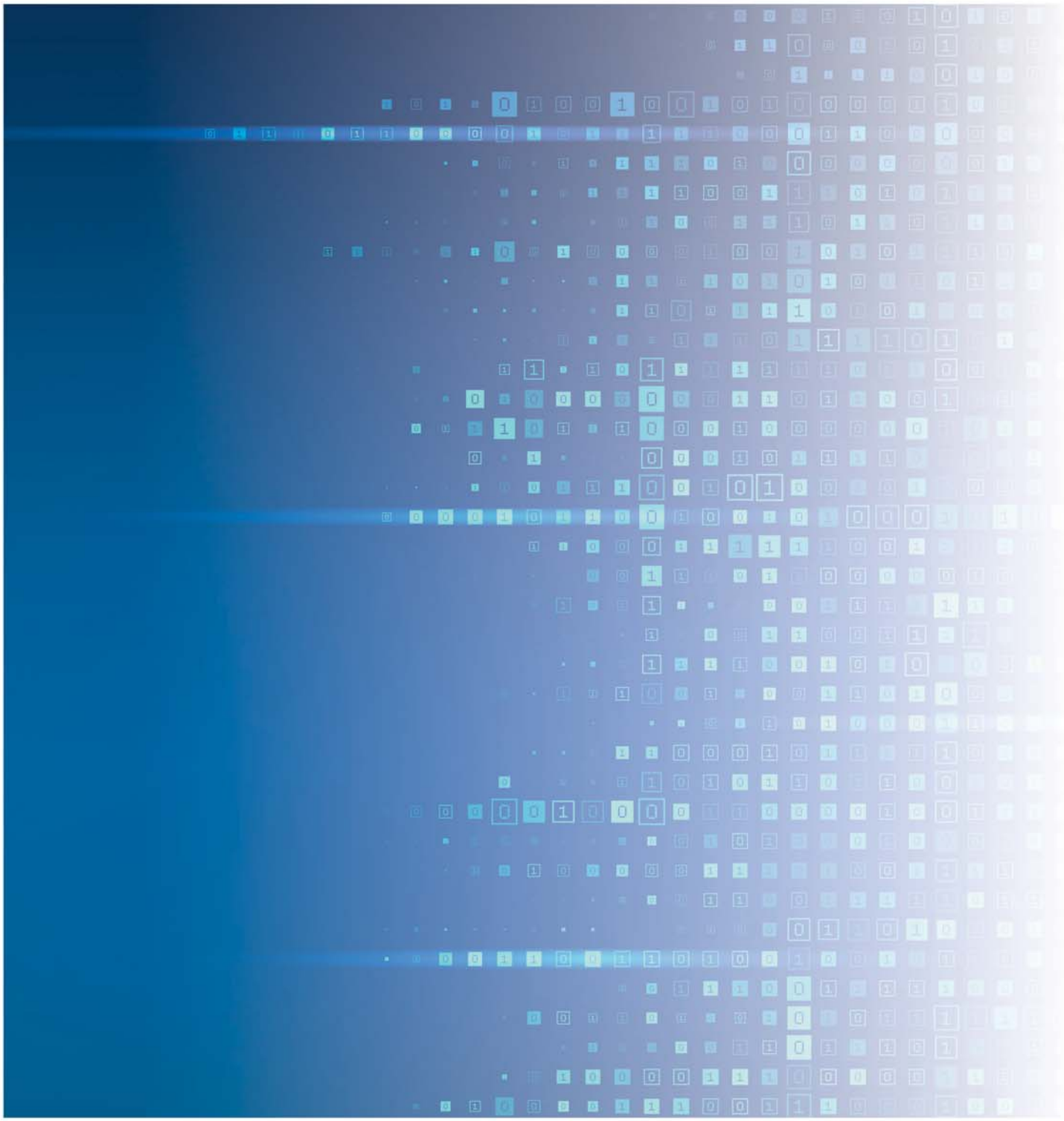
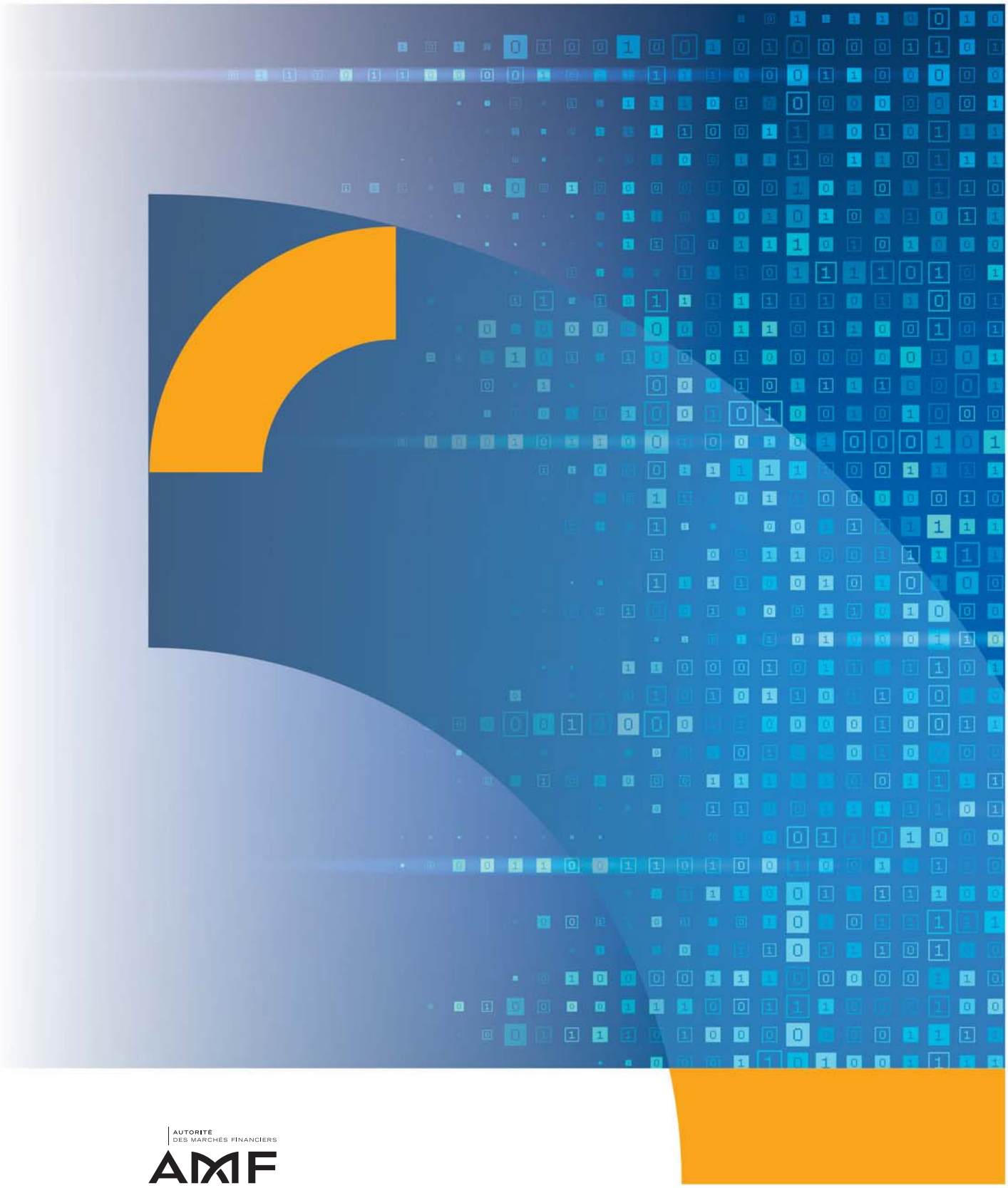
UNIVERSAL REGISTRATION DOCUMENT

2021

including the annual financial report
and the integrated report





AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The Universal registration document was filed on 29 April 2022 with the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said regulation.

The Universal registration document may be used for the purpose of an offer of financial securities to the public or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, where applicable, a summary and any amendments to the Universal registration document. The resulting package shall then be approved by the AMF in accordance with Regulation (EU) 2017/1129.

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PROFILE

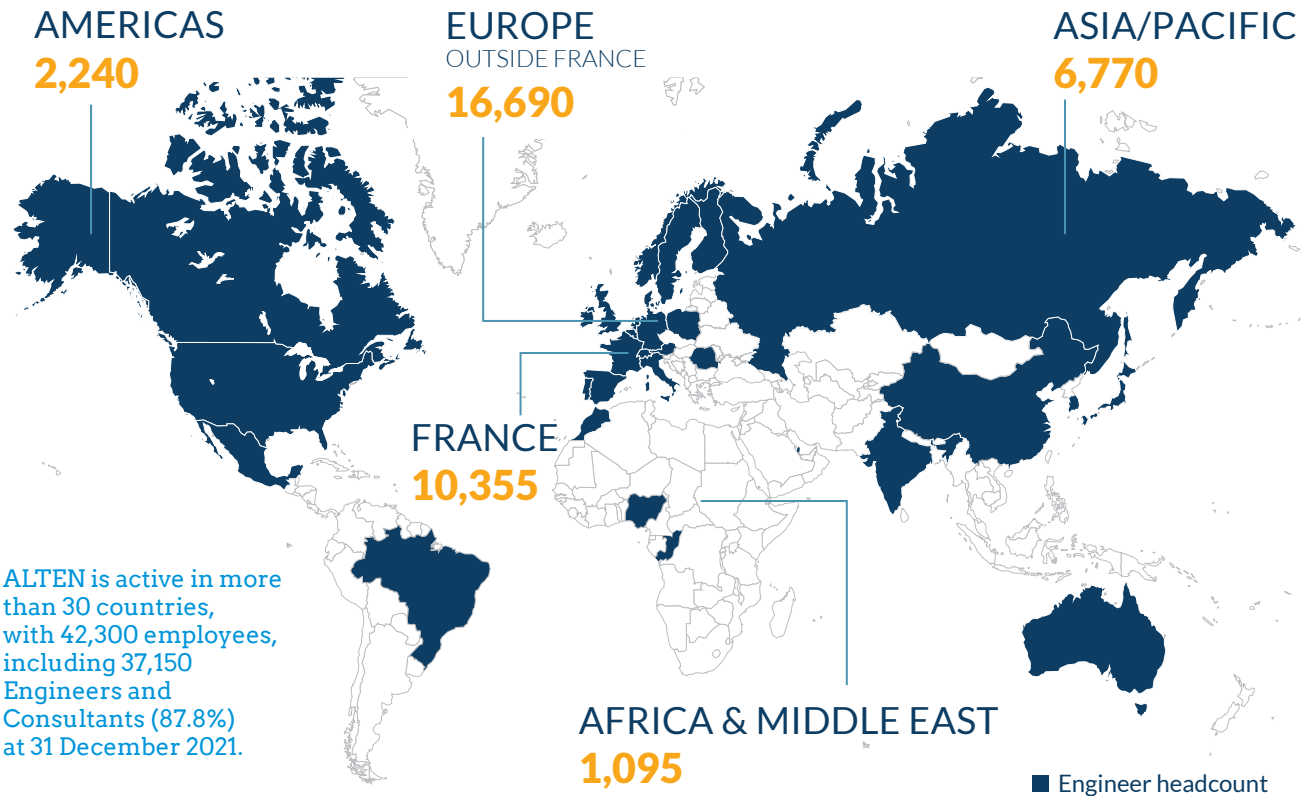
ALTEN,
a world leader in Engineering and IT Services

For more than 30 years, ALTEN has been assisting the growth strategy of its clients in the areas of:

- innovation;
- R&D;
- IT systems.

The Group has established itself as a world leader in Engineering and IT Services, by working with major players in the following sectors:

- Aeronautics, Space, Defense & Security;
- Automotive, Rail & Naval;
- Energy & Life Sciences;
- Telecoms & Media;
- Banking/Finance/Insurance, Retail & Services & Public Sector.



ALTEN is active in more than 30 countries, with 42,300 employees, including 37,150 Engineers and Consultants (87.8%) at 31 December 2021.

INTERVIEW

with Simon AZOULAY, Chairman and CEO

"The economic situation is characterised by strong demand: ALTEN is more than ever a key player in Engineering and IT Services".

How did the ALTEN Group perform in 2021?

Since March 2021, the ALTEN Group has benefited from a strong recovery in activity. This is due to the catch-up of projects that had been postponed in 2020, combined with strong demand due to technological developments in most sectors.

In 2021, the "post-crisis" situation is much better than before the crisis: the Group's revenue and earnings in 2021 are higher than in 2019. The majority of sectors have recovered and exceeded their level of two years ago, although there are still geographical and sectoral differences.

In 2020, we lost or stopped projects for over 5,000 Engineers and managed to restart or win back projects for over 7,000 Engineers in 2021, representing organic growth of 2,000.

I would like to point out that in February 2019 we presented a four-year target of 42,000 Engineers by the end of 2022. This plan should be achieved, if not exceeded, despite the unforeseen crisis in 2020.

The economic situation is characterised by strong demand: ALTEN is more than ever a key player in Engineering and IT Services.

How did the various business sectors withstand this second year of the pandemic?

The pandemic has profoundly disrupted the economic markets and the environment of ALTEN's business lines. To remain competitive and deal with the complexities of each sector, the Group has been able to maintain its multi-sectoral balance, a guarantee of sustainability in the face of crises that often weaken one sector in particular.

The Automotive and Civil Aeronautics sectors have been the most heavily impacted by the crisis. However, they were able to return to organic growth in 2021.

Most geographical areas are experiencing strong organic growth of over 10%, with the exception of countries with high exposure to these sectors (France, Germany, Sweden). Automotive is still below its pre-crisis level. As for Civil Aeronautics, a return to normal is expected in 2023 or 2024.

In general, all business sectors expanded in 2021; in particular, the Aerospace, Defense & Security, Electronics, and Life Sciences sectors.

How did the ALTEN model weather the health crisis?

Over the past two years, this crisis has highlighted the resilience of ALTEN's model. The Group has resisted thanks to:

- its financial resources and a healthy statement of financial position structure, which give it a real acquisition capacity. Acquisitions in 2020 and 2021 supported organic growth to exceed the pre-COVID-19 situation;
- an organisation and rigorous management, which have enabled us to respond to the requirements and strategy of our clients, by proposing and creating in particular:
  - skills & expertise centers, structured and packaged strategic offers,
  - a Technical Division with Delivery Centers and X-shore capabilities,
  - international commercial and technical coordination;
- a commercial and HR dynamic, offering our employees the opportunity to move towards project management, expertise or supervision of Business Units.

The ALTEN Group has relied on its core values, which are strategic during this period of crisis:

- an engineering culture and a capacity for innovation. They allow us to support our clients in their technological transition and their digital transformation in R&D, Supply Chain and IT Services;
- a balanced multi-sector positioning. This diversification allows us not to depend on the fluctuations of one or two sectors;
- critical size in all strategic countries to deploy our management model and management processes. Nearly 65% of our revenue is now generated outside France.

We are working to maintain this model, which allows us to remain confident in our ability to maintain our growth.

What new advances has ALTEN made in its CSR approach?

Our commitment to sustainable development began in 2010 with the signing of the United Nations Global Compact. It is fully integrated into our strategy with a central approach in favour of the protection of Human Rights, the environment and sustainable innovation.

In the face of the health crisis, our international development and our position as a leader in the Engineering and IT Services market give us an ever-greater CSR responsibility. Today we have to respond to multiple challenges: climate and environmental issues, ethics and security, new mobility, digital sobriety, etc.

In 2021, we achieved a milestone in the field of Responsible Digital Technology, by structuring a global and innovative strategy. Its purpose is to:

- optimise the environmental impact of our internal IT Services;
- use our Innovation Labs to develop the footprint measurement and eco-design solutions of tomorrow;
- put our expertise at the service of our clients and the transition of the digital sector.

The Group has also taken part in national and international initiatives to strengthen its commitment to the climate: membership of the *Syntec-Ingénierie* Engineering Charter for the Climate, signature of the Science Based Targets Initiative (SBTi) commitment letter, etc. Through this proactive environmental approach, the Group intends to demonstrate its investment and transparency on these subjects, aware that its activities give it an environmental responsibility towards its stakeholders.

What are the future objectives?

ALTEN, as the preferred technology partner of major groups, must continue to:

- enhance its sectoral offerings;
- optimise its technical organisation and its centers of expertise;
- develop its nearshore and offshore Delivery Centers.

The target communicated by ALTEN in 2019 (more than 42,000 Engineers by the end of 2022) will probably be exceeded.

Thanks to its organisation and its particularly sound financial structure, the Group is in a position to:

- reach 50,000 Engineers by the end of 2024;
- strengthen its IT positioning by reaching a critical size;
- generate more than two-thirds of its revenue outside France.

ALTEN will continue to focus on the value-added activities of very high-level Engineers, through extensive training, integration and the deployment of our CSR commitments. In an unchanged geopolitical and economic context, the Group remains confident in its ability to maintain its leading position in Engineering and IT Services over time.

I am proud of the collective effort made by all our employees during this unprecedented period and I wish us continued progress towards a peaceful and prosperous future.

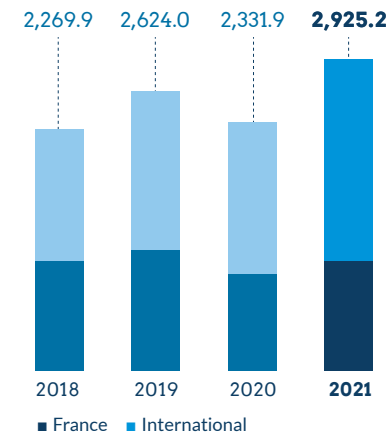
2021
IN FIGURES

€2,925.2 M
in revenue

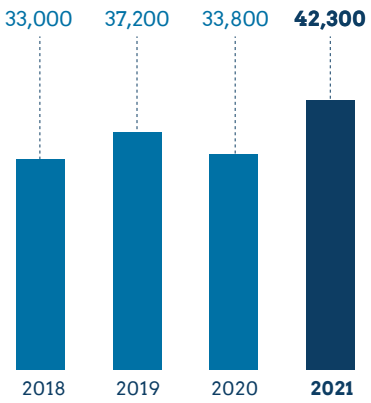
64.7%
of revenue internationally

42,300
employees including 37,150 Engineers

REVENUE
(in millions of euros)

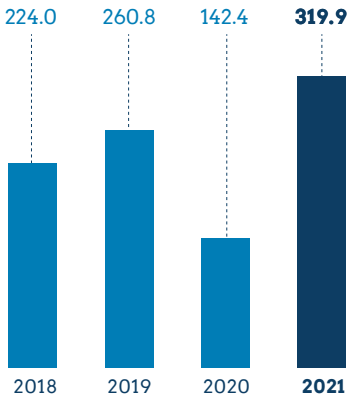


HEADCOUNT
(at year end)

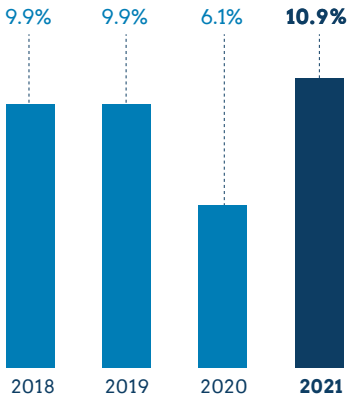


OPERATING PROFIT ON ACTIVITY

(in millions of euros)

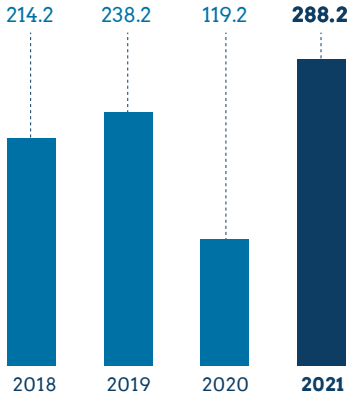


(% of revenue)



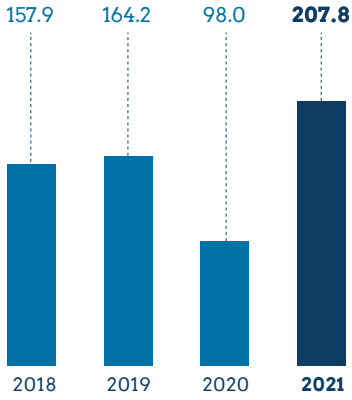
OPERATING PROFIT

(in millions of euros)



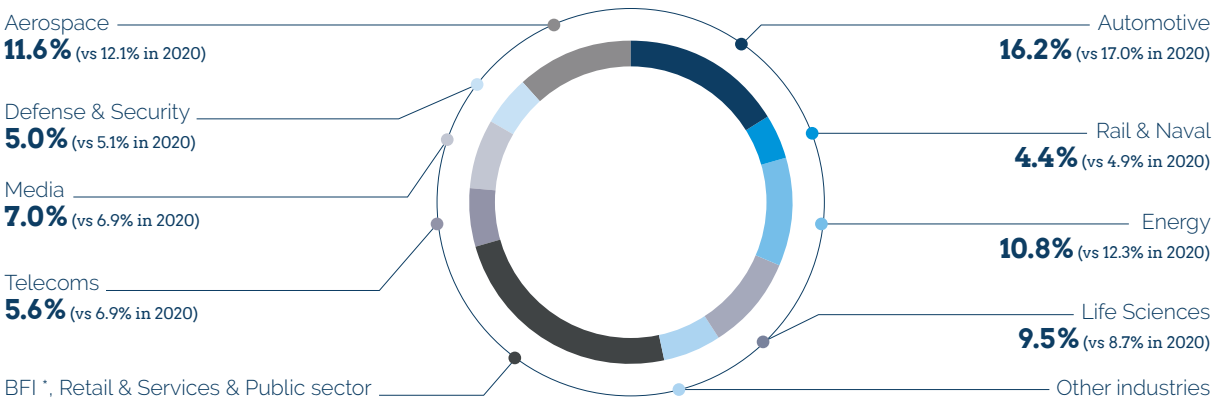
NET INCOME, OWNERS OF THE PARENT

(in millions of euros)



BREAKDOWN OF REVENUE BY BUSINESS SECTOR

(% of revenue)



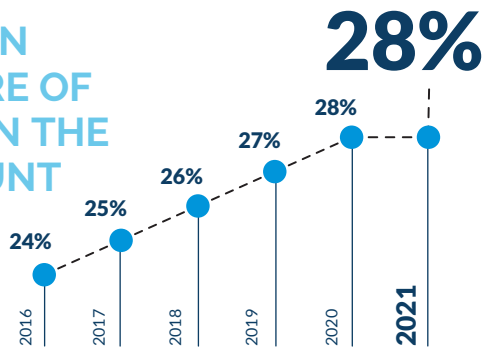
** Banking / Finance / Insurance*

CSR indicators

346
SCHOOL PARTNERSHIPS
(ALTEN Group CSR SCOPE)

22%
OF THE GROUP'S R&D ACTIVITIES
are dedicated to sustainable development, particularly decarbonisation.

CHANGE IN THE SHARE OF WOMEN IN THE HEADCOUNT



(ALTEN Group CSR SCOPE)

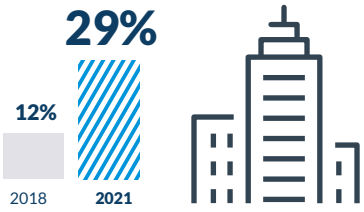
ECOVADIS
ALTEN has been voluntarily evaluating its CSR performance for over ten years.
The Group holds Platinum status for the assessment of its social, ethical and environmental approach.

ALTEN obtained a score of 80/100 in 2021.

71%
OF SITES COVERED BY A WASTE SORTING SCHEME
(ALTEN Group CSR SCOPE)

54%
OF SURFACES ISO 27001 CERTIFIED
(Information Security Management, France scope, for areas occupied by employees at 31/12/2021)

INCREASE IN% OF CERTIFIED M² (BBC, HQE)



(ALTEN Group CSR SCOPE)

12 YEARS

OF COMMITMENT TO THE UNITED NATIONS GLOBAL COMPACT

Since 2010, ALTEN has been a signatory of the ten principles of the Global Compact. This approach focuses on:
- the protection of Human Rights;
- the environment;
- the development of sustainable innovation.

