software on a lease-to-use basis (instead of selling a perpetual license at a fixed price). The software is usually accessible over the Internet and hosted by the publisher, often in Cloud computing mode, which is why the two terms are frequently associated. This service has several benefits for businesses: reduced delivery times and reduced integration, deployment and update costs. Applications with standardized processes are the most suited to SaaS mode: CRM, skills management, expense management, messaging, and so on. SaaS development will be slower for enterprise applications (need to handle end-to-end business processes, interface development, security, privacy, performance and availability).

**SAP BC (SAP BASE COMPONENT):** SAP Enterprise Resource Planning module for system administration, especially to manage the database (and system performance in terms of processor and memory) and to manage user security and authorizations.

**SAP SRM (SAP SUPPLIER RELATIONSHIP MANAGEMENT):** SAP Enterprise Resource Planning module that manages the entire supplier relationship: expenditure analysis, procurement, operational contracts, purchase requisitions, billing and supplier management.

**SCM (SUPPLY CHAIN MANAGEMENT):** SCM tools aim to reduce stocks and delivery times while improving customer service levels. In operational terms, the tools reconcile information concerning demand and production capacity in order to establish production and delivery plans. At the tactical level, they rely on statistical techniques - typically datamining tools - to optimize procurement, smooth production and determine the best delivery paths. At the strategic level, the tools perform simulations to determine the best possible layout for the manufacturing plants and distribution network, and even establish the product renewal rate depending on the target market. The main challenge is to automatically transfer this data into the management system (ERP).

**SCRUM MASTER:** the scrum master guarantees the methodological framework in a digital project using Agile methods (Scrum). His role is not to lead the team, but rather to guide it in applying Scrum. He is the interface between the team and the outside world, protecting the team from any element that might disrupt its operation and concentration. His assignment is to train members in Agile practices and to lead the different "rituals": daily mixes, planning pokers, retrospectives, etc. In the Scrum method, the team is organized around three main roles: the developers, the Product Owner and the Scrum Master.

**SDDC (SOFTWARE DESIGNED DATA CENTER), SDN, SDS:** after the virtualization of servers into virtual machines (or VMs), it has become possible to automatically allocate, at the software level, the other IT resources of the data center, including in particular the network: "Software Defined Network" (SDN) and storage: "Software Defined Storage" (SDS). Released in 2011-2012, the Software Designed Data Center (SDDC) marketing concept corresponds to the promise of programmatically allocating all of a data center's components. The SDDC model, however, faces many challenges: whether or not to include legacy, the treatment of non-virtual resources, and the difficulties of interoperability across multiple technology vendors.

**SECNUMCLOUD:** a label defined by Anssi to distinguish French cloud hosting operators that comply with demanding security practices and, in addition, are committed to locating data mandatorily in the European Union. A cloud infrastructure that has obtained this label is called a "trusted cloud" or "sovereign cloud". At the end of 2022, less than half a dozen players (including the group's specialized entity) are qualified in this way. A similar certification process has been initiated within the European Union.

**TRANSACTION SECURITY:** a transaction is deemed certified if the parties are identified, if its integrity is guaranteed and finally if the transaction cannot be repudiated by either party (certification = identification + integrity + non-repudiation). In addition to certification, the transaction's confidentiality must be guaranteed.

**IT SECURITY (OR INFORMATION SECURITY):** the increasing openness of information systems (connected to the Internet, inter-connected between sites, open to third-party clients and suppliers, remotely accessible from mobile devices or from home, etc.) has led to the development of IT security to the point where it has become a specialty in its own right. Its scope covers: incoming data protection solutions (antivirus, firewalls, proxy-cache, intrusion detection and content inspection), access protection (VPN encryption, administration, access authorization) and security administration (including detecting vulnerabilities). The associated services are primarily: consulting, architecture, auditing, monitoring and administration. This specialty is part of the broader issue of global security, which also includes: emergency plans, rules concerning behavior and procedures, the physical security of premises and access points, etc.

**SELF-CARE (OR SELF-HELP):** encouraged by companies in an effort to reduce costs, self-care provides users with a set of automated tools that allow them to troubleshoot directly, without calling on a support technician. The Interactive Voice Response (IVR) servers deployed over recent years initiated this trend. They have structural limits and, often considered "irritating", they have only developed a partial response to user issues. The use of self-care Internet tools has radically changed the situation. These tools



require a lot of upstream work to identify the most frequently asked questions and to standardize answers and they dynamically adapt depending on the way they are used. Companies can use this concept on a broader level (e.g., in relationships with their customers).

**SERVICE DESK (OR HELP-DESK):** a structure (telephone, IT and humans) designed to receive and handle all requests from information system users and either resolve them or pass them on to other support groups for resolution ("escalation"). The use of such specialized structures has become widespread: complete tracing of activity, professional response times, high rate of immediate handling (potentially handled by remote control), thorough investigation of the cause of incidents and then implementation of action plans to sustainably reduce the number of incidents. In the service desk business, the professional phone manner and tone of support technicians is as important as their technical knowledge. For multi-country organizations, the service desk is typically multilingual and in 24/7 mode. Increasingly, they use "self-help" and "chatbot" and AI technologies.

**MANAGED SERVICES/OUTSOURCING:** this service involves entrusting the management of all or part of a Company's IT system to a DSC who takes over the operational responsibility and upgrades the system within the framework of a fixed-price contract over several years. The outsourcing service provider undertakes to meet specific service levels (through a Service Level Agreement – SLA). The contract may or may not include the transfer of employees, hardware or software. The service provider's teams are generally based both on the intervention sites and in the outsourcer's shared service centers. A reversibility clause allows the client to recover its IT system/processes or to entrust them to another specialist. The term "outsourcing" is often misused to describe simple outsourcing, without its contractual exactitude. Today, the term "Managed Services" replaces the term "Outsourcing".

**WEB SERVICES:** an application function that a program can start. A web service has no user interface. Any website producer can incorporate these services into its online applications (tourist guide, travel booking, e-commerce, etc.) in a way that is transparent to the user. Vendors have widely adopted this technology (XML, WSDL interface) due to its simplicity. However, on the downside, the standards have yet to be finalized.

**SINGLE SIGN-ON (SSO):** physical key, associated with a unique password at login. It replaces all passwords attached to each application.

**SMACS (SOCIAL MOBILITY ANALYTICS CLOUD SECURITY) OR SMAC:** a term covering all digital services related to digital transformation, representing a fast-growing digital services submarket.

**SOA (SERVICE ORIENTED ARCHITECTURE):** flexible application architecture made up of independent but interconnected application services. This is a concept and not a technology. The framework is well-suited to web services, as well as other technologies. The central idea of SOA is to add or change services requested by operational management very quickly. If the target is attractive, the implementation methods for SOA architectures are still widely debated: even if we identify applications that can serve multiple processes, what granularity should we choose? How do you define the interfaces? How do you develop new applications as services while taking the existing application base into account?

**SOC (SECURITY OPERATIONS CENTER):** Operational security center that monitors the information system to protect it from cyberattacks. It monitors IT security as a whole, from network layers to the software installed on the workstations, in all countries. It collects information from the security components and analyzes them to detect potential anomalies. SOC's have become widespread in major organizations and their scopes of surveillance are steadily expanding.

**SSI:** IT services Company (French: Société de Services et d'Ingénierie Informatiques). Synonym of ESN (Entreprise de Services du Numérique) / DSC (Digital Services Company).

**PROPRIETARY SYSTEMS:** computers whose hardware and operating system (OS) are developed and distributed by a single manufacturer (IBM z- and i-Series, etc.). The term is used in contrast to "open" operating systems (Microsoft, Android, Linux, Unix, etc.) that are independent of manufacturers.

**INTRUSION TEST (PENTEST):** penetrating an IT infrastructure using various attack techniques in order to test defects or vulnerabilities. Intrusion tests are done with client approval and on a scope that has been agreed upon beforehand; a report is made concerning the results. Any vulnerability is corrected by implementing new security measures.

**THREAT INTELLIGENCE (OR CYBER THREAT INTELLIGENCE):** information about potential adversaries who may launch cyberattacks, outside the information IT system, in order to develop a portrait of potential attackers or to identify attacks in preparation. In contrast, the SOC (see above) is intended to monitor the interior and perimeter of the information system, to ensure that it is watertight (control of all its access doors).

**TMA (THIRD PARTY APPLICATION MAINTENANCE):** maintenance (for corrective and evolutionary purposes) and update of the computer applications ensured by a third party service company.

**UX/UI (USER EXPERIENCE, USER INTERFACE):** a concept that specifies that the analysis of the functions of a man-machine interface (UI) must be completed by taking into account the subjective and affective dimension of the user whose "experience" must be pleasant, fluid, intuitive and not strictly functional. UX/UI appeared in the 1990s.

**VDI (VIRTUAL DESKTOP INFRASTRUCTURE):** system that separates the user's desktop environment from the physical machine used to access it, so that they only have access to a screen terminal while the workstations are managed on virtual machines in a datacenter (usually a private cloud). The advantages of VDI are that it facilitates desktop management and deployment costs are very low. However, VDI is more dependent on the central data center (where all the workstations are managed) and the reliability of the network. VDI can be an effective solution for organizations with many remote locations with just a few workstations (bank branches, etc.).

**SERVER VIRTUALIZATION:** Software layer that simulates a physical machine and its components, from an applications point of view. Virtualization is often associated with consolidation projects. It aims to increase the average usage rate of IT resources by having several virtual servers on the same physical machine.

**WORKLOAD:** in computing, the amount of processing the computer must do at any given time. It is the product of the unit workload carried out by one or more servers for a given processing (real time or batch) by the number of users connected simultaneously, and having launched this processing. A real-time application, even a complex one, does not generate a large "workload" if the number of simultaneous users remains low (development or test machines for example).

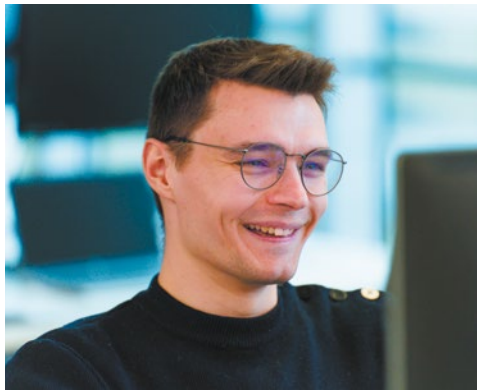
**XDR (EXTENDED DETECTION AND RESPONSE):** in cybersecurity, state-of-the-art systems for automatic data collection and correlation across multiple security layers: email, desktop, server, cloud workload and network. These enable faster detection of threats, as well as improved investigation and response times during security analysis. Endpoint Detection and Response (EDR), which is installed on workstations and shuts down the workstation when it has detected abnormal activity on it, is part of the XDR family.

**XML (EXTENSIBLE MARKUP LANGUAGE):** a powerful meta-language for describing unstructured data and document modeling; it has become a de facto standard among publishers. XML is more advanced and comprehensive than the HTML Internet page description standard.



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