The "Advanced" label, renewed each year, recognises ALTEN's commitment and progress in its Communication on Progress (COP).

KEY EVENTS

COVID recovery

At the end of 2021, ALTEN had improved on its pre-crisis situation, although sectoral and geographical differences remain. The organic growth in 2021 made it possible to recover the projects lost in 2020. All business sectors exceeded their pre-crisis levels, with the exception of Civil Aeronautics and Automotive.

Launch of the ALTEN Academy

To support its clients and consultants, ALTEN has worked with international certification bodies such as ISTQB, SAFe and Scrum.org to offer a range of internationally recognised certification training courses. Thanks to its understanding of its clients' processes, methodologies and technologies, the ALTEN Academy is able to design and deliver adapted training courses through different modules:

- Software testing;
- SAFe training;
- Scrum.org training;
- Requirement engineering;
- Business Analysis.

ALTEN named "Preferred Supplier" by Bosch

The "Preferred Supplier" status (Global Business Services Purchasing Division) is the crowning achievement of recent years and recognises the excellent relationship between ALTEN and Bosch, built up through joint projects in France and abroad.

ALTEN is a signatory of the Engineering Charter for Gender Equality (Syntec-Ingénierie)

Given the low rate of 31% of women in the Engineering sector, this signature demonstrates the Group's determination to continue to make gender diversity a lever. ALTEN is committed to the four pillars of the Charter:

- **take action to change the image of Engineering** among young people and in particular young women;
- **ensure equal treatment of women and men** throughout their careers;
- **promote a work-life balance** for all;
- **encourage access to management positions for women,** by developing upward mobility.

©Voyez-Vous (Vinciane Lebrun)

ALTEN, winner of the Responsible Digital Technology Award

ALTEN's comprehensive and innovative Responsible Digital Strategy aims to:

- deploy an exemplary approach internally;
- innovate and commit to the transition of the digital sector;
- accompany its clients towards digital sobriety.

As a reward for this approach, ALTEN was awarded the "Jury's Favourite" prize in the "Organisational Strategy and Responsible Digital Technology" category of the Awards organised by the *Institut du Numérique Responsable*.

10 years as a certified TOP EMPLOYER

Certified in France, Germany, Spain and Italy, ALTEN stood out in 2021 by:

- developing the skills of its employees;
- career management;
- its eco-responsible commitments.

This label is based on an audit built on a framework of 600 HR practices.

STRATEGY

Business strategy and objectives:

a strong positioning in Engineering and IT Services

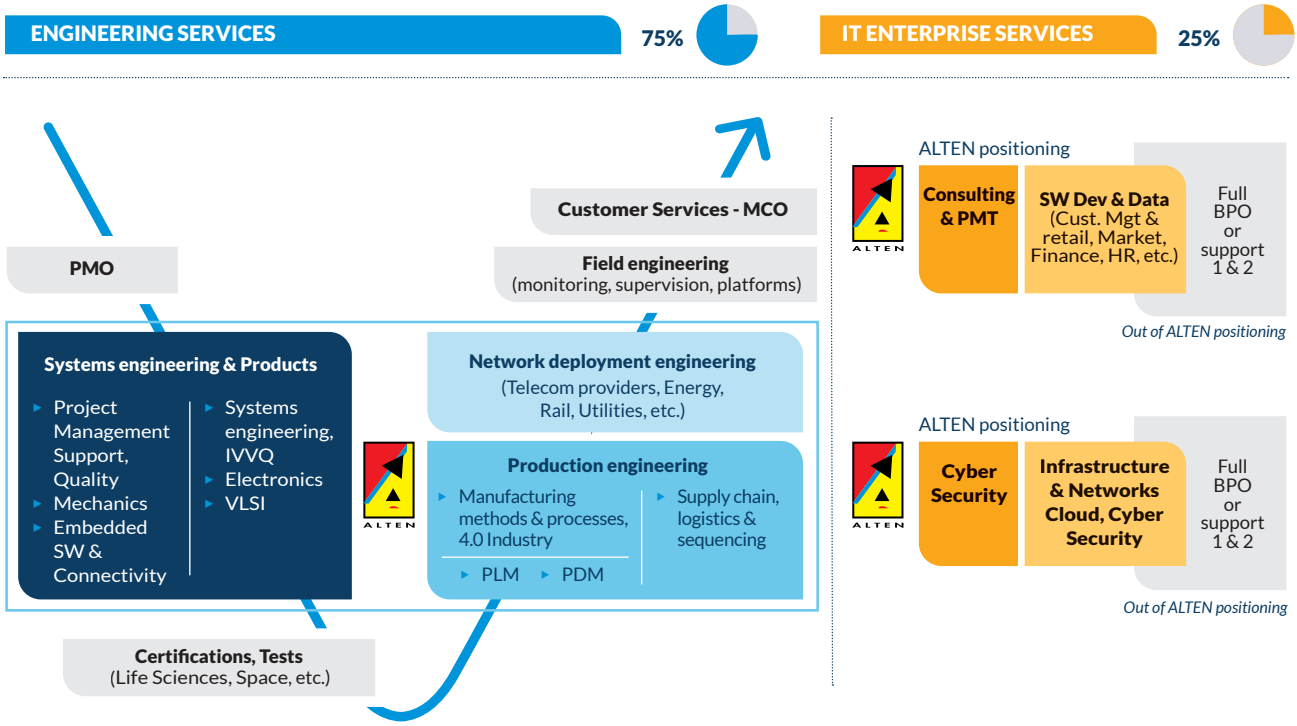
ALTEN's positioning

The ALTEN Group is integrated into the R&D and digital strategy of its clients. It helps them to develop their new products & services and to improve their internal performance.

RISK LEVEL	POSITION	ESTIMATED GROSS MARGIN	% OF GROUP'S ACTIVITY
4	▸ IP, Risk sharing, Software Publishing ▸ Capex investments: prototyping, testing and pre-production activities	Random & long-term	0%
3	***Work Packages*** With Technical Division & Methods Specific methodologies & tools	25 - 35%	60%
2	**Time & Material (AT)** With added value: HR management and bench risks Nb: 2+ High-level consultancy		38%
1	Staffing, Freelance	5 - 18%	2%

For information :
Level 5 = manufacturer, Tier-1 plant & production
Level 6 = industry, OEM – complete integrator

The Group covers the entire product development cycle for Engineering and IT Services technology projects.



ALTEN is an Engineering (75%) and IT Services (25%) Group with 80% digital positioning.

ALTEN's Core Business services are supplemented by specific offerings through subsidiaries specialising in Consulting and Expertise.

Consulting

- MI-GSO | PCUBED
  PMO and Change Management consulting.
- AVENIR CONSEIL FORMATION, QUICK RELEASE
  Consulting and Training in PLM Management and PDM.
- CPRIME, RADTAC
  Consulting in Agile methods, SAFe and DevOps.
- OPTIMISSA, NEXEO
  IT Consulting in Market Finance.

Expertise

- LINCOLN, SDG GROUP
  Data Science – BI.
- AIXIAL, CMED
  Life Sciences: CRO and Clinical Operations.
- CADUCEUM
  Life Sciences: Quality and Manufacturing.
- ATEXIS
  Customer Support and MCO.
- WAFER SPACE, Si2Chip
  VLSI – Chip & MicroChip design.
- ANOTECH
  Design office – Infrastructure – Operations – Oil & Gas.

Engineering: the Group's historical core business

The Group, a leading technology partner, is involved in all phases of the product cycle for the industry's Technical Divisions:

CONSULTING AND SPECIFICATIONS

R&D

STUDIES AND DESIGN

MANUFACTURING ENGINEERING

CUSTOMER SUPPORT

The international coordination of ALTEN's engineering centers is combined with its excellent knowledge of business environments.

A complementary and historical positioning in IT Services

The health context has accelerated the digital transformation within IT Departments. ALTEN is naturally positioned to provide high value-added technological solutions in:

- end-to-end control of the application lifespan;
- software testing;
- data management and valuation;
- infrastructures and networks;
- migration to Cloud, Data Protection and Cybersecurity;
- integration of third-party software, such as ERP, CRM or PLM tools;
- training in IT methods and business lines. The ALTEN Academy, deployed in several of the Group's countries, offers international certification courses: ISTQB, IREB, IQBBA, SAFe, Scrum.org, ITIL and PMI.

In many countries, ALTEN is essentially positioned around Engineering. IT Services round out its multi-sector development, accounting for approximately 25% of revenue.

This development was supported in 2021 by the acquisitions of RADTAC, CMED, NEXEO, CIENET and UNIWARE.

Outlook and strategy

The Group has erased the effects of the COVID crisis:

- organic growth in 2021 (7,000 projects) has recovered the 5,000 projects lost in 2020;
- acquisitions have enabled the Group to exceed 40,000 Engineers to date (the Group had 32,500 Engineers in December 2019);
- all sectors have exceeded their pre-crisis level except for Civil Aeronautics and Automotive.

The ecological transition, change of lifestyles and the world of health are generating considerable technological investments in all sectors.
Demand has been particularly strong in recent months. The challenges for 2022-2025 will be recruitment and managerial capacity to support growth.

ALTEN, as the preferred technology partner of major groups, must continue to:

- enhance its sectoral offerings;
- optimise its technical organisation and its centers of expertise;
- develop its nearshore and offshore delivery centers.

The Group now has all the keys to complete its international deployment through organic and external growth. The sustainability of its development will be based on:

- finalising the setting up of transversal structures;
- continued sectoral diversification in targeted geographical areas;
- HR management of managers' careers.

By the end of 2022, the Group intends to exceed its target of 42,000 Engineers. The structuring efforts will continue in order to reach new stages of development:

- reaching 50,000 Engineers (before December 2024);
- generating more than two-thirds of its revenue outside France.

Events after the reporting period

The ALTEN Group's exposure to the immediately foreseeable consequences of the crisis in Ukraine remains low (see "6.1.6 - Note 2.3 - Events after the reporting period").

Business model:
the benefits of development

OUR RESOURCES

COVID-19 resources

ALTEN's resilience is based on the relevance of its model:

- its organisation and rigorous management;
- its statement of financial position structure and financial resources;
- its commercial and HR dynamics.

Human Resources

- 42,300 employees including 37,150 Engineers in over 30 countries across 5 continents.

Intangible resources

- Extensive expertise in all fields of Engineering;
- R&D programmes and Innovation Labs;
- Project management methodology certified CMMI level 3;
- Integrated Information and Environment Management System for the Group.

Societal Resources

- 88 partnerships with NGOs or similar associations;
- 346 school partnerships;
- Responsible Purchasing Charter, Ethics and Compliance Charter, Sustainable Development Charter.

Financial resources(1)

- Revenue of €2,925.2 million in 2021. 64.7% of revenue generated outside France;
- Strong increase in operating margin: OPA 10.9% of revenue;
- A very healthy financial structure: shareholders' equity €1,421.1 million – Positive cash position: €220 million.

Environmental resources

- Use of energy and natural resources(2).

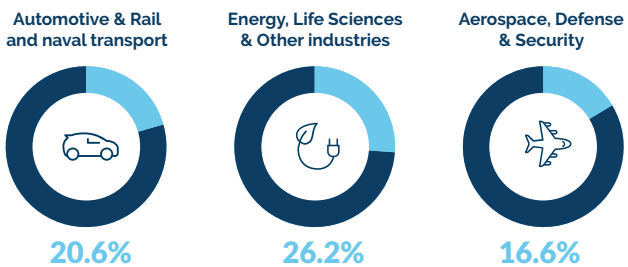
OUR DNA

Comprehensive technological coverage

- Engineering and outsourced R&D;
- IT & Network Services;
- Subsidiaries specialised in Consulting and Expertise.

5 levels of commitment
to meet clients' needs

Comprehensive and balanced coverage of sectors



(1) At 31 December 2021.
(2) See 4.4 – "Reducing the Group's environmental footprint".

High-performance Human Resources and talent management processes

- Multiple and varied career opportunities.

Fixed-price
Fixed-price projects with commitment to results

Commitment to results
Control, quality, time, delay, fixed price

Work units service contract
Service contract with a commitment to results and performance

Commitment to results
Deliverables industrialisation & productivity gains

Service contract
Service contract with commitment to providing resources and to achieving performance goals

Commitment to service quality
Service level commitment & delegation of project management

Globalisation
Gathering on a single contract covering several consulting projects

Commitment of providing resources
Teams of consultants delivering a wide range of expertise on a single contract

Consulting
Consulting with commitment of providing resources

Commitment of providing resources
Delivery of specific and flexible expertise

BFI, Retail & Services & Public sector

24.0%

Telecoms & Media

12.6%

OUR VALUE CREATION

Expertise and engineering culture

(see "Strategy" of this Document)

- High-end positioning deployed on Engineering business lines.
- A Project Management Technical Division composed of 300 people.
- Engineering centers of excellence.

Human capital development

(see 4.2 "Career-accelerating employer")

- A key player in the employment of managers and Engineers and the professional integration of young people.
- TOP EMPLOYER 2021© in France, Germany, Spain and Italy.

Targeted external growth strategy

- 7 international acquisitions in 2021.

Societal commitments

(see 4.3.6 "Regional solidarity")

- 3,428 days of skills sponsorship.

Assessments and certifications

(see 4.1.5 "Ratings – Awards")

- EcoVadis: 80/100.
- CDP: A- rating in recognition of climate initiatives.
- ISO 9001, 9100, 27001, 14001 & 45001 for ALTEN Spain.
- CEFRI MASE.

Strategic **levers**

Governance

1. The Board of Directors

The Board of Directors determines ALTEN's strategic directions and ensures their implementation, in accordance with its corporate interest, taking into consideration the social and environmental challenges of its activity. It controls the management of both financial and non-financial aspects and ensures the quality of the information provided to shareholders and the market.

COMPOSITION

Simon AZOULAY
Chairman and Chief Executive Officer

Aliette MARDYKS
Independent Director
Chairwoman of the Audit Committee

Maryvonne LABEILLE[1]
Independent Director
Chairwoman of the Remuneration and Nomination Committee

Philippe TRIBAUDEAU
Independent Director
Lead Director
Member of the Audit Committee

Gérald ATTIA
Deputy CEO
Director

Emily AZOULAY
Director
Member of the Remuneration and Nomination Committee

Marc EISENBERG
Independent Director

Marwane METIOUI
Director representing employees

Jane SEROUSSI
Director

(1) From 29/01/2021.

2. General Management

The General Management implements the strategy defined by the Board of Directors and develops the business. It is assisted in its missions by:

THE EXECUTIVE COMMITTEE

The Executive Committee analyses the commercial and financial results and implements operational measures.

Simon AZOULAY
Chairman and Chief Executive Officer

Gérald ATTIA
Deputy CEO responsible for International Scope 2

Bruno BENOLIEL
Chief Operating Officer, responsible for Finance, Legal and Information Systems

Pierre MARCEL
Chief Operating Officer in charge of ALTEN Germany

GROUP MANAGEMENT COMMITTEE

Olivier GRANGER
ALTEN Manager responsible for International Scope 1

Pierre BONHOMME
Executive Vice-President ALTEN France and UK

Stéphane OUGIER
Executive Vice-President ALTEN France and Solutions subsidiaries

Gualtiero BAZZANA
Executive Vice-President ALTEN for Enterprise Services and Telecoms

Pascal AMORÉ
Executive Vice-President responsible for ALTEN Asia

Marcello BARBA
Executive Vice President in charge of Southern Europe

It is made up of 18 people, including 5 women, divided between:
- the Executive Committee;
- the main International Directors;
- Directors of Support Functions.

Dynamic skills and career management

ALTEN uses unique tools to identify the skills needed to carry out current and future projects. In this way, each employee remains trained in the latest technologies and strengthens his or her employability. The Group can secure its development prospects. It adapts its internal processes to the needs of its Engineers and Consultants, Business Managers and Support Functions.
Mobility allows employees to shape their career according to their geographical and professional aspirations.
The main aim of the training policy is to adapt employees' skills to the needs of the market and the challenges of tomorrow. The Group supports them in their professional projects. Through the internal universities, they can increase their skills, discover a new profession and train for it.

Successful technical and managerial organisation

Internationally recognised, it includes:
- the Projects Division, with 300 Technical Managers, Project Leaders and experts;
- a training center and academies (DevOps, Cybersecurity, Testing) that allow all Engineers and Consultants to advance their careers at the highest level;
- technical communities to promote the exchange and sharing of information and capitalisation of know-how;
- a Quality and Methods Department. ALTEN's project management methodologies are assessed as CMMI Service Level 3.

Comprehensive technological coverage

Consulting services

The project is carried out on the client's premises based on the commitment of providing resources, time spent and under the responsibility of an ALTEN Manager. High-level ALTEN Engineers take charge of the project(1).

Work Packages management

Its development is linked to the referencing policies of major industrialists aimed at streamlining subcontracting.
The selected service providers oversee increasingly large scopes and project management. Their controlled management processes must make it possible to organise the implementation of projects.
The Work Packages have several levels of responsibility and risk sharing. They can be carried out on the client's premises or outsourced on ALTEN's site, either entirely or partially.

ALTEN, French leader in the delivery of Work Packages

Projects carried out accounted for 60% of business in 2021, making ALTEN the leader in terms of number, size and quality of delivery. Its project management methodologies are assessed at Capability Maturity Model & Integration (CMMI) level 3(2).

Work Packages, an integrated client/supplier relationship

The expansion of Work Packages has major implications for ALTEN but also for clients.
Project feedback is systematically capitalised. On the margins, the search for productivity may lead to the transformation of the offer and/or the involvement of nearshore or offshore structures on all or part of the project.
These transformations are leading to an overhaul of processes and technical interfaces, both at ALTEN and with the client. They are therefore implemented in an integrated supplier approach.

A unique capacity for offshore delivery

ALTEN now carries out more than half of its projects in France in "Structured Project" or Work Packages mode. Part of it is outsourced to its Delivery Centers.
ALTEN can involve its offshore centers in all or part of a project for competitive reasons, when this optimises the skills/quality/cost equation. The centers have high-level Engineers and can meet the offset challenges of clients. ALTEN employs 4,130 consultants.

(1) For more information on Consulting missions, see Section "1.4 – Excellent technical organisation".
(2) This global standard is developed by the Software Engineering Institute. It enables engineering companies to understand, evaluate and improve their project implementation systems as part of a continuous improvement process.

Ethical and responsible practices

ALTEN places ethics at the heart of its activities. The Group shares the highest standards of its stakeholders in this area.

As a responsible partner, ALTEN respects:

- the 10 principles of the United Nations Global Compact;
- the United Nations Universal Declaration of Human Rights;
- the various conventions of the International Labour Organization;
- the OECD Guidelines for Multinational Enterprises.

ALTEN is committed to conducting and developing its business in strict compliance with national and international laws and regulations and to making ethics and compliance a shared priority for the entire Group.

In this respect, the Compliance Department is responsible for anchoring compliance in a responsible and ongoing approach by relying on a network of Ambassadors, depending on the matter.

Compliance within the ALTEN Group covers, in particular, measures relating to the fight against corruption and data protection. In particular, it is based on a set of documents (Anti-Corruption Code of Conduct, Ethics and Compliance Charter, privacy policy, etc.) and training materials to raise awareness among all employees.

CSR at the heart of partnerships

ALTEN is committed to sustainable partnerships. Its responsible purchasing policy establishes a dialogue with its suppliers on Human Rights, the environment, ethics and corruption.

The Group assesses the CSR performance of suppliers from the call for tender phase, with continuous improvement over the contractual life cycle.

The Group's responsible purchasing policies and charters also materialise its commitment and compliance when contracts are signed. For the past 3 years in France, suppliers with high CSR risks have filled out a questionnaire. This questionnaire covers their understanding of the challenges of their activity and their value chain. Unsatisfactory answers and documentation lead to formalised and monitored action plans. If these are not implemented, the collaboration may be reviewed.

A commitment to the regions

It is expressed through actions that create value and meaning:

- skill-based sponsorship, supported by the Group's companies, provides its know-how and skills to associations and foundations recognised as being of general interest. It mainly concerns the social, medical and environmental fields. In France in 2021, within the ALTEN *Solidaire programme*, nearly 25 Engineers took part in a skills sponsorship mission in one of the 15 partner associations;
- partnerships with local schools and universities and promotion of the Engineering profession among young people. The Group develops actions on campuses and supports educational competitions such as *Je filme le métier qui me plaît*.

ALTEN Innovation: a step ahead with SMART DIGITAL

Digital technology and sustainable development are driving profound changes in industry and service markets. In recent years, the digital revolution has brought new horizons and opportunities to rethink development standards throughout the product life cycle (from design to consumption) while facing more restrictive regulatory and social pressures for sustainable development.

With this rapid change in our environment, **the security and safety of data**, processes and people also represent additional key challenges to enable a safe transformation of our human society. As a leader in outsourced R&D, ALTEN is now faced with all these changes and must be one step ahead of these new trends to anticipate client needs.

Digital transformation: new horizons for industry and services

From industry to finance, new digital technologies are challenging existing processes throughout the product life cycle and facilitating the convergence of two previously hermetic worlds: IT (Information Technology) and OT (Operation Technology). This convergence brings improvements in various fields such as prescriptive maintenance, but also in the design of ever more efficient digital twins (product, factory, city, etc.). ALTEN's teams innovate throughout the value chain to shorten new product development times while making industrial processes more efficient.

Environmental footprint: building a sustainable industry through innovation

ALTEN is very active in reducing its environmental footprint and has been supporting its clients through sustainable innovation for many years. ALTEN Labs support this ambition and conduct projects ranging from digital energy efficiency to industrial compliance and mobility, with sustainable uses:

- digital systems generate 4% of greenhouse gas emissions (compared to 3.5% of emissions generated by air transport). This phenomenon will be reinforced by the deployment of 5G and the sharp increase in smart communicating objects. Designing energy-efficient algorithms and computer systems is therefore a major challenge;
- industrial processes and facilities should be eco-designed to use industrial equipment to its full potential while reducing waste;
- sustainable mobility is not only about reducing carbon emissions by switching to electric vehicles, but also by improving traffic flow and implementing multimodal solutions.

Security and safety: reducing the risk of cyber-attacks while strengthening the resilience of companies to crises

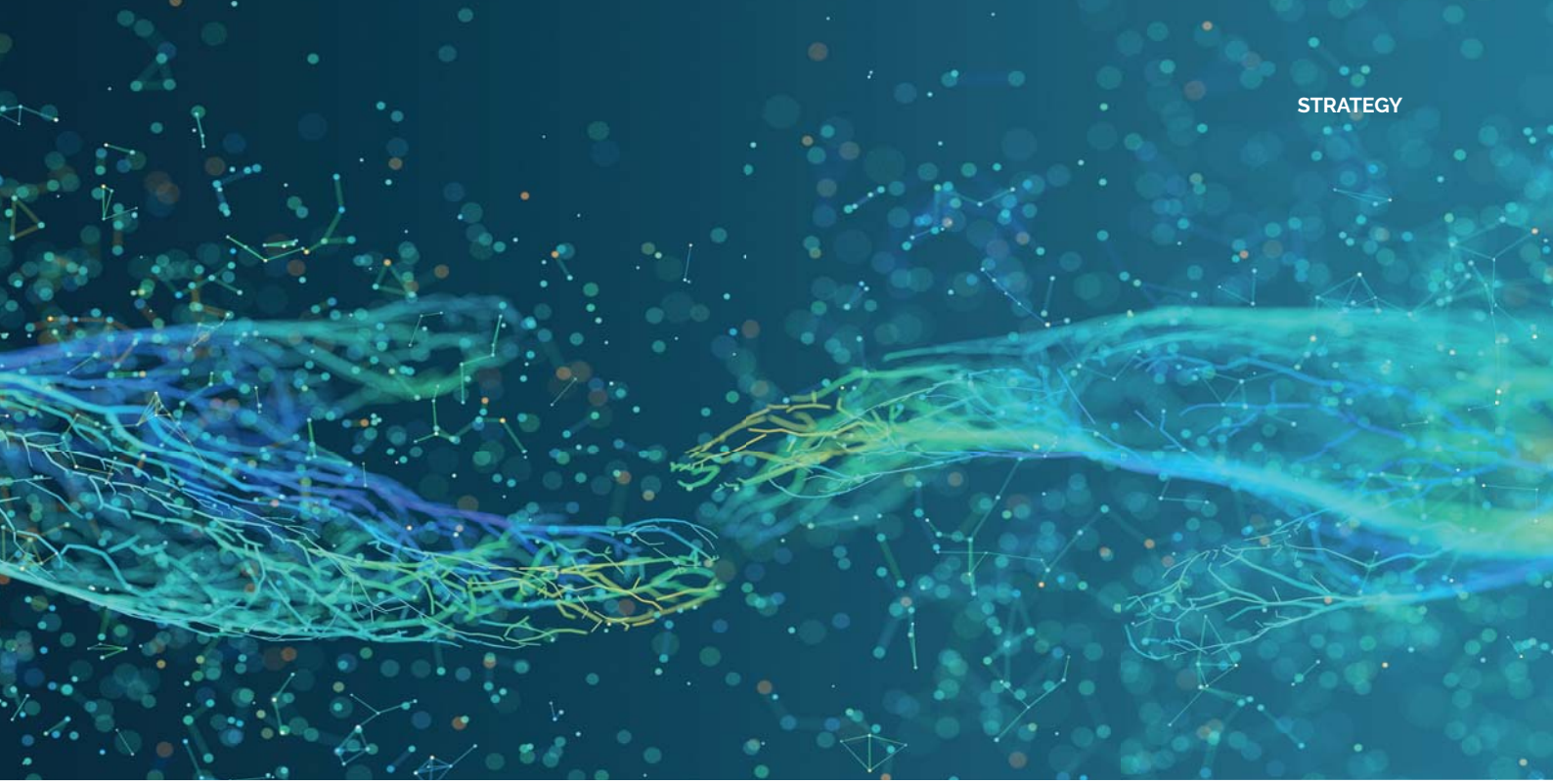
IT technologies used to improve processes and daily life are both a solution to a safer world and a source of threats. The security of people, processes and data is a major concern for ALTEN's teams, which take a holistic view of security, from implementing cybersecurity solutions to improving security in industrial processes, for example:

- use of blockchain technology for identity management or to secure payments and fraud detection through machine learning;
- handling industrial risk assessment to anticipate failures and crises;
- design of autonomous and agile security systems.

22%

OF ALTEN'S RESEARCH AND INNOVATION ARE DEVOTED TO CONTROLLING A SUSTAINABLE ENVIRONMENT.

THE GROUP IS THUS CONTINUOUSLY INCREASING ITS EFFORTS IN FAVOUR OF THE PLANET.



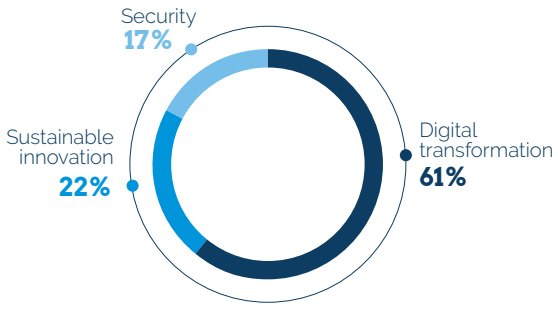
In 2021, ALTEN's Innovation Department continued its research efforts within its **SMART DIGITAL** initiative, which includes 8 major research programmes and more than 100 projects representing all of the Group's diversity: mobility, factory 4.0, 5G networks, transactional services, data engineering, design engineering, sustainable quality & supply chain, etc. All of these scientific and innovative projects are conducted within our **ALTEN Labs** and are systematically generated by an ideation process conducted directly by our ALTEN Consultants and Specialists who listen to our clients' innovation needs. **We are also developing technological partnerships** with start-ups, large companies and university research laboratories, and are **deploying a policy of digital platforms that cut across all our Labs and can be used on all our projects**:

- in **software development**: standard configurations, PRAT, Green IT and IoT (eco-design test bench), embedded intelligence (NanoEdge AI studio from ST Microelectronics);
- in **digital modelling and simulation**: digital twin of regions with SUMO and HERE, of the factory with SIEMENS;
- in **data processing**: Data Lake Management (data engineering), System Behaviour Management (data science).

Our innovation portfolio and strong knowledge of Engineering skills allow us to adapt to most of our major clients' configurations.

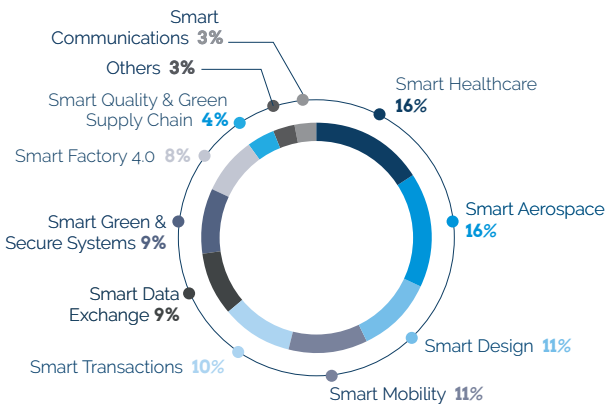
Our SMART DIGITAL approach is naturally based on various innovative technologies, grouped by application research programmes.

BREAKDOWN OF ALTEN R&D IN 2021



Sources: R&D expenditure reports by European entities, % in days worked on R&D projects.

BREAKDOWN OF ALTEN SMART DIGITAL PROJECT PORTFOLIO IN 2021



Sources: portfolio of R&D projects in Europe, in % of production days.

CSR strategy and objectives:
sustainable development at the heart of the strategy

The Group's sustainable development approach was initiated with the signing of the United Nations Global Compact.

It is based on 4 priority areas:
- a career-accelerating employer;
- a player in sustainable innovation;
- a responsible partner and citizen;
- a company committed to the environment.

This CSR strategy is based on a materiality study, in line with the requirements of the Global Reporting Initiative (GRI) and updated in 2021.

Environment

1. Environmental footprint
2. Contribution to the success of client CSR strategies
3. Green mobility
4. Responsible digital technology

Social

1. Labour relations
2. Diversity and equal opportunities*
3. Skills development
4. Talent attraction and retention
5. Health and safety in the workplace
6. Well-being at work

Governance

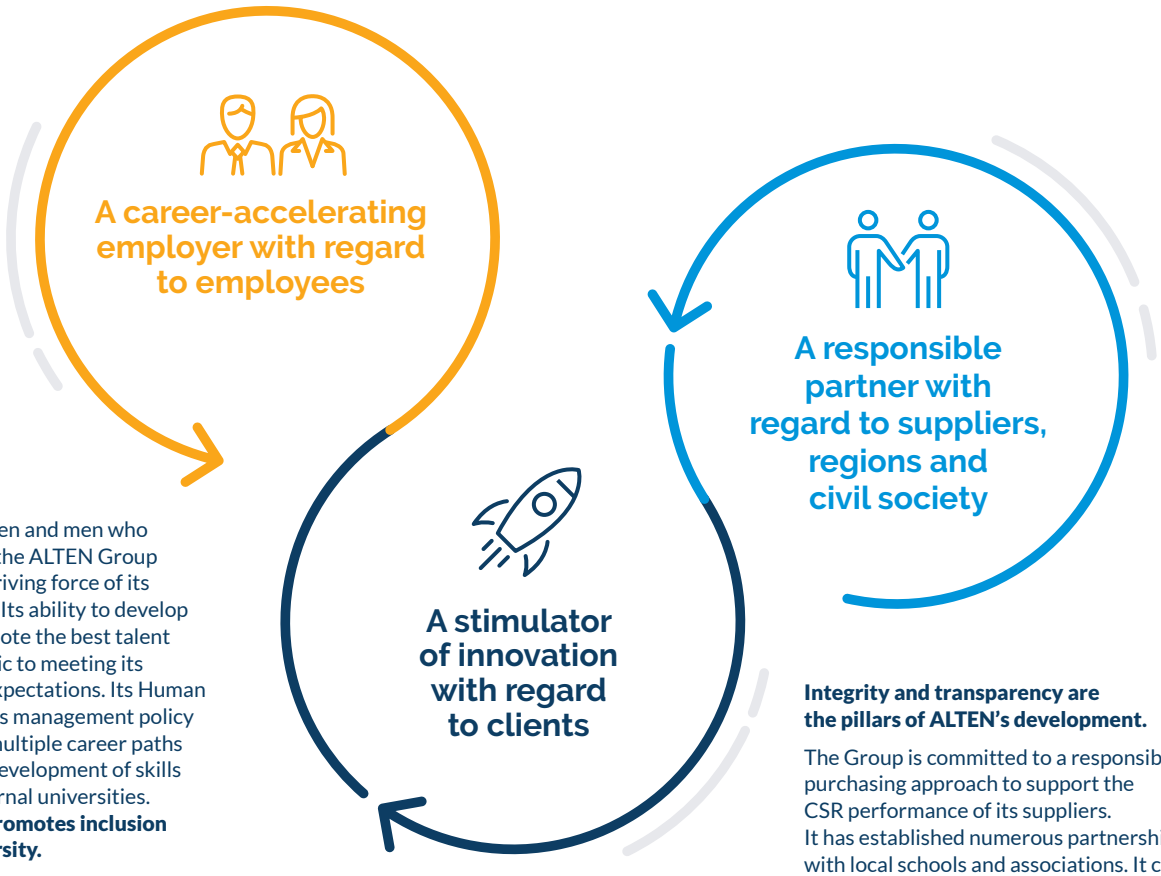
1. Client satisfaction*
2. Corporate governance*
3. Information Systems Security and data protection*
4. Business ethics and compliance*
5. Innovation
6. Promotion and feminisation of the Engineering professions
7. Responsible purchasing
8. Dialogue with local stakeholders
9. Solidarity

* *The issues identified by an asterisk are the most important ones both for ALTEN's activity and for its external stakeholders.*

ALTEN and its stakeholders

As a leader in Engineering and IT Services, ALTEN is committed to:

- **meeting the expectations of its stakeholders;**
- **anticipating their requirements by reconciling performance and sustainable development.**



The women and men who make up the ALTEN Group are the driving force of its business. Its ability to develop and promote the best talent is strategic to meeting its clients' expectations. Its Human Resources management policy favours multiple career paths and the development of skills in its internal universities. **ALTEN promotes inclusion and diversity.**

87.8%
OF ENGINEERS
(Group's 2021 headcount)

ALTEN is a catalyst for innovation for its clients. The Group develops innovative and sustainable solutions. It conducts its own research and development and innovation programmes reconciling the economic, environmental and societal dimensions. **Its goal is to create value for its clients and offer them the best technological practices.**

Integrity and transparency are the pillars of ALTEN's development.

The Group is committed to a responsible purchasing approach to support the CSR performance of its suppliers. It has established numerous partnerships with local schools and associations. It can thus promote Engineering and scientific and technical careers to young people. ALTEN has also been committed for many years to promoting women in these professions. The Group can count on its female employees to talk about their careers and to inspire young women.

20
PARTNERSHIPS IN THE FRAMEWORK OF THE PROMOTION AND FEMINISATION OF ENGINEERING PROFESSIONS
(ALTEN France scope)

A historical commitment
to the environment

For over 10 years, ALTEN has been working to limit its environmental impact. Its Sustainable Development Charter formalises its commitments. The Group encourages its international entities to have a proactive environmental approach, based on recognised standards or benchmarks.

ISO 14001 certification establishes an environmental management system based on an environmental risk analysis and a continuous improvement process.

ALTEN is committed to the fight against climate change by joining national and international initiatives:

- the signing of *Syntec-Ingénierie*'s Climate Charter for Engineers in 2019;
- participation in the United Nations Global Compact Climate Ambition Accelerator in 2021;
- the signing of the Science-Based Target Initiative commitment letter.

The indicators of the non-financial rating agencies (EcoVadis, Gaïa, CDP) demonstrate the Group's transparency and performance approach.

Aware that its activities give it an indirect environmental responsibility to its clients, ALTEN is committed to developing innovative and sustainable solutions and to acting in favour of Responsible Digital Technology, both internally and with clients. Throughout the year, the Group works to raise employee awareness of environmental issues through a variety of means.

ALTEN is working to reduce its environmental impact through a three-pronged action plan:

1. MEASURING AND REDUCING GREENHOUSE GAS EMISSIONS

Each year, ALTEN measures and publishes the greenhouse gas emissions of its activities and is committed to:

- promoting the use of renewable energy on its premises;
- encouraging the energy efficiency of buildings: this choice to occupy efficient and more environmentally friendly buildings is made in many countries where ALTEN operates;
- minimising the impact of IT facilities. ALTEN's IT Department is developing several areas: reviewing usage, calculating and reducing the carbon footprint, choosing labelled equipment, and managing obsolescence and the second life of IT equipment;
- supporting the transition to soft and sustainable means of mobility: ALTEN carries out mobility plans on sites with more than 100 employees, subject to a local urban plan. Since 2014, ALTEN has been working each year to strengthen its Car Plan requirements, governing the characteristics of the Company vehicles comprising the fleet, favouring engines with lower emissions. The Group promotes soft mobility and clean vehicles (installation of electric charging stations, etc.);
- developing sustainable innovation. The Group assumes indirect environmental responsibility for its activities towards its clients and conducts R&D projects on energy efficiency, transport electrification, improving the environmental performance of industries, etc.

2. USING NATURAL RESOURCES WISELY

ALTEN is implementing best practices internally to limit the use of natural resources and the impact on biodiversity:

- sustainable paper consumption: ALTEN seeks to consume less and consume better. When purchasing, the Group favours recycled and/or eco-labelled paper and continues to roll out its project to dematerialise invoices and payslips;
- the Group is committed to reducing and sorting its waste. A sorting and recycling system has been developed in several of the Group's entities and a "zero disposable plastic cups" campaign has been deployed in France in 2020;
- to raise employee awareness, ALTEN is implementing an approach in favour of biodiversity by sponsoring a beehive and relying on eco-labels for the purchase of supplies, whenever possible.

3. INFORMING AND RAISING EMPLOYEE AWARENESS OF ENVIRONMENTAL PROTECTION

Employees benefit from awareness-raising activities to make them aware of the Group's approach and enable them to participate in it (quizzes, competitions, conferences, etc.), as well as e-learning modules (eco-mobility, eco-actions, etc.). Regular communications are made *via* the internal social network, newsletters, the intranet and posters.

SEGMENT **TRENDS**

Global R&D trends
and outsourced R&D market trends

Global business spending on R&D will increase at an average annual growth rate of 9% to reach $2.1 trillion by 2024[(1)]. It will be driven in particular by investment in digital engineering, which already accounts for over 50% of overall expenditure.

One of the main trends over the last decade has been the growing share of digital-related investments, both in the product cycle and in the client relationship.
In France, according to Pierre Audoin Conseil (PAC), the expected evolution of the **ETC (Engineering and Technology Consulting)** market accessible to ALTEN is summarised in the following table:

(in millions of euros)	2019	2020	20/19	2021	21/20	2022	22/21	2023	23/22	2024	24/23	2025	25/21
Aeronautics, Space & Defense	1,577	1,168	-25.9%	1,226	5.0%	1,295	5.6%	1,372	5.9%	1,452	5.8%	1,534	5.8%
Land Transport	1,786	1,314	-26.4%	1,423	8.3%	1,567	10.1%	1,721	9.8%	1,880	9.2%	2,037	9.4%
Telecoms and Multimedia	407	408	0.2%	426	4.4%	448	5.2%	472	5.4%	496	5.1%	519	5.1%
Energy & Life Sciences	1,587	1,488	-6.2%	1,554	4.4%	1,640	5.5%	1,744	6.3%	1,845	5.8%	1,942	5.7%
Other	2,396	2,056	-14.2%	2,187	6.4%	2,337	6.9%	2,493	6.7%	2,644	6.1%	2,783	6.2%
Total Technology Consulting *(ALTEN core business scope)*	**7,753**	**6,434**	**-17.0%**	**6,816**	**5.9%**	**7,287**	**6.9%**	**7,802**	**7.1%**	**8,317**	**6.6%**	**8,815**	**6.6%**

(1) Source: Cabinet Zinnov.

Automotive

13 BRANDS
grouped together when the PSA and FCA groups merged in February 2021, giving rise to the Stellantis group, now the world's fourth-largest manufacturer.

2035
The European Commission is considering a ban on the sale of combustion engine vehicles by this deadline.

MEGATRENDS

After the health crisis, governments launched massive investment plans to support the development of electric and hydrogen technologies and the associated infrastructure.

Several digital giants (e.g. Apple, Foxconn, Xiaomi) have confirmed the launch of their electric car projects. Today, Tesla's stock market valuation exceeds that of all other manufacturers combined.

In order to remain competitive, traditional manufacturers and their suppliers are moving to control their value chain: relocation of strategic production (batteries, semi-conductors, etc.) and internalisation of software development related to smart mobility.

SCHEMATIC DIAGRAM OF A CONNECTED ECO-ASSISTANT APPLICATION: example of ALTEN's HappyDrive application

Automotive manufacturers are caught between increasingly strict environmental regulations (in particular CAFE or Euro 7 standards) and the consumer craze for large vehicles at the expense of fuel efficiency.

To capitalise on the skills essential to our clients' challenges, ALTEN Labs are currently developing a data aggregation project. It allows us to:

- raise awareness of eco-driving among motorists with the aim of encouraging the future purchase of more environmentally responsible vehicles;
- help manufacturers to tailor their commercial offer to their clients' recurrent journeys.

Rail

9,000 EMPLOYEES

Thales' rail signalling activity was sold to Hitachi Rail in 2021 for €1.6 billion.

$66 BILLION

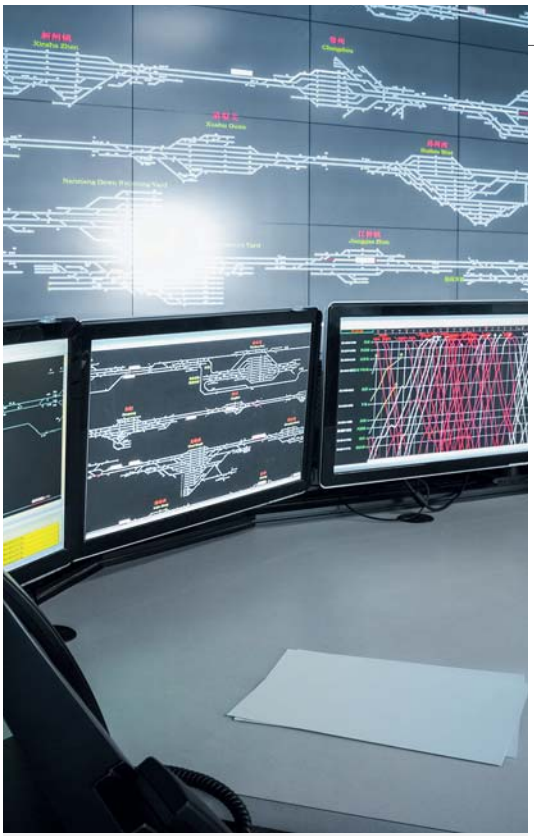
This is the historic investment announced by the US government in 2021 to modernise its rail network.

MEGATRENDS

Increasing urbanisation, combined with the desire to reduce CO_2 emissions, is leading states to invest massively in rail transport.

To increase the capacity of existing lines, railway operators are modernising the signalling systems (CBTC, ERTMS, etc.) as a priority.

At the same time, manufacturers are experimenting with hydrogen-powered trains to replace diesel-powered trains and thus decarbonise non-electrified lines.



By 2023, Denmark will become one of the first European countries to have a 100% ERTMS rail signalling network. The programme has been funded to the tune of €3.3 billion.

The ALTEN Group is supporting the world leader in intelligent and sustainable mobility in this **ERTMS** level 2 **signalling systems** and ETCS subsystems engineering project.

The studies are carried out at ALTEN's Center of Excellence in Bologna, Italy.

This modernisation will allow Denmark to increase its passenger capacity, while improving the punctuality of trains.

Aeronautics

600

This is the number of aircraft that Airbus aims to deliver in 2021, compared to 566 in 2020.

2024

In the most optimistic scenario, it will take until then for air traffic to return to 2019 levels.

Source: EuroControl

MEGATRENDS

After the virtual halt in air traffic, the post-COVID recovery has begun in a heterogeneous way around the world. Regional flights have seen a strong acceleration in demand, while long-haul flights are struggling to recover their pre-crisis levels.

Although aircraft manufacturers want to increase production rates in anticipation of the recovery in air transport, this objective is hampered by the shortage of manpower and materials.

Moreover, in this context of uncertainty, the supplier chain remains reluctant to invest to support this ramp-up.

The growth in air traffic and the emergence of new technologies are prompting aeronautics manufacturers to offer new cockpit functionalities to pilots in order to improve the robustness of flight operations.

In order to reduce development costs and save time, **ALTEN has developed its own FAST** (Function Assessment with Simulation Tool) **prototyping platform**.

The platform enables rapid evaluation of HMIs (human-machine interfaces), **reducing the recurring costs of conventional testing methods by almost a third and cutting lead times by several weeks**. A benefit already proven by one of the Group's flagship clients in the aeronautics industry.

Space

$1,000 BILLION

This will be the revenue generated by the global space industry by 2040, compared with 385 billion in 2020.

Source: Morgan Stanley

1,500

pieces of traceable debris were generated following a destructive Russian anti-satellite missile test against one of its own satellites in November 2021.

MEGATRENDS

The private sector's enthusiasm for space continues to boost the sector and could democratise new applications (space travel, satellite imagery, internet *via* satellite, data processing, etc.).

The current geopolitical context favours a real militarisation of space.

After the success of the American New Space (Space X, Blue Origin, etc.), it is now Europe's turn to encourage the development of the private sector. Partnerships are increasing between the ESA, large companies and start-ups, such as Airbus D&S and Preligens.

At the same time, the space industry is accompanying states in the weaponisation of the cosmos, in the form of anti-satellite weapons for instance.

In 2021, a space industry leader renewed its confidence in ALTEN by listing the Group as one of its main Engineering partners in the Space & Connected Intelligence business.

Active for more than 15 years in the area of multi-mission/ground segment systems, ALTEN now has a high level of expertise in systems engineering and software development, specific to the space environment.

Defense & Naval

2.6%

This is the increase in global military spending in 2020 vs. 2019.

Source: SIRI

€4.8 BILLION

Order intake in the Defense & Security sector was up 24% for Thales in the first nine months of 2021.

MEGATRENDS

The global geopolitical context is currently in a very bad state. After two decades of counterterrorism, military powers are preparing for the return of inter-state 'high intensity conflict'.

Benefiting from unprecedented budgetary efforts, the defense industry must accelerate the development of equipment programmes (air combat, naval, space and cyber, etc.) adapted to this new context.

At the same time, the sector must acquire new skills (data, robotisation, etc.) to anticipate technological breakthroughs.

The ALTEN Group is assisting an international defense leader with a contract to develop a tactical drone, an extremely sophisticated surveillance tool with high-performance optics.

The qualification stage is crucial to demonstrate the maturity and operational capabilities of this UAV to the military.

To meet these high expectations, ALTEN mobilised a team of high-level Engineers in record time to finalise the system engineering studies and guarantee the quality of the test campaigns.

Our client recently announced the successful completion of certification testing of the drone system.

Security

€150 BILLION

This is the size of the global Cybersecurity market in 2021, whose growth rate has doubled in one year.

Source: Gartner

-3.1%

This is the decline in global sales of domestic security equipment and technology in 2021.

Source: En toute sécurité

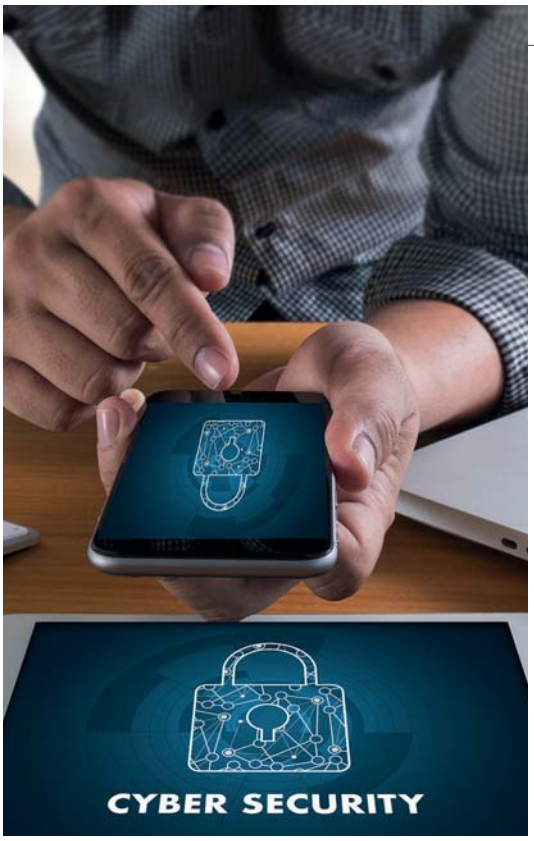
MEGATRENDS

The collapse of air traffic and national lockdowns have reduced internal security activities in most countries.

But at the same time, the accelerating shift to remote working has exposed many organisations to cyber-attacks.

The giants of the sector are now positioning themselves in the key areas of security in the digital space, foremost among which are the Cloud and digital identity.

This investment is accompanied by numerous initiatives to overcome the shortage of IT and cybersecurity skills: partnerships with software firms, dedicated training programmes, etc.



In response to the global shortage of cybersecurity skills, ALTEN created its Cybersecurity Academy in 2019 to train its own Engineers.

It focuses on 4 main business lines: network architect, integrator, analyst and governance specialist.

The 400-hour modules (about three months) are certifying and involve specialists in the areas taught, such as STORMSHIELD for network security.

Energy & Environment

€9 BILLION
This is the investment put on the table by the French government for the development of the hydrogen sector by 2030.

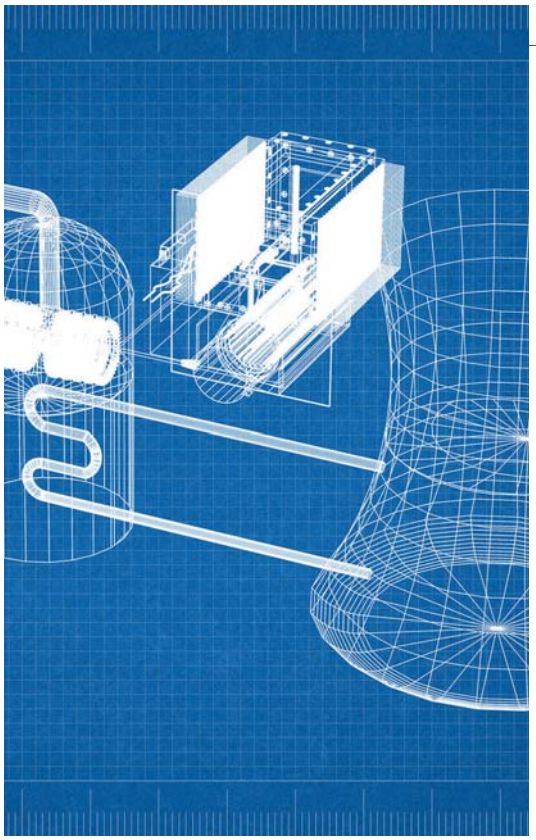
74,000 EMPLOYEES
Engie sold its Services Division to Bouygues in 2021 for €7.1 billion.

MEGATRENDS

Considered as "technologies of the future", the production, distribution and storage of decarbonised energies are becoming a major challenge to meet the explosion in electricity needs, while respecting the commitments to reduce CO_2 emissions.

In order to finance the heavy investments linked to the energy transition, the giants of the sector are selling off their non-strategic assets and beginning their transformation (example: Total Energies).

The programmes for new nuclear reactors (SMR, EPR2, etc.) and green hydrogen are currently at the heart of R&D investments and will place a considerable burden on the engineering professions over the next ten years.



In the face of the climate emergency, several countries are considering the use of zero-carbon energy through the construction of new nuclear power plants.
These projects will require significant Engineering capacity.

Today, more than 300 ALTEN Engineers actively contribute to the design and management of major new construction projects (EPR2, Hinkley Point C EPR, etc.).

To meet the increased workload in a context of resource shortages, ALTEN has implemented a comprehensive action plan: organisational with the creation of a nuclear center of excellence (ACE) and HR with the implementation of a nuclear academy based in particular on the ALTEN community of experts.

Life sciences/ Health

11 BILLION DOSES

of COVID-19 vaccines produced at the end of 2021, compared to 2.2 billion at the end of May 2021.

Source: IFPMA

$2,000

This is the maximum annual expenditure on drugs for a senior citizen under the new US Prescription Drug Pricing Plan.

MEGATRENDS

The health crisis requires the mass marketing and production of COVID-related vaccines and treatments in record time.

At the same time, the ageing of the population and budgetary constraints are leading the authorities to put pressure on the pharmaceutical industry to lower the price of medicines.

To achieve these cost and scale objectives, the pharmaceutical industry is accelerating its transformation (outsourcing of R&D and production-CDMO), digitising its production plants and securing its complex supply chains.

Furthermore, in order to stay in the technological race, the giants of the sector are pursuing acquisitions in the fields of Biotech and AI.

The ALTEN Group, through its specialised subsidiary CADUCEUM, is assisting one of the world's leading healthcare companies in the design and construction of a new flexible and digitalised production site.

This fully connected and modular plant will allow simultaneous production of vaccines and prioritisation of production according to public health issues, particularly in the event of new pandemics.

Operational excellence and short time-to-market will secure Europe's supplies in the event of new health crises. In an Industry 4.0 approach, our client uses technologies such as:

- **connected objects** (IoT) associated with **artificial intelligence** to deploy predictive maintenance and optimise energy consumption in real time;
- the **Digital Twin** to simulate production processes;
- **cobots** to automate tedious and dangerous activities.

Subjects in which the ALTEN Group already has a large number of skills thanks to its multi-sector positioning.

Telecoms

TOTEM

Orange created its own TowerCo in 2021. It includes over 26,000 sites, compared to 71,000 sites for Cellnex, Europe's number one TowerCo.

40%

This is the failure rate of fibre optic connections in some municipalities, according to the French authority ARCEP.

MEGATRENDS

Even if the first 5G deployments have paved the way for new uses in industry, agriculture or health, the economic equation is still uncertain for operators, especially as their investment capacity has been cut by the drop in roaming income linked to the COVID crisis. At the same time, the lockdowns (teleworking, home schooling, etc.) have underlined the urgency of deploying the Very High Speed network in all regions.

To meet their massive investment targets in fibre and 5G, operators are optimising their business model by focusing on spectrum and services. They rely on levers such as the outsourcing of infrastructures, which favours the emergence of the TowerCo giants, as well as the strengthening of their nearshore-offshore policies.

At the same time, the industry is concerned about the problems of connection quality due to scheduling requirements and the cascade of subcontractors involved.

ALTEN is currently partnering with a telecom equipment manufacturer to create 5G infrastructures and in particular to develop technological solutions designed to accelerate operators' 5G deployment.

To this end, more than one hundred ALTEN Engineers are currently working on network function virtualisation (NFV) issues, in which the Group has built up very strong technical expertise.

This technology is one of the main components of a Telco Cloud. It is essential to make the network more intelligent by allowing automatic adaptation to all 5G use cases. It is also more cost effective by consolidating physical resources to reduce network congestion, power consumption and maintenance costs.

Banking, Finance & Insurance

72%

This is the jump in mobile banking usage in Europe during the COVID crisis, in just one week.

Source: Forrester

MARCH 2021

Date on which the European Sustainable Finance Disclosure Regulation came into force for asset management companies.

MEGATRENDS

The health crisis has accelerated the conversion of consumers to digital technology and encouraged uses such as online account opening and credit granting.

Since the Paris climate agreement, financial authorities have sought to redirect capital flows towards sustainable investments and integrate ESG criteria into risk management.

With the digital transformation now complete, the challenge for banks is to become the reference platform for online financial services.
The Open Banking approach is essential to achieve this objective.

In parallel, after Basel III, financial institutions are concerned about SFDR compliance, where the collection, traceability and analysis of non-financial ESG data represent a real technological challenge.

Mass migration of applications to the Azure Cloud

One of the largest asset managers in France entrusted ALTEN with the development and maintenance of its 150 business line applications.

As part of this transnational project (with nearshore capacity in Romania), ALTEN is also supporting the migration of applications to the Microsoft Azure Cloud. The client was extremely satisfied with the level of expertise of ALTEN Engineers on this new technology.

These migrations have made it possible to achieve substantial gains in infrastructure costs, to improve the performance of applications and to optimise frontend-backend development procedures.

Retail, Media & Services

3,000

This is the number of data experts targeted by Carrefour in 2026, compared to 500 in 2021.

BUY NOW, PAY LATER

In one year, the integration rate of deferred payment has increased from 26% to 46% in the US retail sector.

Source: Forrester

MEGATRENDS

The pandemic has contributed to the massive adoption of new uses that will be retained by consumers: click & collect, contactless payment, express delivery, personal shopper, social selling, etc.

All brands are accelerating their digital transformation to provide a smooth, multi-channel client experience. This digitalisation now extends to internal and back-office processes.

The use of data is becoming essential for forecasting client demand, proposing personalised offers, making automated product selections, improving logistics flows and optimising prices.

Our client, an international leader in IT solutions for the travel and tourism industry, has signed a global contract with a European rail consortium. Thanks to a new GDS (Global Distribution System) platform, these operators will now be able to propose cross-selling offers combining rail and air travel, thus connecting the rail travel market to the air transport market.

The ALTEN software development center in Sophia is responsible for developing 50% of the modules of this online GDS platform, such as:

- the search engine;
- availability check;
- tariff calculation;
- after-sales service, etc.

This project mobilised 6 Scrum teams (Developers, data Engineers, etc.), used to working on **massively used applications,** often with a commitment to **zero service interruption**. The GDS is a mission-critical application capable of handling up to **10,000 transactions per second!**

1

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1.1 HISTORY

A 30-year history

Since its founding, ALTEN's growth has been based on three strategic pillars: positioning in high-level engineering services, continuous enrichment of its offering through the development of new areas of expertise and services and the geographical proximity of its customers (in France and abroad).

1988

ALTEN is founded by 3 engineers, all graduates of prestigious French universities, who are at the Company's helm.

1989 – 2000

1989

ALTEN continues growing, doubles the size of its workforce and remains profitable throughout the period.

ALTEN creates its first subsidiaries in France and abroad.

ALTEN opens new offices as part of its regional expansion strategy.

The Company continues to expand regionally and spins off its operations in Belgium with the creation of a new company.

1999

ALTEN SA is **launched on the Second Market of the Paris Stock Exchange** on 1 February 1999.

2000

ALTEN continues to set up foreign operations in Germany, Spain and Belgium and increases its stake in a company in the UK to 100%. The Group acquires 4 companies.

ALTEN broadens its range of services by setting up subsidiaries that specialise in network architecture, open systems, customer-server applications, and object-oriented technologies.

2001 – 2010

ALTEN steps up its policy of growth through acquisition to sustain its rate of expansion in a less favourable economic environment and acquires 9 new companies overseas and 7 in France over this period.

ALTEN's external growth strategy allows ALTEN to become a European leader in R&D project management.

To meet the growing demands of its customers for Work Packages[1] and offshore/nearshore[2] projects, ALTEN consolidated the "Structured Projects" offering in a dedicated division, and acquired a company specialised in R&D and design engineering and Work Package projects.

The nearshore offer is expanded with an acquisition in Romania and now includes the Czech Republic, Slovakia, Poland, Romania and Vietnam.

The Group records more than 25% of its revenue outside France.

ALTEN exceeds its target of 6,000 employees in 2005, a year early.

2008

ALTEN continues its sustained organic growth (16.2%), achieved mainly through the Energy, Rail, Aeronautics and Banking sectors.

ALTEN has confirmed almost all of its key accounts and partnerships in Europe, and is included among the listed E2S service providers throughout the top five engineering service providers of the EADS Group (source: PAC 2009)[3].

2009

The decline in economic activity affected most business sectors, mainly the Automotive industry. ALTEN's listings are confirmed and it continues its growth in other sectors such as Aeronautics, Energy and Banking/Finance.

ALTEN becomes the French leader in Structured Projects.

2010

ALTEN continues to redeploy its offering towards structured projects. This strategy leads it to strengthen and restructure its Technical Division and to start the CMMI certification process.

2011 – 2020

Between 2011 and 2018, ALTEN acquires 48 companies internationally and 3 companies in France. ALTEN is expanding its operations in Germany, Scandinavia, the United Kingdom, Eastern Europe and the United States.

2011

ALTEN continues to structure its Technical Division, developing its expertise centres and becoming leader in Work Packages management.

ALTEN continued to gain market share.

Revenue exceeds €1 billion and the Group has 14,800 employees.

ALTEN continues its strategy of organic growth and speeds up development through external growth in order to strengthen its market positions on the international stage.

2014

On 1 January 2014, ALTEN joins compartment A of Euronext.

2015 – 2018

ALTEN accelerates its development strategy, based on dynamic, targeted external growth, while maintaining its capacity for organic growth. For the first time since its founding, more than 50% of ALTEN's revenue is generated internationally. In 2017, the United States become the Group's second largest geographical area of business. **ALTEN exceeds €2 billion in revenue.**

2019

ALTEN continues its targeted external growth policy, making 7 international acquisitions. For the second consecutive year, the Group's total growth was greater than 15% and organic growth was greater than 10%.

2020

ALTEN lost 5,000 projects due to the health crisis. The sectors most heavily affected were Aeronautics and Automotive. Despite this, ALTEN managed to control its impact thanks to its rigorous management. Nine acquisitions were made in 2020, including six in Europe.

2021

The effects of the COVID crisis have been erased, except in the Automotive and Aeronautics sectors. Organic growth in 2021 has enabled the number of projects lost in 2020 to be recouped and the number of Engineers now exceeds 40,000. The Group maintained its external growth policy by making 7 acquisitions in France and internationally. More than ever, the Group is confident in its ability to consolidate its leading position in Engineering and Technology Consulting.

(1) Subcontracted services where technical resources are made available (premises, computers, business software).
(2) Services consumed in France performed abroad (in geographically nearby countries: nearshore, or in distant or very distant countries: offshore).
(3) Study conducted by Pierre Audoin Conseil.

1.2 THE OUTSOURCED R&D MARKET

1.2.1 GLOBAL R&D TRENDS AND OUTSOURCED R&D MARKET TRENDS

The volume of a country's R&D investment is correlated with its GDP and its public and private investment in R&D. Private enterprise accounts for approximately two thirds of investment worldwide.

According to strategy and management consultancy Zinnov, global corporate R&D spending will grow at an average annual rate of 9% to reach $2.1 trillion by 2024, driven in particular by investment in digital Engineering, which already accounts for more than 50% of global spending.

One of the main underlying trends, in all sectors, is the growing proportion of investments in digital technology (IoT, Cloud, Data, AR/VR, AI/Machine Learning, PLM and Digital Twin, Cybersecurity, UX/UI, etc.), both on the product cycle (R&D, Manufacturing, Maintenance and Operation) and on client relations (web and mobile, UX/UI).

In France, according to Pierre Audoin Conseil (PAC), the expected evolution of the **ETC (Engineering and Technology Consulting)** market accessible to ALTEN is summarised in the following table:

(In millions of euros)	2019	2020	20/19	2021	21/20	2022	22/21	2023	23/22	2024	24/23	2025	25/21
Aeronautics, Space & Defense	1,577	1,168	-25.9%	1,226	5.0%	1,295	5.6%	1,372	5.9%	1,452	5.8%	1,534	5.8%
Land Transport	1,786	1,314	-26.4%	1,423	8.3%	1,567	10.1%	1,721	9.8%	1,880	9.2%	2,037	9.4%
Telecoms and Multimedia	407	408	0.2%	426	4.4%	448	5.2%	472	5.4%	496	5.1%	519	5.1%
Energy & Life Sciences	1,587	1,488	-6.2%	1,554	4.4%	1,640	5.5%	1,744	6.3%	1,845	5.8%	1,942	5.7%
Other	2,396	2,056	-14.2%	2,187	6.4%	2,337	6.9%	2,493	6.7%	2,644	6.1%	2,783	6.2%
TOTAL TECHNOLOGY CONSULTING (ALTEN CORE BUSINESS SCOPE)	**7,753**	**6,434**	**-17.0%**	**6,816**	**5.9%**	**7,287**	**6.9%**	**7,802**	**7.1%**	**8,317**	**6.6%**	**8,815**	**6.6%**

In general, the **client-supplier relationship** is governed by demanding requirements that constitute real entry barriers to top-level involvement: worldwide presence, maturity in structured projects and Work Packages, coverage of all areas of Engineering, assistance in the digital transformation of businesses (IT, Data Management, Cloud, PLM), the search for productivity, agility and capacities for innovation. As such, ALTEN has several Labs that help it stay on the cutting-edge of AI, Big Data, PLM and UX/UI technologies.

1.2.2 COMPETITIVE POSITION

ALTEN has been the global leader in the Engineering and Technology Consulting market for several years now. ALTEN also works in IT services, mainly in infrastructure, networks, cloud and cybersecurity consulting.

The Technology Consulting market remains highly fragmented, particularly outside France, where a multitude of small players operate alongside the market leaders. In France, where the market is more and more organised, ALTEN holds a market share on the order of 15%.

Historically, three categories of players are present in this market:

- all-around specialists in technology consulting offering R&D and Scientific, Technical and Industrial Applications and Embedded Systems (STIE): ALTEN belongs in this category, bringing together mainly European players with strong local roots and strong vertical specialisation in their sector (Aeronautics, Automotive, etc.);
- STIE specialists more or less involved in the entire value chain, working in all stages of product development. They generally have strong expertise in a very limited number of sectors;
- traditional IT players, such as software firms (ESNs), that position themselves in the STIE sector identified as growth driver and lever for strengthening their client relations.

In addition to these three categories, some players have a marginal presence on this market and do not represent a true threat in the medium term:

- industrial equipment manufacturers who position themselves today on the IoT (Internet of Things) platform market;
- Indian companies that have a growing appetite for the French market. These latter present hybrid models offering offshore capacities.

Finally, market consolidation is occurring, due to the difficulties experienced by many modest size players in supporting complex listings and being listed when clients pursue major massification (some clients have reduced their Tier One short lists to less than five companies listed in Technology Consulting) or request to create industrialised delivery structures. This results in market share gains that can be significant for the major players.

The COVID-19 crisis will accentuate this phenomenon of massification of suppliers, which means that most of the players, whatever their size or business sector, must optimise but also increase their external expenditure budgets, as well as the challenges of the ecological transition.

These changes in the competitive environment also reflect more complex client demands: the digital transformation of the industrial world, the convergence of technologies, with the Internet of Things (IoT), the diversification of offerings and methods of contracting, complex transnational projects, the use of offshoring and nearshoring, massification, productivity gains, and others.

Only the large French groups have an international presence and are able to respond to the changes in this demand. Among them, ALTEN, through its client portfolio, sectoral expertise, geographic footprint or precursor positioning in services with strong added value, such as the completion of fully outsourced projects in Work Packages mode, managed locally or through a proven transnational organisation, has the necessary advantages to remain the leader in this market.

(Source: Teknowlogy PAC 2021)

1.3 OBJECTIVES AND STRATEGY

1.3.1 STRATEGIC POSITIONING

An offering covering all technological Engineering & IT Services projects.

ALTEN's positioning

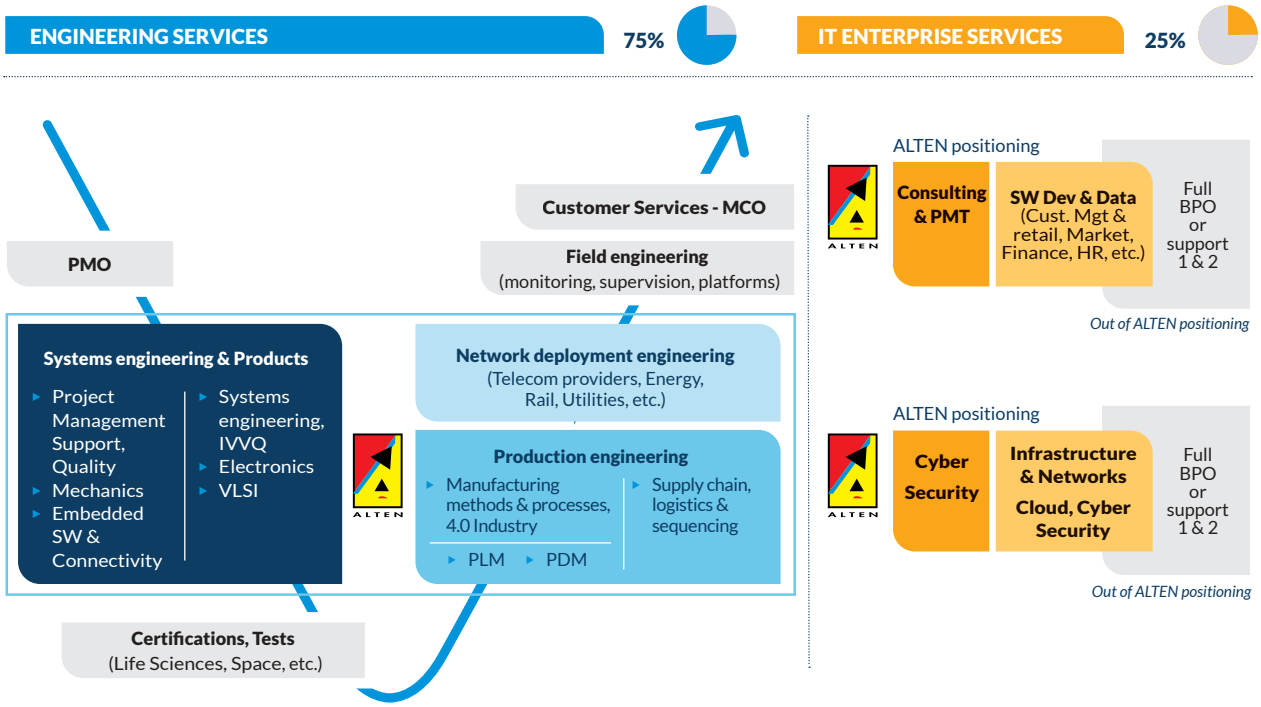
The ALTEN Group is involved in all projects with a technological dimension for the Technical, Research & Development Divisions and Information Systems Divisions of major corporate, telecoms and service clients, requiring the involvement of high-level Consultant-Engineers.

RISK LEVEL	POSITION	ESTIMATED GROSS MARGIN	% OF GROUP'S ACTIVITY
4	▸ IP, Risk sharing, Software Publishing ▸ Capex investments: prototyping, testing and pre-production activities	Random & long-term	0%
3	***Work Packages*** With Technical Division & Methods Specific methodologies & tools	25 - 35%	60%
2	**Time & Material (AT)** With added value: HR management and bench risks Nb: 2+ High-level consultancy		38%
1	Staffing, Freelance	5 - 18%	2%

For information :
Level 5 = manufacturer, Tier-1 plant & production
Level 6 = industry, OEM – complete integrator

This strategic positioning is based on:

1. **two business lines:**
- engineering,
- IT Services.
2. **engineer-level offerings that cover all technological Engineering and IT Services projects:**
- Core business ALTEN offering;
- specific offerings, *via* our subsidiaries specialised in Consulting and Expertise;
  - Consulting:
    - MI-GSO | PCUBED
      (PMO and Change Management Consulting),
    - AVENIR CONSEIL FORMATION, QUICK RELEASE
      Consulting and Training in PLM Management and PDM,
    - CPRIME, RADTAC
      consulting in Agile methods, SAFe and DevOps,
    - OPTIMISSA, NEXEO
      IT Consulting in Market Finance,
  - Expertise:
    - LINCOLN, SDG GROUP
      Data Science – BI,
    - AIXIAL, CMED
      Life Sciences: CRO and Clinical Operations,
    - CADUCEUM
      Life Sciences: Quality and Manufacturing,
    - ATEXIS
      Client Support and MCO,
    - WAFER SPACE, Si2Chip
      VLSI – Chip & MicroChip design,
    - ANOTECH
      Design office – Infrastructure – Operations – Oil & Gas.



ALTEN is an Engineering (75%) and IT Services (25%) Group with 80% digital positioning.

ALTEN's historical core business is Engineering and has been recognised for more than 30 years as the benchmark technological partner of major clients within the industry. The Group has developed its complementary and historical positioning in IT Services to provide high value-added technological responses on:

- end-to-end control of the application lifespan;
- software testing;
- Data management and valuation;
- infrastructures and networks;
- migration to Cloud, Data Protection and Cybersecurity;
- integration of third-party software, such as ERP, CRM or PLM tools;
- training in IT methods and business lines. The ALTEN Academy, deployed in several of the Group's countries, offers international certification courses: ISTQB, IREB, IQBBA, SAFe, Scrum.org, ITIL and PMI.

1.3.2 DEVELOPMENT STRATEGY

The effects of the COVID crisis have been erased, except in the Automotive and Civil Aeronautics sectors. Organic growth in 2021 has enabled the number of projects lost in 2020 to be recouped and the number of Engineers now exceeds 40,000.

The Group had 32,500 Engineers in December 2019.

The Group's development strategy, particularly internationally, through organic and external growth is continuing and is based on:

- the finalisation of the roll-out of cross-functional structures;
- continued sector diversification in targeted geographical areas;
- Human Resources and career management.

1.3.3 FINANCIAL AND NON-FINANCIAL OBJECTIVES

ALTEN was able to erase the effects of the COVID-19 crisis, except in the Automotive and Civil Aeronautics sectors, thanks to:

- its organisation and rigorous management;
- its external growth policy;
- its statement of financial position structure and financial resources;
- its commercial dynamics.

ALTEN is pursuing its objectives in 2022:

- the enrichment of its sectoral offerings taking into account in particular the ecological transition, the evolution of lifestyles and the world of health in order to meet the expectations of its clients;
- the optimisation of its technical organisation and its centers of expertise;
- the development of its nearshore and offshore delivery centers.

ALTEN's medium-term objective is to generate more than two thirds of its revenue internationally.

The Group aims to exceed its 2019 target of 42,000 Engineers by the end of 2022. The structuring efforts will continue in order to reach new stages of development so as to reach 50,000 Engineers before December 2024.

The Group is more confident than ever in its ability to consolidate its leading position in Engineering and Technology Consulting.

Moreover, ALTEN will continue the deployment of its Corporate Social Responsibility approach in the different countries of the Group with the following working focuses:

- the multiplicity of career paths and the development of skills through internal universities, while fostering inclusion and promoting diversity;
- the development of innovative and sustainable solutions reconciling economic, environmental and societal factors to create value for its clients and enable them to benefit from best practices in terms of technology;
- a responsible purchasing approach aimed at supporting the CSR performance of suppliers;
- a commitment to the environment:
  - reducing greenhouse gas emissions,
  - rational use of natural resources,
  - raising employee awareness of environmental protection issues.

1.4 EXCELLENT TECHNICAL ORGANISATION

ALTEN has a technical organisation recognised worldwide for its excellence.

ALTEN's project management methodologies are assessed at Capability Maturity Model & Integration (CMMI) level 3.

CONSULTING SERVICES

ALTEN's expertise	Project owner support
Practical expertise	During upstream stages of specifications that demand a good understanding of the client's organisation, needs and industry, leading to formal drafting of specifications.
Technical expertise	Added capacity in the study and design phases, or technological support in high value-added niches.
Support expertise	Support to help manage the different components of a project (planning, quality, cost control, supplier management, etc.) or to assist the client with change management, for example by providing training.

WORK PACKAGES MANAGEMENT

Work Packages include several levels of responsibility and risk-sharing and may be carried out at the client's premises or may be partially or completely outsourced to an ALTEN facility.

These are managed by ALTEN's Technical Division, which establishes a structured and multidisciplinary team (PMO, technical support and project Engineers) that is adequate for the levels of commitment defined with the client. It provides logistical resources to the client (facilities, specialised software, secure communication channels, etc.). Depending on the client's needs, ALTEN can put in place specific organisational structures for transnational projects, with extra coordination across several teams in different countries, or call in one of the nearshore/offshore structures (Romania, India, Morocco) for some project steps.

Work Packages management is a true entry barrier for competitors, since the processes, methodology, tools, capacity for organisation and management and organisation necessary for their success require major investments and an experience curve resulting from many years of implementation.

A UNIQUE CAPACITY FOR OFFSHORE DELIVERY, TO IMPROVE CLIENTS' COMPETITIVENESS

ALTEN conducts more than 60% of its structured projects in France of which a portion is outsourced. For that, it has offshore offices in Romania, Morocco and India.

This organisation model consists in handing over project management and interface to the front-office team, which is located close to the client in the principal's country, with another part of the implementation team in an ALTEN offshore center (back office). The client therefore works with the local ALTEN team, which will then transfer part of the activities to be conducted to its offshore center. This enables ALTEN to provide its clients with teams that are fully conversant with the client's requirements, culture and language. The offshore portion can thus vary between 20% and 70% depending on the projects concerned. Skills are ramped up through the incubation of part of the offshore teams in the home country of the service and may be completed by the temporary sending of employees to the offshore/nearshore center. The overall organisation of the Technical Division guarantees the quality control and project implementation processes, which must be the same regardless of the country in which the activity is carried out.

Thanks to this approach, ALTEN's Work Packages offering is very competitive, all the while guaranteeing a high-performance level achieved with the application of ALTEN standard processes.

Focus on:

The talent of ALTEN's teams at the service of the success of its projects

To identify the skills required for the successful completion of projects, both in-house and externally, ALTEN uses tools and processes that are unique on the market.

Skills and performance assessment systems to detect, develop and nurture those with the greatest potential.

Training programmes to anticipate future technology or project management needs.

1.5 ACTIVITIES GRI 102-2 GRI 102-6

1.5.1 ACTIVITY BY SECTOR AND GEOGRAPHICAL AREA

The main business sectors and geographical areas in which the ALTEN Group operates are described in pages 46 and following of this Document.

The tables below supplement this information.

Breakdown of consolidated revenue by main business sector for the period covered by the historical financial information:

	2020	2021
Aeronautics & Space	12.1%	11.6%
Defense & Security	5.1%	5.0%
Automotive	17.0%	16.2%
Rail & Naval	4.9%	4.4%
Media	6.9%	7.0%
Telecoms	6.9%	5.6%
BFI, Services & Public Sector	20.4%	24%
Energy & Life Sciences	21.0%	20.3%
Other industries	5.7%	5.9%

Distribution of revenue by main geographical areas:

	Full year				Change	
Country	**2020**	**%**	**2021**	**%**	**Change**	**Including organic at constant exchange rates**
France	907.5	38.9%	1,031.9	35.3%	13.7%	8.4%
International	1,424.4	61.1%	1,893.3	64.7%	32.9%	15.7%
North America	*299.1*	*12.8%*	*371.1*	*12.7%*	*24.1%*	*17.3%*
Germany	*193.7*	*8.3%*	*263.2*	*9.0%*	*35.9%*	*7.9%*
Scandinavia	*165.4*	*7.1%*	*172.6*	*5.9%*	*4.4%*	*1.6%*
Benelux	*152.7*	*6.5%*	*169.5*	*5.8%*	*11.1%*	*9.9%*
Spain	*151.9*	*6.5%*	*216.5*	*7.4%*	*42.6%*	*8.9%*
Asia-Pacific	*123.1*	*5.3%*	*175.9*	*6.0%*	*42.9%*	*31.0%*
Italy	*118.1*	*5.1%*	*198.0*	*6.8%*	*67.7%*	*29.4%*
UK	*95.2*	*4.1%*	*140.2*	*4.8%*	*47.3%*	*25.6%*
Switzerland	*57.3*	*2.5%*	*63.3*	*2.2%*	*10.6%*	*11.7%*
Eastern Europe	*46.1*	*2.0%*	*62.8*	*2.1%*	*36.2%*	*37.2%*
Other	*21.9*	*0.9%*	*60.1*	*2.1%*	*173.5%*	*18.0%*
TOTAL	**2,331.9**	**100%**	**2,925.2**	**100%**	**25.4%**	**12.9%**

1.5.2 ALTEN'S BUSINESS SECTORS

ALTEN, a leader in Engineering and IT Services, supports the development strategy of its clients in the areas of innovation, R&D and IT systems.

Automotive

ALTEN is positioned on the environments that concentrate added value and R&D investments such as powertrain design (thermal and electrical) and embedded systems (ADAS, infotainment, connectivity), and autonomous vehicles. ALTEN also deploys digital innovation to help its clients, manufacturers and equipment suppliers optimise their competitiveness over the complete cycle (design, Factory 4.0, supply chain) or offer new mobility services to the end consumer.

Rail

ALTEN provides assistance to the major players in the Rail industry in four areas: rolling stock, signalling (control/monitoring/traffic automation), infrastructure (networks and stations) and client relations (Internet and mobile services, traveller information, innovative services based on data analysis).

Aeronautics

In the Aeronautics sector, ALTEN is a catalyst for the transformation of its clients and participates in their incremental innovation strategy to support the development of new features and new systems (hybridization, hydrogen, flight controls, etc.). ALTEN also supports manufacturers and equipment suppliers in their deployment of new technologies (Big Data, IoT, augmented reality, etc.) at the factory level (engineering manufacturing, Factory 4.0) and the supply chain but also in the field of client services and airlines. From predictive maintenance to collaborative client service platforms, ALTEN combines its knowledge of business processes and digital expertise to supply innovative solutions to its clients.

Space

Because of its technical expertise (structural, thermal, flight mechanics, spatial electronics, system Engineering, embedded software, etc.) ALTEN is involved throughout the life cycle of satellites and launchers (design, manufacturing and operation) with a historical presence of more than 20 years in key environments such as spatial electronics and AIT (Assembly, Integration and Tests). ALTEN is involved in a number of development projects responding to the challenges of more flexible and competitive launchers as well as the deployment of tools enabling its clients to best operate the different communication facilities with satellites.

Defense

With its Engineering expertise (embedded systems, mechanics, etc.), ALTEN supports manufacturers in the development of aircraft and all-terrain combat vehicles, as well as in all cutting-edge systems (communication, weapons, radar, security, etc.) integrated into these infrastructures.

Security

In the Security sector, ALTEN is involved in developing border and traffic control systems and biometric identification systems (embedded systems, signal processing, applications development, AI, Big Data, Cloud). ALTEN is also helping its clients secure their IT systems and develop and deploy cybersecurity solutions.

Naval

ALTEN is helping industrial leaders in naval defence systems design ships and submarines, develop embedded systems and carry out the digital transformation of the sector.

Energy

ALTEN positions itself as an end-to-end Engineering services provider (R&D, Industrial Methods, Supply Chain, Digital, etc.) and takes part in large-scale strategic projects with major Engineering needs in the areas of new nuclear build (new nuclear power plants), operation and maintenance in operational condition, commissioning and service start-up, dismantling and waste processing, transport and distribution.

Life Sciences

The ALTEN Group has a diversified Life Sciences offering through several specialised companies with high-level expertise (CRO & Pharmacovigilance, Product R&D, Processes, Data Engineering), to bring global services solutions to all industrial companies in drugs and medical devices. The Group helps its clients optimise R&D costs, use health data and implement the tools and methods of Industry 4.0.

Telecoms & Media

As a leading partner of telecom operators, equipment manufacturers and media groups, ALTEN is particularly involved in the deployment of very high-speed infrastructures (FTTH, 5G), network virtualisation (SDN, NFV, SD-WAN, etc.), the transformation to the Cloud, the Internet of Things (IoT) revolution and the improvement of the client experience for mobile applications.

Banking, Finance, Insurance – Retail

With its technological expertise (Applications, Cloud, AI, Cybersecurity, etc.) and its industry knowledge (compliance, market financing, etc.), ALTEN helps its clients improve and secure their IT systems, develop their new services, and optimise their client relations. The digitalisation of the client experience, the use of artificial intelligence to detect fraud and risk, or even the development of instant payment services are projects to which ALTEN actively contributes in this sector.

Project focus

FAST: a scripted cockpit platform

In order to reduce costs and save time, ALTEN has developed its own FAST (Function Assessment with Simulation Tool) prototyping platform. It allows the validation of new cockpit functionalities for pilots, thanks to dynamic man-machine interface (MMI) evaluations in a scripted cockpit environment or simply on a PC, without any real system or flight control module. Once modelled, these functionalities are pre-validated by the pilots, who learn to contextualise them. Before they can test them on a simulator with real systems, they already have a better understanding and a more precise view of the aircraft's behaviour. FAST is therefore the ideal test tool for any rapid MMI evaluation, responding to both reactivity and productivity issues: modularity, flexibility, ability to create an open environment, etc. The teams were able to adapt it to remote control with video-conferencing software, a functionality that was tested during the various lockdowns with the pilots.

Perseverance to conquer the red planet

NASA's new Perseverance rover landed on Mars in February 2021 after a seven-month journey. Being the result of a French collaboration between CNES (*Centre Nationale d'Études Spatiales*) and IRAP (*Institut de Recherche en Astrophysique et Planétologie*), SuperCam is also the rover's flagship equipment for analysing the rocks and soils of Mars in search of precursor and fossilised signs of microbial life. ALTEN's *Assemblage Intégration et Tests* (AIT) *Optique* teams in Toulouse have been working on SuperCam since 2015, participating in the integration and qualification of this instrument. ALTEN's French consultants were responsible for verifying the proper integration of the optical and electrical instruments on Board, ensuring the proper alignment of the various optical channels and validating the equipment's performance in various environments.

Small Modular Reactors, allies in the energy transition

At a time of decarbonisation and climate emergency, Small Modular Reactors (SMR) meet the growing needs of the market. As well as being less expensive and quicker to build than nuclear or coal-fired power stations, these small reactors are emerging as a real alternative for providing decarbonised energy. Their modularity allows mass production by a factory that assembles the reactor. When the SMR leaves the factory, it is ready to be plugged in. This spirit of plug and play is reflected both in the reactor itself and in its internal components. The advantage is that it is quick and easy to replace one module with another when maintenance needs to be done. SMRs, with their unique modules, can be coupled with other energy sources such as renewable energy. In addition, they can enable remote areas with less developed infrastructure to be integrated into these hybrid systems.

Spatial Big Data for environmental protection

The study of the oceans, like sea levels, makes it possible to monitor climate change on our planet and to protect marine ecosystems. To achieve this, observation satellites play a key role. Located several hundred kilometres from the surface being analysed, the sensors provide optical/radar images and raw data that need to be processed before they can be used. With its experience in Space Big Data, ALTEN is involved in the development of increasingly sophisticated and powerful data processing techniques for its clients, thus contributing to the development of new technologies essential to environmental protection.

1.5.3 ALTEN INNOVATION: A STEP AHEAD WITH SMART DIGITAL

1.5.3.1 Smart Factory 4.0

Today's factories must be more flexible, more communicative and more efficient, while remaining at the service of people. This programme explores all the founding subjects of Factory 4.0: IoT, the digital twin, AI, augmented reality, robotics, the integrated computer system and cybersecurity. All these technologies need to be integrated with each other for more economically, environmentally and humanly efficient production.

With the **digital twin**, we simulate the behaviour of a factory to predict its reactions and work on its optimisation in a virtual world, which is easier to handle and less expensive than the real world. With the DIGITAL TWIN PLANT project, ALTEN Lab Toulouse research teams simulated a fictitious drone assembly factory with its real representation. This "Mini Plant" platform makes it possible to analyse the impact of the various SMART FACTORY 4.0 projects on industrial processes and their efficiency. It can be remotely controlled in Virtual Reality. In another client application, a German team fully digitised the assembly processes of a product from MRP data to virtually verify all operations before the actual production launch.

Predictive & prescriptive maintenance makes it possible to optimise the industrial tool according to the flows and the heterogeneity of the production, by reducing rejects but also by anticipating tool changes at the optimal moment. Several internal projects, but also for some of our clients in France and Italy (aeronautics, rail, mechanical manufacturing, food and agriculture), combine real-time measurement data, intelligent sensors and predictive algorithms to achieve very significant economies of scale in the real world of the factory or operation.

The **convergence of IT and OT data** should lead to better anticipation and a global and dynamic management of production. ALTEN's teams are working on the implementation of global plant architecture structuring the communication possibilities between plant management and business management systems. In addition to the technical complexities of implementing such a solution, cybersecurity issues must be taken into account. The work focuses on two features:

- creating an architecture to integrate IT and OT with the digital twin of the factory;
- setting up a cyber security standard (PSSI) applied to the IS of the "Mini Plant" with an easily exploitable application manual.

The Green Factory project offers a **complete tool for managing the energy consumption of a factory**. This programme is ambitious, since it aims not only to monitor energy consumption as a whole (by managing several energy sources), but also to optimise it by making it possible to predict, simulate and prescribe more ecological and more economical solutions. The complexity of such a system lies in the combination of multi-scale analysis and multi-parameter optimisation to, on the one hand, act on real systems (heating/cooling, energy source) and, on the other hand, help users' decisions. Our prototype "Mini Plant" is an energy monitoring platform with access to physical optimisation data.

A Spanish team is studying the control of temperature increase in urban environments using run-off from water supply systems and the development of green protections.

1.5.3.2 Smart Quality & Green Supply Chain

This programme investigates the use of digital technologies to bring Quality and Supply Chain into a new, more interactive and responsible era, similar to Factory 4.0. The use of artificial intelligence and digitised data allows for more responsiveness, transparency and intelligence in day-to-day decision-making, but also significant improvements in the long term. Intelligent tools, based on proven methods, and the willingness to connect actors, their needs and factual results are the keys to the Quality and Supply Chain of tomorrow.

The development **of more intelligent quality systems** is an important aspect of the efficiency and quality of Factory 4.0. Our teams use the IT tools available in Industry 4.0 (technical data management, IOT, AI, Big Data, etc.) to automate quality controls and store relevant production data. We are also developing visual inspection solutions capable of passing through packaging, allowing the inspection operator to be assisted in real time by the use of artificial intelligence for decision support.

Tracing the carbon impact on the entire Supply Chain is becoming a major issue. The Green Supply Chain project is developing a "control tower" solution with trained AI that anticipates the environmental impact (CO_2 sourcing, recycling, etc.) of logistical choices based on various logistical data including the complexity of their links. This system therefore provides eco-responsible decision support.

The health and political events of recent years have highlighted the importance of managing and **anticipating supply risks** in the operation of many industries. By modelling and then completely virtualising the supply chain, ALTEN teams simulate stress situations to establish recommendations based on established impact measurements. This makes it possible to anticipate the risks of supply disruption and to secure the weak points in the chain by proposing optimisations to help with the final decision: cost/quality/time impacts of disruptions, alternative proposals, returns on investment, etc.

1.5.3.3 Smart communications

Today, 5G technology is indispensable in the functioning of our ultra-connected world, which requires networks to have better coverage, energy efficiency, throughput, stability and reliability etc.. While 5G technology provides us with the technical means to achieve this, the SMART COMMUNICATIONS research programme **adapts it to uses** through innovative "disruptive" solutions that exploit the new operating limits of directed beam antennae and the processing capacities of network cores. ALTEN Labs teams deploy their know-how to develop a wide variety of applications, from consumer telecommunications to uses related to the critical IoT for the connected factory, including autonomous mobility. A major issue in the implementation of these technologies is to limit the energy consumption of these objects, so that their proliferation in public and industrial environments does not have a major environmental impact.

ALTEN teams are working on the development of **indoor and outdoor 5G deployment simulators**. Based on the 5G outdoor performance simulator, they design a model describing the different 5G communication layers for an intelligent transport system in a Vehicle-to-Everything communication context (vehicle, pedestrian, network, signalling, etc.). Two aspects are studied:

- technological solutions for wireless communication between connected autonomous vehicles and with other entities in the city;
- the development of a demonstrator, using the SUMO traffic simulation platform, to simulate reliable architectural solutions on the scale of a city to ensure efficient communication between the various agents.

Getting the best performance from a communication network is essential: an Italian team has designed learning algorithms to predict it based on multiple factors.

ALTEN is also working for one of its clients on the development of satellite communication solutions as part of the "Syracuse" defense and security project, providing the necessary bandwidth for communication with troops deployed in various theatres of operation.

1.5.3.4 Smart Green & Secure Systems

Embedded systems are becoming increasingly complex with the advent of AI technologies. While centralised data processing architectures for the collection of information from these systems are naturally very energy-intensive, the processing of this same data at the point of collection is much less so. Thus, through this programme, we seek to converge different approaches through **IT systems that are eco-designed** to be less greedy in terms of calculation and therefore in terms of energy, with AI in the field, directly implanted in the data sensors, and more collaborative to better distribute the tasks and authorise faster and more appropriate reactions.

Improving the energy efficiency of IT systems starts with coding. The massive increase in the use of computer exchanges *via* application software or database access is accompanied by an equally massive increase in the energy consumption required to operate them. **Energy sobriety in the Code** becomes essential. Based on this observation, ALTEN Labs is developing a test platform dedicated to the eco-design of systems. The Green Code sub-project focuses on mobile and web applications, and proposes a tool for measuring the energy consumption and environmental impacts of Code. This work on the Code, combined with the same efficiency work on networked sensors, will lead to Green Smart Systems in a broader sense.

From the point of view of complex applications with intelligence as close as possible to the data captured, ALTEN teams have undertaken research on the **autonomous movement of drones & robots and in particular on their operation in swarms.** The automation of complex tasks such as automatic mapping of an unknown environment requires the deployment of a fleet of collaborative drones/robots that enable faster and more comprehensive exploration by sharing the tasks. In such a system, communication between operators is an important issue for the operational performance of the drone & robot swarm. We have developed a platform simulating the behaviour of a swarm of autonomous flying drones, including algorithmic solutions for indoor exploration and mapping, while limiting the use of specific equipment in order to preserve the autonomy of the drones and have an extended range.

Simulating behaviour in Virtual Reality can save development time or anticipate new difficulties. These techniques are based on the expansion of virtual or augmented reality, which is increasingly used thanks to the numerous solutions of headsets and other equipment allowing the direct connection of a user in a virtual environment. In this context, the implementation of **secure identification solutions** makes it possible to ascertain the user. XR headsets are becoming more and more powerful (autonomy, hand tracking, eye tracking) and are revolutionising uses in the industry, but their access security offerings are not at the same level of security as those proposed for mobile or PC. ALTEN Labs therefore launched a study to develop new means of authentication that can be used by these systems (and extrapolated to others), oriented in two directions: a 3D password based on complex interactions with objects in the XR environment and authentication by biometric data (fingerprints or iris).

The health crisis unfortunately offers opportunities for technological progress in biometrics: using Deep Learning architectures, a solution from the LINCOLN Lab detects surgical masks in a photo and replaces them with a realistic part of the face.

1.5.3.5 Smart Mobility

Mobility faces many challenges in managing the strong growth in travel and its environmental impacts. Local governments and cities are facing challenges in transport planning, multimodality, last mile logistics, autonomous driving behaviour, etc. This programme brings together innovative projects focusing on changes in mobility that are increasingly respectful of the environment (CO_2 emissions and noise), ITS (Intelligent Transport Systems) and digitalisation from design to use.

The projects carried out in this programme call on the skills of the historical transport professions but above all on those brought about by new technologies. They are based on simulation tools and the use of geolocation databases, in conjunction with the partnership developed with HERE Technologies.

Controlling traffic flows through **intelligent infrastructure management** is an essential aspect of urban mobility. The signalling systems are beginning to communicate with each other, but there are still significant limitations depending on the number of junctions involved. A team of ALTEN Labs experts has developed a decentralised system, with multiplexed intelligence and citywide communication between junctions. Several large French cities are very interested in the Group's work, *e.g.* with the TOULOUSE Métropole project currently underway. Four technical areas are developed:

- infrastructure: does combining a set of successful local intelligences naturally lead to a successful global intelligence?;
- vehicle intelligence: once the infrastructure is defined, how can we ensure communication to the cars and *vice versa*?;
- multimodal transport: how to assimilate data from other modes of transport in order to define alternatives, such as public transport or soft mobility?;
- impacts on the city: *via* a simulation platform, visualise and characterise the impact of a change on traffic such as the creation of a cycle path, the addition of a car park, a new type of neighbourhood (business, residential, etc.), etc.

The **Happy Drive application project helps change driving behaviour** by providing intelligent dashboards to reinforce eco-driving reflexes in a virtuous cycle for use by territories, corporate vehicle fleets and driver communities. Developments include real-time data processing, combined with CO_2 emission calculation models, and psychosocial studies on driving styles to complement and refine the models. These are the subject of an ongoing thesis with the prestigious *École des Mines ParisTech*.

The **management of vehicle fleets** can be greatly optimised by connectivity and autonomous driving aids. For example, our German teams are involved in two interesting use cases concerning HGV fleets:

- optimising loading and unloading in the specific environment of container terminals;
- optimising the location of maintenance workshops according to the statistical distribution of incidents and their temporal prediction.

Personal safety must not be neglected in the context of the wider deployment of Autonomous Vehicles (AVs), with guarantees on the validation of algorithms in all types of configurations that may arise in reality. To this end, we are developing a solution for **creating an autonomous driving licence** that allows the validation of their safety in realistic scenarios through the use of graphical tools for automatic test generation. Such a method can facilitate and improve the testing of AVs, by testing only those scenarios that are necessary for a given test purpose and the desired level of vehicle autonomy. This work is carried out jointly with our Moroccan teams, who are developing a Hardware in the Loop bench that prototypes an intelligent camera with several ADAS functionalities and tools for testing E/E architectures.

1.5.3.6 Smart Transactions

In an increasingly connected and digitalised world, the volume of data exchanges between individuals, companies, software, databases, etc. is growing rapidly. The SMART TRANSACTIONS Research Programme develops innovative projects with a user-centered approach, based on a legal (PSD2 and GDPR) and technical framework (Big data management, NLP, Deep Learning, AI, etc.). Two platforms are pooled and designed as micro-services with Cloud access, one aggregating the various banking APIs made available by the banks, the other managing personal information based on the Blockchain. The innovation of this programme lies in the marriage between technology and uses.

To enable access *via* a **single platform to banking services operated by different banks**, ALTEN Labs teams have:

- developed a multi-agent network of chatbots capable of interacting with each other in complete transparency for the user;
- created a robot capable of detecting and monitoring changes in service APIs, and then proposing an adaptation to allow their migration and release.

The ALTEN Group was confronted with the diversity of techniques implemented by the various banking operators, making standardisation of the implementation more complex. Based on this observation, the team turned to a formal method approach that will be able to respond in a more generic way to future developments in applications.

The multiplication of contractual transactions requires the development of solutions for their security, either by ensuring both the virtual and physical authenticity of a transaction (PHYGIPAY project), or by guaranteeing identity identification *via* the Blockchain.

The Blockchain, originally designed for the world of finance, offers many potentials for cybersecurity: traceability and immutability, transparency and native encryption. An ALTEN team is developing this potential **for managing access to centralised private data,** based on an identity, authentication and a correspondence table specifying the authorisations, roles and access rights of this authenticated identity. The different Blockchain technologies do not define a single identity concept, so the technological challenge is to reconcile these two approaches to benefit from the maximum level of security. We are therefore developing a platform based on a private Blockchain architecture employing a user-centric approach, allowing users to centralise their personal data, their consents, and to federate their digital identities while meeting the constraints and expectations of the GDPR and the PSD2.

The traceability and authentication of industrial products are becoming essential in a world where remote trade and complex distribution channels make them more fragile: semiconductors, pharmaceuticals and food industries, for example, are very sensitive sectors from the point of view of the security of goods and people. The same applies to the **detection of online fraud**. Our Italian teams are developing two such use cases:

- a solution for the protection of Piedmont food brands, their image and their intellectual property;
- a fraud detection tool for online sports betting.

1.5.3.7 Smart Data Exchange

The production of digital data is growing exponentially. New technologies known as *Big* Data make it possible to handle this growing volume of data efficiently and at low cost. The SMART DATA EXCHANGE Research Programme aims to **automate the work of data preparation, tool selection and model validation**. A real data factory driven by Artificial Intelligence, SMART DATA EXCHANGE assists Data Scientists: a first platform (Data Lake Management) collects, qualifies, sorts and reconciles heterogeneous data from a wide range of sources, while a second one (System Behaviour Management) allows them to design and qualify their analysis pipelines by selecting the optimal algorithms and by integrating the security and reliability aspects of the models over time.

One application of massive data processing techniques aims to provide solutions for analysing and anticipating the electricity consumption habits of individuals to help operators in their management. Widely deployed smart grids offer access to reliable and accurate data on a very large volume of data, every half hour. The categorisation of these data could be carried out thanks to different so-called clustering models, most of them working in an unsupervised way: k-means model, SOM, Autoencoder neural network, LSTM, ARIMA. Anomalies can then be detected by statistical or learning models.

Natural language processing (NLP), user experience/user interface (UX/UI) technologies and learning algorithms are widely used to interface data with humans: language translation project in Italy, individualised media experience in Spain, etc. Our subsidiary LINCOLN, specialised in data engineering, is developing several innovative solutions in the LINCOLN Lab:

- from contextual models, clustering of conversations generated on the Twitch platform to analyse trends or opinions; classification of French texts using neural architectures;
- English/French translation of comic books using a combination of image recognition techniques, OCR and textual analysis;
- automatic detection of "important" events in a stream of audio recordings.

1.5.3.8 Smart Design & Aerospace

In the field of industry, the complexity of technologies and the increase in environmental and safety constraints are leading to a strong increase in the complexity of product design in 2 areas:

- the overlapping of antagonistic and interconnected systems and technologies;
- the multidisciplinarity and interdependence of system requirements.

Development cycle times are also being drastically reduced: new products, which are becoming increasingly complex, have to be designed in an increasingly short time before they can actually be marketed. The challenge is therefore to **bring more anticipation into the upstream Out of Cycle design process**, in order to reduce the effective development time In Cycle. This new efficiency requires the use of different techniques and technologies integrated throughout the development process and the life of the products, and solutions to interconnect them.

The Aerospace industry is also at an historical turning point. Regularly criticised for its contribution to greenhouse gas emissions, it is now at the center of new obligations to develop less energy-intensive solutions. More broadly, the industry is looking at new development processes that are more efficient in terms of the design cycle while maintaining very high safety standards. ALTEN's teams participate in these developments to a large extent with their clients due to the many use cases committed to investments in this sector.

The SMART DESIGN & AEROSPACE programmes are mainly built around 2 concepts developed by the ALTEN Labs teams:

- a new requirement Engineering practice, **Smart Requirement Modelling (SRM),** uses Model-Based System Engineering (MBSE) technologies to continuously link all functional and material requirements and their evolution during the product life cycle. It also allows automated identification of any deviations or changes to be addressed by the designer. As part of a consortium of clients and partners, ALTEN contributes directly to several projects funded by CORAC (Civil Aeronautics Research Council). In particular, one of these projects, called CORAC ONE VOICE, is based on the identification, quantification and evaluation of key requirements in order to determine robust development architectures. ALTEN is developing a new generation of avionics architecture by taking into account TPO (Top Programme Objectives) and "in-service" requirements throughout the MBSE development cycle, with use cases on "future maintenance" and "landing gear" projects. The ECOPROP project aims to improve the development, production and monitoring processes of a new aircraft. To this end, ALTEN industrialises **the PMM (Property Model Methodology),** which consists of modelling requirements and making them simulatable, thus ensuring the consistency of specifications in a digital continuity of the various software tools, taking into account not only the technological solution but also the industrial system as well as supports and services. The ALTEN Group has analysed and evaluated it in the use cases of a thrust reverser and a landing gear. ALTEN's UK teams are also involved in optimising automated development methods for critical on-board software for new aeronautic propulsion systems using MBSE technologies for their verification and module trimming, guaranteeing greater efficiency in the management of their life cycle;
- **eco-design** adds a new dimension of complexity to the development of systems, through materials, methods or uses. Combining these aspects with use and functionality is a real challenge. Indeed, eco-design calls upon a growing number of disciplines or new technologies with evolving or even antagonistic uncertainties and objectives, thus slowing down the design process. Sequential design methods have reached their limit in the search for an optimal solution that does not exist. The uMDAO (uncertainties Multidisciplinary Design Analysis Optimisation) approaches model the requirements, the synergies between disciplines, and make it possible to propagate notions of intrinsic uncertainties in order to find a panel of acceptable solutions more quickly. The MACSE project illustrates this methodology through the eco-design of a composite liquid hydrogen tank, seeking to maximise environmental performance at every stage. It complements the work on the metallic hydrogen tank in which ALTEN is involved as a partner in the CORAC STOHYC project. This case study is particularly interesting because of the complexity involved: minimising the gravimetric index (Eco-Engineering), optimising manufacturing processes (Eco-Manufacturing), making the integration of complex systems reliable and certifiable (Safety). Eco-design also addresses the second life of systems and we have initiated joint studies between the French and Romanian ALTEN Labs on the recycling and reuse of electric vehicle batteries. The work focuses on the storage of batteries in a redesigned container, its self-cooling and a fire prevention system to make it a complete and innovative integrated solution.

With regard to the aircraft of the future, and with a view to low-carbon aviation, ALTEN's teams are also supporting a major aeronautic client to both improve aerodynamic performance and optimise flight and airport operations. At the heart of the SARAA offering (SMART AVIONICS: Road to Autonomy by ALTEN), this work on **embedded pilot assistance systems** will enable a 30% reduction in CO_2 emissions from air transport and prepare the way for the evolution towards autonomous aircraft.

For the development of the future ARIANE 6 and NEXT launchers, many technical innovations are integrated into the flight control algorithms. ALTEN's teams are involved in two research areas on ARIANE and at CNES:

- on the CALLISTO demonstrator, which should lead to future reusable launchers. To do this, experimental work was carried out on the CNES ELISA flight simulator, which runs the flight control algorithms (navigation, guidance and piloting) at the same time as it realistically simulates the physical behaviour of the launcher in flight (evolution of position, speed, etc. under the action of thrust forces, aerodynamics, etc.). The ALTEN team worked both on the development and investigation of flight control algorithms and on improving the representativeness of the physical modelling with regard to the specificities of CALLISTO;
- on ARIANE 6, we are working on the development of the servo boosted governor control system for the core stages, following the lower booster stage.

1.5.3.9 Smart Healthcare

AIXIAL, an ALTEN subsidiary specialising in clinical studies, acts directly as a CRO (Contract Research Organisation) for all the major European pharmaceutical research laboratories. Its specialised skills in regulatory pharmacy, pharmacovigilance and biostatistics put it at the forefront of **clinical research programmes** on a wide range of subjects: oncology, neurology, immunology, infectious diseases, pneumology, haematology, dermatology, endocrinology, etc.

Visualisation and surgical assistance are progressing enormously in order to limit surgical fields and avoid lengthy post-operative treatments. A German team is developing a complete robotic visualisation and assistance system for microsurgery procedures.

Similarly, the **telemedicine and remote assistance** sector requires the implementation of a secure proximity architecture being researched by an Italian ALTEN team for the remote treatment of diabetic patients.

And beyond SMART programmes

ALTEN's teams are involved in research and innovation initiatives that go well beyond the structuring programmes of SMART DIGITAL. They work on their own and with their clients on issues that combine new digital technologies, eco-responsibility and data and personal security. Two examples can be cited.

In **competitive sport**, the use of modern performance analysis techniques linked to physiological data is becoming increasingly common. The Cyclist Exhaustion project is a striking example. Its main objective is to develop a machine learning model capable of predicting when a cyclist will reach total exhaustion. ALTEN teams are seeking to substantially improve existing models by introducing:

- new sources of physiological data such as heart rate or cadence;
- machine learning through multidimensional time series analysis for cycling performance modelling.

An Italian team has developed a concept for a **Virtual Reality museum visit** integrating a user experience console, a mobile application and a network of connected sensors.

1.6 ORGANISATION CHART GRI 102-4

BRIEF DESCRIPTION OF THE GROUP

ALTEN SA is the parent company of the ALTEN Group. ALTEN SA conducts both operational activities and operational holding activities for the Group. It conducts the following activities as part of its parent-subsidiary relationship with the Group's subsidiaries:

- management and strategy consultancy;
- communication and marketing;
- finance (accounting, management oversight, cash management, taxation, etc.);
- legal (company law, contracts, dispute resolution, labour law, claims, mergers and acquisitions, etc.);
- internal development (recruitment and training of Sales Managers, etc.);
- administration and human resource management (career management, payroll, employee relations, etc.);
- computing (IT Systems and Networks/Telecommunications);
- purchases (policy, invitations to tender, negotiations);
- general resources, management of premises (logistics, care, maintenance, etc.).

The subsidiaries are billed for these services in line with the transfer pricing policy implemented within the Group.

ALTEN SA has formed a central corporate treasury within the Group through its subsidiary, ALTEN CASH MANAGEMENT.

ALTEN SA also allows some of its subsidiaries to benefit from major client referrals.

At 31 December 2021, the ALTEN Group was composed of approximately 200 subsidiaries located in Europe, North and South America, Asia, Africa and the Middle East.

LIST OF MAIN SUBSIDIARIES

EUROPE

GERMANY
ALTEN GMBH, ALTEN SW GMBH, ALTEN TECHNOLOGY GMBH, ATEXIS GMBH, CLEAR CONSULT, MI-GSO GMBH, QUICK RELEASE GMBH, OSB, BEONE, EEINS, EXPERT GLOBAL SOLUTIONS

AUSTRIA
ALTEN AUSTRIA

BELGIUM
AIXIAL BELGIUM, ALTEN BELGIUM, ANOTECH ENERGY BELGIUM

DENMARK
ALTEN DANMARK, LARIX

SPAIN
ALTEN SPAIN, ATEXIS SPAIN, AVENIR CONSEIL FORMATION ESPAÑA, MI-GSO EXPERTO EN MANAGEMENT DE PROYECTOS, OPTIMISSA SERVICIOS PROFESIONALES, SDG, ADC SPAIN

FINLAND
ALTEN FINLAND, COMIQ, RADTAC OY

FRANCE
AVENIR CONSEIL FORMATION, AIXIAL, ALTEN SIR, ALTEN SUD OUEST, ALTEN TECHNOLOGIES, ANOTECH ENERGY, ATEXIS FRANCE, CADUCEUM, LINCOLN, MI-GSO, UNIWARE, NEXEO

ITALY
ALTEN ITALIA, SDG, MI-GSO ITALIA

LUXEMBOURG
ALTEN LUXEMBOURG

THE NETHERLANDS
ALTEN NEDERLAND, ORION ENGINEERING, ANOTECH ENERGY NETHERLANDS

POLAND
ALTEN POLSKA, ALTEN ENGINEERING FACTORY

PORTUGAL
TECHALTEN, OPTIMISSA PORTUGAL, MI-GSO PORTUGAL, SDG PORTUGAL, ITSECTOR

CZECH REPUBLIC
AIXIAL

ROMANIA
ALTEN DELIVERY CENTER IASI, ALTEN SI-TECHNO ROMANIA, EEINS, CMED SRL, MI-GSO PMO SRL

RUSSIA
ANOTECH ENERGY

SWEDEN
ALTEN SVERIGE, LARIX SWEDEN, CHIEF CONSULTING

SWITZERLAND
ALTEN SWITZERLAND

UK
ALTEN LTD, ANOTECH ENERGY GLOBAL SOLUTIONS, CADUCEUM UK, OPTIMISSA LTD, PROGRAM PLANNING PROFESSIONALS, QUICK RELEASE AUTOMOTIVE, CPRIME UK, SDG, CMED, RADTAC

UKRAINE
CPRIME UKRAINE

OCEANIA

AUSTRALIA
PCUBED AUSTRALIA, QUICK RELEASE AUSTRALIA

AMERICAS

CANADA
ALTEN CANADA, PCUBED CANADA, PROEX, ALTEN MDC, CPRIME CANADA, CIENET

CHILE
OPTIMISSA CAPITAL MARKETS CHILE

UNITED STATES
ALTEN TECHNOLOGY USA, ANOTECH ENERGY USA, CALSOFT LABS, CPRIME, CRESTTEK, QUICK RELEASE, PROGRAM PLANNING PROFESSIONALS, PVR, SYNCRONESS, XDIN TECHNOLOGY, SDG, CMED, CIENET, EXPERT GLOBAL SOLUTIONS

MEXICO
ALTEN INGENIERIA, OPTIMISSA CAPITAL MARKETS CONSULTING

ASIA

AZERBAIJAN
ANOTECH ENERGY AZERBAIJAN

CHINA
ALTEN CHINA, APSOLUTIONS, BEIJING LIDAZHITONG INFO TECHNOLOGY, NUO DAI BUSINESS CONSULTING, CIENET

SOUTH KOREA
AP SOLUTIONS

UNITED ARAB EMIRATES
ANOTECH DWC, SDG

INDIA
ALTEN CALSOFT LABS INDIA, ALTEN INDIA, ASM ENTREPRISE SOLUTION, CRESTTEK ENGINEERING, SI2CHIP, WAFER SPACE, EXPERT GLOBAL SOLUTIONS

INDONESIA
PROGRAM PLANNING PROFESSIONALS

JAPAN
ALTEN JAPAN, NIHON RITATSU, RITATSU SOFT

MALAYSIA
ANOTECH MALAYSIA

QATAR
ANOTECH ENERGY DOHA

SINGAPORE
ANOTECH ENERGY SINGAPORE, PROGRAM PLANNING PROFESSIONALS

TAIWAN
CIENET

AFRICA

MOROCCO
ALTEN DELIVERY CENTER

NIGERIA
ANOTECH ENERGY NIGERIA

CONGO
ANOTECH ENERGY CONGO

EGYPT
SDG

2

RISK FACTORS AND INTERNAL CONTROL

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The Group regularly reviews risks that could have a significant adverse effect on its business, its financial position or its results (or its capacity to accomplish its objectives) and considers that there are no other significant risks than those presented hereinafter.

Investors' attention is drawn to the fact that the risk description below is not exhaustive and that other risks, either not yet identified or not considered as significant by the Group, may occur in the future with a significant adverse effect on its business, its financial position, its results or its growth.

Moreover, the risk management framework described below does not rule out the possibility that a risk may materialise and impact the Group's business. Investors are invited to read this entire Chapter.

2.1 RISK MANAGEMENT

ALTEN has implemented a risk management framework based on an annual Group major risks mapping along with a review of its main processes.

The purpose of this framework is to allow Group Management to maintain risks at an acceptable level, thus preserving the Group's reputation and value of its assets.

In particular, the risk management framework deployed within ALTEN includes:

- a continuous steering of the risk management framework led by the Group Risk and Compliance Department;
- a risk management process for the identification, analysis and treatment of risks;
- a network of Group Risk Referents selected for their business expertise (*e.g.* Finance Department for financial category risks).

2.1.1 MAJOR RISKS MAPPING: A FIVE-STEP PROCESS

Step 1: local mapping of major risks (risk identification and assessment performed by all subsidiaries and corporate departments for their own respective scope).

Step 2: consolidation of local mappings by the Group Risk and Compliance Department.

Step 3: Group's major risks mapping conducted by the Group Risk and Compliance Department with the support of the Group Risk Referents. The analysis is carried out based on the local mappings and the business expertise of the Risk Referents.

Step 4: validation by General Management of the Group's major risks mapping along with the summary of the main risks that is intended to be included in the Universal registration document.

Step 5: presentation by the Group Risk and Compliance Department of both the Group's major risks mapping and the summary of the main risks to the Audit Committee of the Board of Directors.

2.1.2 MAJOR RISKS MAPPING: METHODOLOGICAL APPROACH

2.1.2.1 Risk assessment

Local mappings are carried out annually by all subsidiaries and corporate departments. To support them in the exercise, the Group Risk and Compliance Department provides them with a frame of reference validated by General Management. It notably comprises a methodology and a risk catalogue that are common to the entire Group.

The assessment of each risk is based on:

- the risk criticality: this criticality results from the combination of (a) the probability of occurrence and (b) the level of negative impact on the Group;
- the level of control;
- the control measures and actions to be implemented according to the priority area of the risk.

The combination of the risk criticality with the level of control enables to classify the risks in four priority areas over a risk matrix designed by ALTEN as follow:

- "priority 1" and "priority 2" areas refer to major risks that may have a significant impact. They require the implementation of a short-term action plan (priority area 1) or the verification of control measures to ensure their appropriate control (priority area 2);
- "priority 3" and "priority 4" areas refer to moderate or low risks. Since they have little impact, they mainly require periodic monitoring.

2.1.2.2 Risk consolidation

Consolidated risk analysis sheets are prepared by the Group Risk and Compliance Department for each subsidiary and corporate department based on local mappings. They are presented to the Risk Referents in accordance with their respective areas of expertise.

On the basis of this review, each Referent is responsible for defining a global level of risk for the Group. This assessment is then used to prepare the Group's major risks mapping which is later presented to General Management for final validation.

Risks presented in Section 2.2 "Summary of the main risks" are taken from the Group's mapping of major risks.

2.2 SUMMARY OF THE MAIN RISKS

The table below highlights the Group's main risks on the date of filing this Universal registration document.

These risks are classified by category and ranked according to their priority area. As described in point 2.1.2.1 "Risk assessment", the risk priority area results from its criticality (obtained with the probability of occurance and the level of negative impact) combined with the level of control by ALTEN.

Risk factors and associated prevention and management measures are described below in Section 2.3 "Risk factors and risk management".

SUMMARY OF MAJOR CHANGES FROM FINANCIAL YEAR 2020

The Group's major risks mapping exercise conducted in 2021 allowed to update the presentation of the Group's main risks.

Compared to 2020, the risks remain globally in the same priority area with the exception of the risks "Significant loss of revenue", "Risk related to the protection of know-how" and "Risk related to the COVID-19 pandemic" which have been revised downwards. These changes are mainly due to:

- for the first risk, the business recovery and post-COVID-19-crisis context;
- for the second risk, a significant improvement in processes;
- for the third risk, the post-crisis context combined with an improvement of processes in the event of a resurgence of such crisis.

The global health crisis context has led to the emergence of a new risk related to the COVID-19 pandemic. Although this is primarily an aggravating factor for other risks, it is subject to a specific assessment to provide better visibility.

RISK RANKING

Risk category	Risk identified	Priority area (2020)	Priority area (2021)	Change
Operational	Significant loss of turnover	1	2	↘
	Risk related to the protection of know-how	1	2	↘
	Risk related to the COVID-19 pandemic	1	2	↘
	Ability to meet commitments made to customers	2	2	=
	Critical certification loss	2	2	=
	Pressure on recruitment	2	2	=
Cyber/Information System Security	Cyber attack on ALTEN's Information System with an impact on customers	1	1	=
	Failure of the Information System	2	2	=
Legal & Regulatory	Regulatory and compliance risks	1	1	=
	Structuring evolution of tax and social rules	2	2	=
Strategy activity	Acquisition of a business that does not create value	2	2	=
Financial situation of the issuer	Currency risk	3	3	=
Non-financial	Climate change risk	4	4	=

2.3 RISK FACTORS AND RISK MANAGEMENT GRI 102-11

2.3.1 OPERATIONAL RISKS

Significant loss of turnover

Risk identification

The Group generated 25.0% of its turnover from its top ten clients in 2021.

The Group's largest client represents 9.3% of the consolidated turnover. This revenue is generated in several countries and by several legal entities.

If ALTEN were to lose a major customer account, its activity rate and therefore its profitability could be affected.

In addition, the reasons behind the loss of a key customer account could also be risk-aggravating factors, particularly if this loss is related to a default by ALTEN.

Nevertheless, no risk of dependence on a particular customer has been identified.

The impacts of the pandemic on the Group's activities are detailed in the risk entitled "Risk related to the COVID-19 pandemic" (p. 59).

Risk Management

The ALTEN Group has a diversified business portfolio. It generates its turnover in five broad sectors, none of which accounts for more than 26.1% of its revenue.

Each sector is divided into sub-sectors (11 in total), the main one accounts for approximately 16% of the consolidated turnover (the Automotive sector where no customer represents more than 5% of the Group's revenue).

Within each sector, the ALTEN Group also operates in various functional areas. This global approach dilutes the risk.

Finally, the key accounts with the Group's largest client are split into business lines. As a result, the loss of one key account with this client would not necessarily affect the other business lines.

Risk related to the protection of know-how

Risk identification

ALTEN has developed its own technologies, methodologies, and tools through its centres of expertise and excellence. ALTEN has also developed unique know-how in Human Resources management (recruitment and career management) that contributes to its organic growth.

The disclosure of this technological and Human Resources know-how outside of the Company could cause ALTEN to lose competitiveness due to the appropriation of its business model by competitors.

Risk Management

ALTEN has strengthened its control actions, in particular by setting up a retention plan in order to keep key people within the Group.

Moreover, enhanced confidentiality commitments and non-competition clauses are used when necessary.

Risk related to the COVID-19 pandemic

Risk identification

Like all global economic players, ALTEN has been affected by the COVID-19 pandemic.

The health crisis had a significant impact in 2020 on Group-wide activities and ongoing projects with customers.

Despite the prolonged duration of the health crisis, ALTEN returned to strong organic growth in 2021.

The COVID-19 pandemic still makes the stability of the business sector uncertain although the main impacts seem to have already passed. The duration, the evolution of the health crisis and inherent restrictive measures remain significant risk factors that may have consequences on:

- *employee health;*
- *activity related to client requests;*
- *the Group's organic growth;*
- *the Group's financial results.*

Risk Management

ALTEN quickly implemented several measures to adapt to the crisis and ensure the continuity of its activities at Group level. In this regard, the use of teleworking has been massively deployed while ensuring IT security against cyber-attacks.

The diversification of ALTEN's activities also made it possible to control the impact of the health crisis. While the Automotive and Civil Aeronautics sectors have not returned to their pre-crisis levels, the other sectors have held up well and are still growing (Rail sector, Naval, etc.).

Moreover, in order to strengthen its position in strategic sectors and activities, ALTEN is continuing its external growth strategy. As such, six acquisitions were made in 2021. This strategy will continue in 2022.

ALTEN continues to strictly apply the health protocols in force in countries where it operates to ensure the health and safety of employees (implementation of dedicated COVID units, communication campaigns, social distancing, etc.).

Ability to meet commitments made to customers

Risk identification

ALTEN makes various types of commitments to its clients: commitments related to the quality or even the results of services, commitments related to compliance with standards of ethics, compliance, security, business standards, etc. Clients generally tend to outsource their own risks and pass them on to their first-tier service providers like ALTEN.

ALTEN could misjudge certain commitments made to these customers in connection with complex projects and consequently may not be able to fully comply with them.

ALTEN could be held liable which would have a financial or legal impact.

Customers could also choose to not renew a contract or to terminate a partnership.

Risk Management

The Group has put in place a customer relationship management system for projects involving several stakeholders and several levels of control in order to verify the Group's compliance with the commitments it has made with clients. Non-exhaustively:

- the Operational Divisions, in charge of client prospecting, sales of services, and performance of operational services;
- the Sales Coordination Department, in charge of ensuring the overall maintenance of client relations;
- the Technical Division, in charge of supervising the conduct of projects and guaranteeing the technical compliance of the services;
- the Project Quality Department, in charge of project quality control and methods development, while checking the level of customer satisfaction;
- the Legal Department, in charge of identifying legal risks associated with services and contractualization with clients;
- the Quality and Performance Department, responsible for identifying risks related to compliance with non-technical processes (ISO standards, CSR, etc.).

These departments are multidisciplinary teams within various committees that are in charge of identifying, analysing, and addressing potential risks related to project commitments.

Moreover, the Group has put in place an insurance policy not only to meet both the requirements of its clients but also to cover the financial consequences of its potential liability.

Critical certification loss

Risk identification	Risk Management
The ALTEN Group must have specific certifications (e.g.: ISO 27001 or EN 9100) in order to work with certain clients. *The loss or non-renewal of these certifications could lead to reduced business and thus have a significant impact on turnover.*	On a day-to-day basis, the Quality & Performance Department ensures that certifications are maintained and coordinates audits with certifying bodies. It also assists the Group and its subsidiaries in identifying and implementing concrete actions to maintain the level of requirements of the standards. The Quality & Performance Department also continuously monitors any changes in the standards in question.

Pressure on recruitment

Risk identification	Risk Management
ALTEN has largely based its growth model on organic growth. Consequently, the Group's ability to recruit is key for its capacity to grow. *The Group's growth could be affected should it have difficulties in recruiting and retaining talent.* *Revenue growth, or even its maintenance, could be impacted.* *This difficulty in recruiting could also prevent the Group from fulfilling its commitments to its clients.*	The Group pursues an active recruiting policy. This policy is supported by a retention plan that allows ALTEN to position itself among the leaders on the job market. The ALTEN Group has established a dedicated recruitment organization by type of function (Engineers, Support Functions, Sales), that relies on internally developed processes and tools. Their effectiveness is demonstrated by the recruiting volumes that the Group achieves each year, despite a general tension in the job market. The recruitment trend is underpinned by a stringent skills analysis process to identify and recruit high-level profiles. The Group's teams of Consultant-Engineers work on the largest technological projects in cutting-edge technology sectors (*e.g.* Aeronautics, Spatial, Defence & Naval, Automotive, Rail, Energy, Life Sciences, Telecoms & Multimedia, Finance & Services). To support its ambitious recruiting policy ALTEN has a strong commitment to the student community in order to attract best talents. The Group wants to retain its talents and develop their loyalty to support its growth. To this end, ALTEN strengthens the quality of management through ongoing training of managers and ensures consultants satisfaction through a satisfaction survey process.

2.3.2 CYBERSECURITY AND IT SYSTEMS RISKS

Cyber attack on ALTEN's Information System with an impact on customers

Risk identification	Risk Management
ALTEN, like all companies of equivalent size, depends on the security and availability of its IT systems for all its processes. Consequently, an attack on ALTEN's IT systems would be likely to have a significant impact on its operational activities. *The risk of cyber-attacks has intensified in particular by the implementation of remote working measures.* *Moreover, ALTEN's IT system could be used as a vector for an attack against one of its clients. ALTEN could be considered liable by a client.*	Information security and cybersecurity are strategic issues at the forefront of the Group's concern. ALTEN has integrated into all its processes an Information Security Management System (ISMS) recognised by the ISO 27001 certification. The Group's insurance policy takes into account exposure to cyber risks.

Failure of the Information System

Risk identification	Risk Management
The majority of the Group's activities are based on its IT system (ERP, HR, CRM, Recruitment, etc.). Risks associated with the failure of its IT system would be likely to limit the fluidity of exchanges and would negatively impact the Group's business activities.	ALTEN has an IT continuity plan. Moreover, ALTEN has included the requirements of ISO 27001 in its Quality, Security and Sustainable Development Policy in order to: • ensure service continuity; • control risks; • guarantee control of intellectual capital; • preserve the trust of stakeholders by defending the confidentiality of information; • integrate this approach into the Company's management system to ensure that it is adopted by all.

2.3.3 LEGAL AND REGULATORY RISKS

Regulatory and compliance risks

Risk identification	Risk Management
The main compliance risks to which ALTEN is exposed are corruption, non-compliance with international sanctions and non-compliance with the duty of care. *ALTEN's growth model is founded in part on external growth. The Group could acquire an entity that has or had non-compliant practices.* *ALTEN is a global player subject to compliance risks that could be increased by geographical (presence in sensitive countries) or sectoral (clients in sensitive sectors) exposure.* *The Group must be vigilant about the activities of its suppliers and subcontractors.* *ALTEN could use suppliers or subcontractors who do not have the same level of CSR requirements (environmental aspects, respect for human rights, etc.).* *Failure to comply with all of these regulations could have significant financial and reputational consequences for the ALTEN Group (e.g. fines, exclusion from certain contracts, termination of contracts, etc.).*	The Group has set up a dedicated Ethics and Compliance structure. It is composed of an *ad hoc* Commission within the Executive Committee as well as an Ethics and Compliance Committee. Jointly, they are responsible for ensuring the application of the Group's policy and the dissemination of the ethics and compliance culture. For that, ALTEN relies on awareness-raising and training, largely supported by the network of Ambassadors that has been set up. To this effect, the Group relies on its compliance programme designed to detect and prevent these risks. This programme is described in Section 4.3.2 "Ethics and Compliance". ALTEN also shares its CSR ambitions with all its partners and has implemented a responsible purchasing approach, in line with its vigilance plan, to ensure that its suppliers are committed to respect these principles. The Group's approach is detailed in Section 4.3.4 – "Maintaining a long-term relationship with suppliers and subcontractors".

Structuring evolution of tax and social rules

Risk identification	Risk Management
ALTEN's business model could be impacted by sudden and structural changes in social and tax regulations. A large part of the Group's expenses are related to payroll and taxes. *These changes could have a significant impact on the Group's turnover or margin.* *These risks concern both emerging countries, where regulatory changes are rapid, and developed countries.*	A global watch is implemented to anticipate regulatory changes. Moreover, the geographical distribution of ALTEN's business activities allows to mutualise the risk and limit its impacts.

2.3.4 RISK RELATED TO STRATEGIC ACTIVITIES

Acquisition of a business that does not create value

Risk identification

The ALTEN Group's growth model is partly founded on external growth that contributes to the nominal growth of the year of acquisition and to the organic growth of subsequent years.

External growth operations mainly involve the following risks:

- *assumptions made by the Group in valuing the acquisition may not be verified, in particular with regard to the prices, costs, synergies and expected profitability;*
- *difficulties linked to the integration of the acquired activities or companies could arise and impact the expected value of the transaction;*
- *the Group may not be able to retain certain key employees or clients and thereby lose a portion of the expected value of the acquired entity.*

Consequently, the expected benefits from future or past acquisitions may not materialise within the expected timeframes and levels. This could have a negative impact on the Group's net financial income, financial position, and prospects.

Risk Management

The relative size of the acquisitions made by ALTEN (from 200 to 1,000 consultants) allows to control integration risks and limits potential impacts in proportion to the size of the Group.

An acquisition process involves several ALTEN departments (including a department dedicated to research and target analysis which informs and advises management on investment choices) as well as external advisors. Systematic and in-depth compliance verifications are carried out before each acquisition by expert firms.

Once an investment decision has been made, the Group develops an integration programme and puts in place necessary resources to implement it.

2.3.5 RISK RELATED TO THE ISSUER'S FINANCIAL POSITION

Currency risk

Risk identification

Operational currency risk: the Group is exposed to currency risk when invoicing for its services.

Foreign exchange risk: the financing needs of subsidiaries outside the euro zone and of some of the Group's financing transactions expose certain entities to a foreign exchange risk (risk related to the variation in value of debts or receivables in currencies other than the operating currency of the lending or borrowing entity).

Translation foreign exchange risk: some Group subsidiaries are outside the euro zone, notably in the United States, Sweden, China and the United Kingdom. The financial statements of these subsidiaries, when translated into the consolidation currency, are subject to changes in exchange rates.

Risk Management

Operational foreign exchange risk: Although the Group has a broad international presence, currency flows linked to its activity, with a few exceptions, are limited to each subsidiary's internal market and primarily converted into local currencies.

Foreign exchange risk: the financing of these foreign currency transactions is generally done through spot purchases or short-term currency swaps on the markets. These transactions represent a small volume in relation to the Group's activity. In general, the Group's external financing is denominated in euros. In addition, see Chapter 6, Note 7.4 "Financial risk factors".

Translation foreign exchange risk: exposure to this risk is relative and monitored by the Group.

2.3.6 NON-FINANCIAL RISK

Climate change risk

Risk identification

As a leading Engineering and Technological Consulting company, the ALTEN Group is aware of the climate challenge which is particularly acute in industrial companies and for which ALTEN is a partner.

Although limited due to the Group's business model, difficulties in adapting its business to the challenges of climate change could constitute a risk.

Poor management of environmental issues and failure to meet targets could lead ALTEN to see its client tender applications being rejected and would negatively impact the Group's image towards its stakeholders (clients, suppliers, employees and shareholders).

Risk Management

ALTEN aims to control and reduce the contribution of its activity to climate change over the long term. To do so, the Group has developed an environmental management system (EMS) which is integrated into the management system. This system is based on an environmental risk analysis and a continuous improvement approach.

In France and abroad, the majority of entities are covered by an EMS, including some ISO 14001 certified entities.

ALTEN has also set up a monitoring and evaluation of its emissions, which are assessed as part of its Non-Financial Performance Statement. In addition, ALTEN's actions in the fight against climate change are also evaluated by its clients in the context of calls for tender.

Moreover, ALTEN is committed to developing innovative and sustainable solutions for its clients to help them achieve their climate objectives.

ALTEN also supports its clients in carrying out environmental-themed projects.

Internally, the Group's environmental approach is based on the priorities described in Chapter 4.4. "Reducing the Group's environmental footprint".

2.4 INSURANCE AND RISK COVERAGE

The Group's insurance policy is associated with a strong initiative to prevent and protect against risks. All Group companies are insured through top-ranking insurance companies for all major risks that could significantly impact their business, results or assets.

The main risks insured are those related to:

- liability (contractual and extracontractual) for damage caused to third parties;
- damage suffered by the Group such as property damages and business interruptions.

2.5 INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORK

The risk management and internal control systems contribute to the control of the Group's activities. The Group relies on the reference framework and its application guide published by the *Autorité des Marchés Financiers* (AMF).

2.5.1 DEFINITION, OBJECTIVES AND SCOPE OF THE INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORK

The internal control and risk management framework is defined in the Group as a process implemented by the General Management and all employees to provide reasonable assurance on:

- the compliance with laws and regulations;
- the prevention and detection of fraud and errors;
- the implementation of guidelines and strategies set by General Management;
- the optimisation of operational activities;
- the proper functioning of the Group's internal processes, especially those affecting the protection of its assets;
- the reliability and tquality of information used within the Group and disseminated externally;
- generally, the control of its activities, the efficiency of its operations and the effective use of its resources.

The Group ensures that this framework is applied to all of its subsidiaries, *i.e.* ALTEN SA and all companies consolidated using the full consolidation method. Recently acquired companies or groups of companies are gradually integrated into the risk management and internal control framework.

One of the objectives of the internal control framework is to prevent and limit all risks resulting from the Group's activities, particularly accounting, financial, operational, strategic and compliance risks. However, it cannot provide an absolute guarantee that objectives will be achieved or that the risks, whose likelihood of occurrence and potential impact it seeks to reduce, will be eliminated.

2.5.2 INTERNAL CONTROL PROCEDURE

The Board of Directors and General Management are responsible for the internal control system, with the Audit Committee monitoring the effectiveness of ALTEN's internal control and risk management system. To do this, General Management relies on the Group's functional Departments as well as on the operational departments (geographical areas and subsidiaries).

The Group has deployed a set of Charters for its employees and stakeholders:

- the Ethics and Compliance Charter, formalises the Group's commitments in the way it conducts its business and sets out a framework for the conduct expected of all its employees. It is distributed to each employee upon joining the Group and is made available on the Group's Intranet and website;
- the Anti-Corruption Code of Conduct, distributed to each employee, defines and illustrates the main principles (corruption, conflicts of interest, etc.) with which everyone must comply;
- the Sustainable Development Charter, which develops a corporate social responsibility approach within its entities;
- the Responsible Purchasing Charter applies to all ALTEN suppliers and commits them to respect the principles set out in the Charter on Human Rights, Ethics and the Environment.

A whistleblowing system, available on the intranet and on the Group's website, has been set up to give each employee the opportunity to report any behaviour that does not correspond to the Group's values (see Section 3.4.2 "Ethics and Compliance").

E-learning training must also be followed by employees for anti-corruption, cybersecurity and personal data protection training.

The various players involved in the management and control of the Group's risks are described below.

General Management can use three levels to coordinate internal control processes:

The first level is made up of operational managers and employees:

- this first level, responsible for the internal control of the processes of their entities, plays a key role in the system. It is responsible for the assessment, prevention and control of risks by setting up an appropriate control environment for the processes for which it is responsible. On a day-to-day basis, it is in charge of looking for possible failures and is continually working to improve the system.

The second level is made up of the Group's functional departments:

- these Group functional departments (Finance, Legal, Ethics and Compliance, IT, Human Resources, Purchasing, etc.) disseminate, assist and continuously monitor the implementation of internal control elements;
- the Finance Department is responsible for internal accounting and financial control. It supports the Group's entities by disseminating procedures and best practices and by implementing tools.

The Legal Department prepares and supervises the contractual commitments made by the Group. It is in charge of organising the control of the Group's interests in disputes it may have with third parties. It thus contributes to limiting and managing the legal risks to which the Group is exposed.

The Legal Department also participates in the protection of the Group's assets by defining and implementing coverage and coordinates the claims prevention process.

The Risk and Compliance Department, under the responsibility of the Legal Department, ensures compliance with the Group's regulatory compliance in the context of personal data protection, anti-corruption systems and compliance with international sanctions. It also contributes to compliance with the duty of care. Finally, it is responsible for identifying and assessing the risks to which the Group is exposed. It supports the Operational and functional divisions in the implementation of risk management action plans.

The IT department participates in the deployment of internal control policies and risk management. Its technical security actions enable the Group to cope with cyber risks. It has developed and maintains a business continuity plan guaranteeing the continuation of ALTEN activities in the event of force majeure events. In addition, it ensures compliance with the principle of segregation of duties and ensures an adequate access rights policy.

The third level is the Internal Audit Department:

The objective of the internal audit is to assess the way in which the Group identifies and manages its risks. This activity provides the Group with assurance on the degree of control of its operations but also areas for improvement in the form of recommendations. It also ensures compliance with the procedures disseminated by the Group's departments in the areas audited.

Internal Audit, which reports to the Corporate Financial Department, intervenes on the entire scope of the Group on the basis of an annual plan based on a risk analysis and interviews with the Operations Managers. This audit plan is submitted to the Audit Committee for approval.

The work and conclusions of the Internal Audit Department, as well as the stage of completion of the action plans in the audited entities, are presented to General Management and the Audit Committee.

The Statutory Auditors assess the level of internal control of the processes for preparing and processing accounting and financial information in the performance of their duties and issue recommendations where appropriate.

2.5.3 INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

This Section will focus on control activities relating to the preparation and processing of accounting and financial information. This system ensures the implementation and compliance with the rules established by the Group in terms of forecasting, operational reporting, consolidation and financial communication.

2.5.3.1 Accounting and financial organisation

The Group Financial Department is responsible for internal audit procedures related to the preparation and presentation of internal and external financial information.

The production and analysis of the Group's financial information is based on the Group's consolidation, management control, tax and treasury functions as well as on the finance departments of the various subsidiaries within the scope.

The regional Financial departments (composed of a Chief Financial Officer and financial controllers) and the subsidiaries' financial departments are responsible for accounting and management data in line with the Group's instructions. They are responsible, for each legal entity, for the application of the Group's procedures as well as for managing the financial performance and closing the financial statements.

The entire Group's financial community is required to comply with the rules and procedures set out in the "Group accounting/finance guidelines" document, maintained by the internal financial control department, and defining:

- internal control rules;
- management rules and procedures;
- accounting principles and methods.

A biennial self-assessment campaign on the key controls described in these guidelines is conducted in each Group entity. The responses obtained make it possible to assess the adequacy and effectiveness of internal control within each subsidiary and to define, if necessary, the action plans to be carried out.

2.5.3.2 Financial reporting

In order to control the Group's activities and in order to have information for the management of the Group, each subsidiary is subject to reporting budgetary/forecasting, operational and accounting obligations.

Budget and forecasts

Each Group entity prepares an annual budget including a management income statement from operational and financial indicators. The budgets are reviewed and consolidated by Group Management Control, then approved by General Management.

The budget is then revised each month and incorporates the achievements of the previous month and a new forecast for the remaining months of the current year.

Operational reporting

Each month, the Group's entities produce a management report allowing an analysis of the main operational and financial parameters of the business, as well as an income statement and cash flow reporting. These data are compared with the budget, the previous month's forecasts and data for the same period of the previous year. This information is reviewed and consolidated by Group Management Control, which sends it to General Management.

The financial data from these reports are reconciled with accounting data each quarter.

Statutory consolidation

Consolidated financial statements are prepared quarterly in accordance with international accounting standards ("IFRS") and published half-yearly and annually. The preparation of these statements is done as part of a process led by the consolidation department reporting to the Financial Department of the Group, in the following manner:

- dissemination of precise instructions to Group companies before each consolidation, including the scope of consolidation and a detailed schedule;
- preparation using software that provides all necessary functions in terms of traceability, accuracy and security of data and processing;
- subsidiaries submit separate financial statements for consolidation at Group level, with no intermediate consolidation level. Users are regularly trained and/or upgraded;
- production of analyses and controls of the data throughout the process.

2.5.3.3 Financial information and communication

The production of financial information that is the subject of an external communication is strictly controlled by the departments in charge of preparing it. In addition to these controls, two bodies are responsible for verifying the internal control environment and the quality of the financial statements:

- internal audit through these missions;
- the Statutory Auditors as part of the certification of the financial statements.

External communication of financial information through the Universal registration document, financial press releases and meetings with analysts and investors are also subject to appropriate controls.

2 RISK FACTORS AND INTERNAL CONTROL

3

CORPORATE GOVERNANCE

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3.1 OVERVIEW OF GOVERNANCE

3.1.1 CORPORATE GOVERNANCE CODE AND GENERAL MANAGEMENT PROCEDURES

Corporate Governance Code

ALTEN (hereinafter the "Company") refers to the recommendations of the Middlenext Corporate Governance Code, which was revised in September 2021 (hereinafter the "Middlenext Code").

The Middlenext Code now includes 22 recommendations, with three new recommendations introduced in this latest revision.

On 27 October 2021, the Board of Directors received a full presentation of the revised version of the Middlenext Code and decided to implement the necessary actions to comply with it, taking into account the Company's specificities.

ALTEN complies with all of the recommendations of the Middlenext Code, with the exception of the point relating to assignments that may be entrusted to the Statutory Auditors, contained in recommendation no. 2 on conflicts of interest. The latter recommends entrusting services other than certification of accounts (SOCA) to firms other than those that certify the issuer's accounts.

Due to its numerous acquisitions throughout the world, ALTEN considers that excluding the networks of its Statutory Auditors as a matter of principle from all of its audit work on acquisition targets or one-off consulting assignments (tax or financial) would be likely to reduce, very narrowly, in certain countries, the panel of suppliers with the necessary resources and skills. ALTEN also believes that such an exclusion would have an unfavourable effect on the costs of missions as well as on their quality. The position adopted by the Company is in line with the provisions of the French Commercial Code, which it complies with in full, including with regard to the disclosure requirements for fees paid.

In addition, the Board of Directors decided, in application of recommendation no. 8, to meet in the form of a specialised Committee on Corporate Social Responsibility (CSR) (CSR Committee). The meetings of the CSR Committee will be chaired by an Independent Director.

The Middlenext Code is available on the Middlenext website at www.middlenext.com(1).

In accordance with the twenty-second recommendation of the Middlenext Code, the Board of Directors has finally taken note of the points of vigilance that the latter provides for, and which are subject to regular review by the Board.

In addition, the operating rules of the Company's Board of Directors are set out in its Internal Rules, which were updated on 22 February 2022 to take into account, in particular, the revision of the Middlenext Code, the full version of which is available on the Company's website.

Arrangements for the exercise of the General Management and balance of powers

The Company has a mode of governance adapted to its specificities, which enables it to optimise its economic and financial performance and to create the most favourable conditions for the Group's long-term development.

In 2002, the Board of Directors decided to combine the functions of Chairman of the Board of Directors and Chief Executive Officer. This decision has not been changed since then. These functions are performed by Simon AZOULAY, assisted by a Deputy CEO.

The Board of Directors believes that combining the functions of Chairman of the Board of Directors and Chief Executive Officer allows for a high degree of responsiveness and agility in the administration and management of the Group, as well as a direct link between management and shareholders. This organisation also promotes dynamic dialogue between management and the Board of Directors.

In addition, as the founding partner of ALTEN, Mr Simon AZOULAY still has a key operational role in the Company's management and development.

In this regard, the Board of Directors considers that the combination of the positions of Chairman and Chief Executive Officer by Mr AZOULAY allows ALTEN to be part of a sustainable growth and value creation model.

Since 2002, the Board of Directors has seen the relevance and effectiveness of this mode of governance and has been satisfied with the balance of power between the Chairman and Chief Executive Officer and the Directors, thanks in particular to the presence, since 2018, of a Lead Director, who is independent and whose tasks are detailed below.

The creation of this function of Lead Director by the Board of Directors makes it possible, in particular, to prevent or manage any potential or proven conflict of interest situation within the Board, in the event that the functions of Chairman and Chief Executive Officer are not separated.

Lastly, the significant proportion of Independent Directors on the Board of Directors preserves the balance of powers within it.

(1) The information on the website www.middlenext.com is not part of the Universal Registration Document. As such, this information has not been reviewed or approved by the AMF.

3.1.2 GENERAL MANAGEMENT

Composition of General Management

General Management is composed of the Chairman and Chief Executive Officer, Simon AZOULAY, assisted by Gérald ATTIA, Deputy CEO, who joined the Group in 1993 and is currently in charge of International Affairs (zone 2).

Limitation of the powers of the General Management

The Chief Executive Officer and the Deputy CEO are vested with the broadest possible powers to act on behalf of the Company in all circumstances. They exercise their powers within the limit of the corporate purpose and subject to those which the law expressly allocates to meetings of shareholders and of the Board of Directors. They represent the Company in its relations with third parties and before the courts.

In addition, the Board's Internal Rules, which are available on the Company's website, provide for limitations on the powers of the General Management. In particular, the Board of Directors remains solely competent to examine and authorise external growth projects.

Committees assisting the General Management

Two committees help the General Management meet its responsibilities: the Executive Committee and the Group Management Board.

The Executive Committee consists, in addition to members of General Management, of Chief Operating Officers and Executive Vice Presidents. It meets at least once a month, and its brief is to analyse commercial and financial results, and implement operational measures.

The Group Management Board is made up of:

- Executive Committee members;
- the main International Directors;
- Directors of Support Functions.

The detailed composition of these committees is presented in the integrated report of this Document, page 16.

Search for a balanced representation of women and men on the Committees assisting General Management

The Group Management Board is currently made up of 18 members, five of whom are women.

ALTEN is keen to promote balanced gender representation in its workforce. Gender equality initiatives in ALTEN are described in Chapter 4 of this Document.

ALTEN made progress in 2021 and obtained a score of 95 out of 100 on the gender equality index defined by the law "for the freedom to choose one's professional future", *versus* 94 out of 100 in 2020.

3.1.3 THE BOARD OF DIRECTORS

The Board of Directors determines ALTEN's strategic directions and ensures their implementation, in accordance with its corporate interest, taking into consideration the social and environmental challenges of its activity. It controls the management of both financial and non-financial aspects and ensures the quality of the information provided to shareholders and the market.

Composition of the Board of Directors

Article 16 of the Company's Articles of Association provides that the Board of Directors is composed of no fewer than three and no more than 18 members.

Directors are appointed by the Ordinary General Meeting, which may dismiss a Director from office at any time. A legal entity which is appointed as Director must designate a permanent representative who is subject to the same conditions and obligations as if he had been appointed Director in his own name.

A Company employee may only be appointed Director if his or her employment contract is current. The number of Directors linked to the Company by an employment contract may not exceed one third of the Directors in office (it being specified that the Director representing the employees is not included in this calculation).

Directors appointed by the General Meeting are appointed for a term of four years. The appointment of each Director is the subject of a separate resolution. All Directors whose term of office is ending are eligible to be re-elected.

The Board elects a Chairman, who must be a natural person, from among its members for a period that does not exceed the Chairman's term of office as Director. The Board may dismiss the Chairman at any time. If it deems this necessary, the Board of Directors may appoint one or more Deputy Chairmen from among its members, whose sole duty is to preside over Board meetings and General Meetings in the absence of the Chairman. The Board of Directors sets the term of his/her appointment, which cannot exceed that of their term of office as Director.

Composition of the Board of Directors during the past financial year and until the date of publication of this Document

Directors	Independent	Gender	Nationality	Age	Number of ALTEN shares held	Start of first mandate	End of current mandate	Seniority on the Board	Attendance rate in 2021	Participation in committees
Simon AZOULAY[1]	No	M	French	65	5,098,013 (directly and *via* SGTI, a controlled company)	19/02/1997	2025 GM	25 years	100%	CSR Committee
Gérald ATTIA	No	M	French	59	198,966 (directly and *via* GMA, controlled company)	23/01/1998	2022 GM	24 years	100%	CSR Committee
Emily AZOULAY	No	F	French	73	1,700	22/06/2011	2023 GM	10 years	100%	CSR Committee Remuneration and Nomination Committee
Jane SEROUSSI	No	F	French	55	0	18/06/2014	2022 GM	7 years	100%	CSR Committee
Marc EISENBERG	Yes	M	French	66	0	18/06/2014	2022 GM	7 years	100%	CSR Committee
Philippe TRIBAUDEAU[2]	Yes	M	French	60	0	24/05/2016	2024 GM	5 years	100%	CSR Committee Audit Committee
Aliette MARDYKS	Yes	F	French	65	0	22/06/2017	2025 GM	4 years	100%	CSR Committee Audit Committee[3]
Marwane METIOUI[4]	No	M	French	46	0	21/12/2017	18/10/2022	4 years	88%	CSR Committee
Maryvonne LABEILLE	Yes	F	French	64	0	29/01/2021	2024 GM	1 year	100%	CSR Committee Remuneration and Nomination Committee[5]

(1) Chairman and Chief Executive Officer.
(2) Lead Director.
(3) Mrs MARDYKS chairs the Audit Committee.
(4) Director representing employees.
(5) Mrs LABEILLE chairs the Remuneration and Nomination Committee (since 29 January 2021).

Events relating to the composition of the Board of Directors during the 2021 financial year up to the date of publication of this Document

Directors	Nature and date of event	Diversification of Board membership
Simon AZOULAY	Renewal of office by the Combined General Meeting of 28 May 2021	-
Aliette MARDYKS	Renewal of office by the Combined General Meeting of 28 May 2021	-
Maryvonne LABEILLE	Cooptation by the Board on 29 January 2021, ratified by the Combined General Meeting on 28 May 2021	Maintaining parity and a sufficient proportion of Independent Directors on the Board of Directors

Events relating to the composition of the Committees of the Board of Directors during the 2021 financial year up to the date of publication of this Document

Directors	Nature and date of event	Diversification in the composition of committees
Maryvonne LABEILLE	Nomination as member and Chairwoman of the Remuneration and Nomination Committee by the Board on 29 January 2021	Maintaining a sufficient proportion of Independent Directors on committees

Independent members of the Board of Directors

For the purposes of reading the Board composition table, it should be noted that the independence criteria adopted by ALTEN's Board of Directors are those defined by the Middlenext Code and included in its Internal Rules, namely:

- has not been, over the past five years, and is not an employee or Executive Corporate Officer of the Company or of a company within the Group;
- does not have and has not had, in the last two years, a significant business relationship with the Company or Group (*e.g.* client, supplier, competitor, service provider, creditor, banker, etc.);
- is not a leading shareholder of the Company and does not hold a significant percentage of the voting rights;
- has no close or family ties with a Corporate Officer or leading shareholder;
- has not served as a Statutory Auditor for the Company in the last six years.

These five criteria make it possible to presume the independence of Board members, which is characterised by the absence of any significant financial, contractual, family or other close relationship that could affect the independence of their judgement.

The examination of these criteria with regard to the situation of each of the members of the Board enabled it to confirm, at its meeting of 27 April 2022, the independence of four of its members, Mrs LABEILLE and MARDYKS and Messrs EISENBERG and TRIBAUDEAU.

Independence criteria table

Independence criteria	Gérald ATTIA	Emily AZOULAY	Simon AZOULAY	Marc EISENBERG	Maryvonne LABEILLE	Marwane METIOUI	Aliette MARDYKS	Jane SEROUSSI	Philippe TRIBAUDEAU
Has not been, over the past five years, and is not an employee or Executive Corporate Officer of the Company or of a company within the Group		✓		✓	✓		✓	✓	✓
Does not have and has not had, in the last two years, a significant business relationship with the Company or Group (*e.g.* client, supplier, competitor, service provider, creditor, banker, etc.)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Is not a leading shareholder of the Company and does not hold a significant percentage of the voting rights	✓	✓		✓	✓	✓	✓	✓	✓
Has no close or family ties with a Corporate Officer or leading shareholder	✓		✓	✓	✓	✓	✓		✓
Has not served as a Statutory Auditor for the Company in the last six years	✓	✓	✓	✓	✓	✓	✓	✓	✓

As at 31 December 2021, the Board of Directors was composed of four independent members out of a total of eight members (excluding the Director representing employees), *i.e.* a ratio of 50% independent members and therefore complies with the proportion of independent members recommended by the Middlenext Code.

The proportion of Independent Directors increased significantly from 2014 to 2016, so that the Board, which previously had no Independent Directors, included four independent members. This proportion of 50% Independent Directors on the Board (excluding the Director representing employees) has since been maintained.

Whilst the Board aims to increase this rate of independence, having tasked the Remuneration and Nomination Committee with examining the make-up of the Board, the latter is also looking for stability, with a view to the long-term integration of its new members and further improvement of operations.

Each year, the Board of Directors examines the situation of each of its members with regard to the above-mentioned criteria, in particular by means of a questionnaire that makes it possible to presume the independence of Board members, based on the answers provided.

It is specified that no Independent Director of the Company has a business relationship with ALTEN.

Lead Director

In order to ensure a fair balance of powers on the Board of Directors, with the functions of the Chairman of the Board of Directors and the Chief Executive Officer not being dissociated, the Board of Directors' Meeting of 25 April 2018 created the function of Lead Director.

The latter is chosen from among independent members of the Board of Directors. Mr Philippe TRIBAUDEAU has occupied this function since 20 June 2018.

The tasks of the Lead Director are to:

- ensure that the Chairman of the Board complies with the governance guidelines (Internal Rules and Middlenext Code) and participate in the self-assessment process of the Board of Directors;
- prevent potential or proven conflicts of interest;
- request the Chairman, if necessary, to convene a meeting of the Board of Directors to discuss and decide any issue in relation to:
  - the governance guidelines,
  - potential or proven conflicts of interest concerning members of the Board of Directors.

The Lead Director is involved in the annual review of potential conflicts of interest provided for in the Internal Rules, within the Board, as well as in the Board's self-assessment process.

No potential or actual conflicts of interest were declared to the Lead Director in 2021.

Diversity policy applied within the Board

In the context of promoting the diversity of the profiles of Board members and in application of Article L. 22-10-10 of the French Commercial Code, the Board of Directors has paid particular attention to its composition.

The Board's diversity policy aims to ensure a variety of skills and experience and to ensure that its missions are carried out objectively and with an open mind. Furthermore, the commitment of the members is reflected in their high attendance rate at Board and committee meetings in 2021.

The expertise and qualifications of each of the Board members ensure satisfactory diversity within the Board, enabling a rapid and in-depth understanding of ALTEN's development issues.

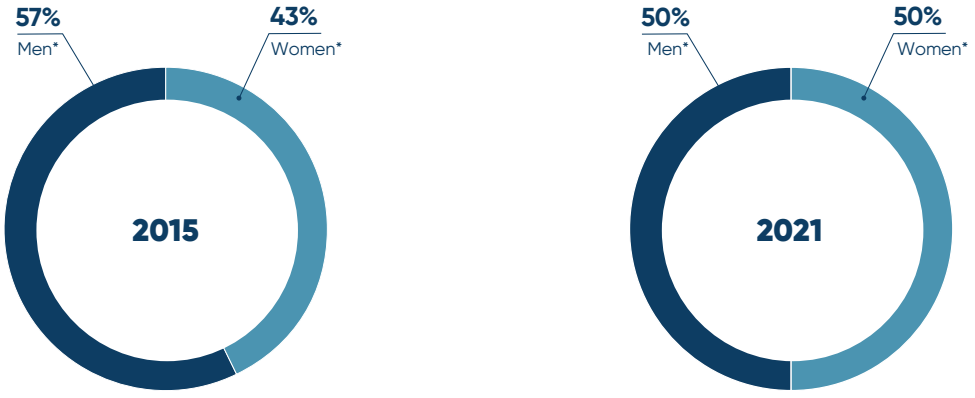
The ALTEN Board of Directors has a balanced composition thanks to perfect gender parity (not including the Director representing the employees) and a satisfactory mix in terms of age.

As of 31 December 2021, the Board of Directors was composed of four women and four men, thus fully respecting gender parity (excluding the Director representing employees, as required by law).

The balanced representation of women and men on the Board is one of the selection criteria for candidates for Director positions. ALTEN has continuously strengthened the gender balance to achieve parity in 2016.

Parity on the Board of Directors

Target: proportion of Directors of each gender not less than 40%.

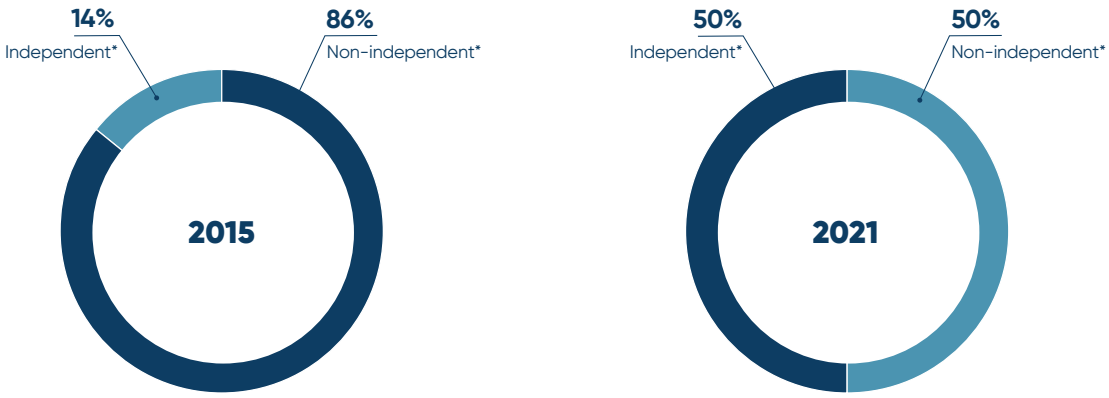


**Not including the Director representing employees.*

The Remuneration and Nomination Committee therefore aims, with a view to new appointments by the General Meeting, to propose to the Board candidates for the position of Director whose skills are complementary to those already represented, while respecting parity and a satisfactory proportion of Independent Directors.

Independence rate of the Board of Directors

Target: 50% of Independent Directors, in accordance with the Middlenext Code.



Not including the Director representing employees.

The preservation of this diversity in terms of qualifications, expertise, age and gender on the Board is therefore an essential element in the selection of candidates for the position of Director.

The table below summarises the expertise of Board members. The biographical elements that allow us to appreciate their respective skills are detailed below.

	Engineering and Technology Consulting	Corporate Management	Strategy	CSR challenges	Management	Mergers & Acquisitions	International Experience	Human Resources	Finance	Digital and IT	Governance
Simon AZOULAY	●	●	●	●	●	●	●	●	●	●	●
Gérald ATTIA	●	●	●	●	●	●	●	●		●	
Emily AZOULAY	●	●		●	●						
Jane SEROUSSI		●		●	●						
Marc EISENBERG		●	●	●	●	●	●		●		
Philippe TRIBAUDEAU			●	●	●	●	●		●		●
Aliette MARDYKS		●	●	●	●		●		●		
Marwane METIOUI, Director representing employees	●			●						●	
Maryvonne LABEILLE		●	●	●	●			●			●

Term and plurality of offices

The term of office of the members of the Board of Directors appointed by the General Meeting is set at four years. This duration is adapted to the specificities of the Company, in accordance with the eleventh recommendation of the Middlenext Code.

The appointment of each Director is the subject of a separate resolution. Any Director whose term of office expires is eligible for reappointment.

The Directors' mandates are staggered.

The list of offices and positions held by the members of the Board of Directors during the 2021 financial year is set out in the Section "Information relating to the Directors of the Company as at 31 December 2021" below.

Members of ALTEN's Board of Directors do not hold an office in any listed company other than ALTEN.

Professional ethics of Directors

Every Director must respect the rules set out in the Internal Rules of the Board, particularly those regarding insider trading.

Members of the Board have also each signed a declaration so as to prevent any conflicts of interest. According to the terms of this declaration, in accordance with the Board's Internal Rules and the first, second and ninth recommendations of the Middlenext Code, a Director facing such a conflict of interest is obliged to immediately notify the Board and comply with whatever the consequence may be for the performance of his or her corporate office.

In addition, and in accordance with the second recommendation of the Middlenext Code, each Director must declare before each meeting of the Board of Directors that he or she is not in a situation of conflict of interest with the items on the agenda. Thus, depending on the case, he or she must either abstain from taking part in and voting on the corresponding deliberation, or not attend the meeting of the Board of Directors during which he or she finds himself or herself in a situation of conflict of interest, or resign from his or her duties as Director, in particular if the conflict of interest proves to be lasting. The Chairman of the Board of Directors will not be obliged to send information or documents appertaining to the contentious issue, to Director(s) who he has serious grounds to believe have a conflict of interest, and shall inform the Board of Directors that such information or documents have not been sent.

The Board carries out an annual review of known conflicts of interest, in accordance with Article 4.2 of its Internal Rules and the second recommendation of the Middlenext Code. There are currently no conflicts of interest identified between the duties of any member of the Board of Directors with regard to the Company and their private interests.

In addition, as part of the obligations arising from European Regulation No. 596/2014 of 16 April 2014 on market abuse ("MAR Regulation") and the guide to ongoing information and management of insider information[1] published by the French Financial Markets Authority (AMF – *Autorité des Marchés Financiers*), ALTEN has drawn up a Stock Market Ethics Charter recalling the main rules applicable to insider trading and securities transactions. Every Director has been given this charter.

More generally, in order to comply with the obligations of the MAR Regulation, an internal procedure has been distributed to ALTEN Group employees to enable them to quickly identify any insider information and to set materiality thresholds for this purpose. This internal procedure also specifies what to do in the event of such information.

Ownership of shares

The Internal Rules of the Board recommend the registration of the shares held by Directors.

In addition, the Company's Executive Corporate Officers all have significant shareholdings (see Chapter 7.1 of this Universal Registration Document on the positions of each of the Corporate Officers regarding ALTEN shares).

In accordance with Article L. 225-197-1 of the French Commercial Code, the Board has decided that the Company's Executive Corporate Officers benefiting from Preferred Shares must retain on the named register 2% of the shares resulting from the conversion of these Preferred Shares, until the end of their terms as Executive Corporate Officers.

(1) Position-recommendation DOC-2016-08 of the French Financial Markets Authority (AMF – Autorité des Marchés Financiers).

INFORMATION ON THE COMPANY'S CORPORATE OFFICERS AS OF 31 DECEMBER 2021

Mr Simon AZOULAY

Chairman and Chief Executive Officer

Member of the CSR Committee

BIOGRAPHY

Mr AZOULAY is a graduate of Supélec.

After having managed the R&D laboratory at THALÈS, he founded ALTEN in 1988 with two associates who are also Engineers.

Age:
65 years

Nationality:
French

Date first appointed:
19 February 1997 (Director) – 22 September 1998 (CEO).

Date of last renewal:
28 May 2021 (Director and CEO).

Expiry of term of office:
Meeting to be held in 2025 and called to approve the financial statements for the past financial year (Director and CEO).

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

POSITION/OFFICE	COMPANY	COUNTRY
Manager	ALTEN EUROPE SARL	France
Chairman of the Board of Directors	ALTEN FUND FOR ENGINEERING (Endowment fund)	France
Permanent representative of ALTEN SA, a legal entity, acting as Chairman	ALTEN SYSTEMES D'INFORMATION ET RESEAUX SAS	France
Permanent representative of ALTEN EUROPE SARL, a legal entity, acting as Secretary	ANOTECH ENERGY GLOBAL SOLUTIONS LTD	UK

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

POSITION/OFFICE	COMPANY	COUNTRY
Manager	AVENIR MONTMORENCY SCI	France
Manager	CAKCIV SC	France
Manager	SEV 56 SC	France
Manager	SIMALEP SC	France
Chairman	SOCIÉTÉ GÉNÉRALE POUR LES TECHNOLOGIES ET L'INGÉNIERIE (SGTI) SAS	France

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

None

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

Mr Gérald ATTIA

Deputy CEO and Director

Member of the CSR Committee

BIOGRAPHY

Mr ATTIA holds an MBA from Hartford.

He joined the founding partners of ALTEN in 1993.

He is currently a Director and Deputy CEO in charge of International Markets (Zone 2).

Age:
59 years

Nationality:
French

Date first appointed:
23 January 1998 (Director) – 21 December 1998 (CEO).

Date of last renewal:
20 June 2018 (Director) – 28 May 2021 (Deputy CEO).

Expiry of term of office:
Meeting to be held in 2025 and called to approve the financial statements for the past financial year (Deputy CEO).
Meeting to be held in 2022 and called to approve the financial statements for the past financial year (Director).

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

POSITION/OFFICE	COMPANY	COUNTRY
Director and Chairman of the Board of Directors	ALTEN CALSOFT LABS PRIVATE LTD (INDIA)	India
Director	ALTEN CALSOFT LABS (SINGAPORE) PRIVATE LIMITED	Singapore
Director, Chairman, and Secretary	ALTEN CANADA INC.	Canada
Executive Director	ALTEN CHINA LTD	China
Director	ALTEN INDIA PRIVATE LTD	India
Chairman	ALTEN INGENIERIA MEXICO SA DE CV	Mexico
Co-manager	ALTEN POLSKA SP ZOO	Poland
Sole Director	ALTEN SI TECHNO ROMANIA SRL	Romania
Consejero vocal	ALTEN SOLUCIONES, PRODUCTOS, AUDITORIA e INGENIERIA SAU	Spain
Director and Chairman	ALTEN TECHNOLOGY USA INC.	USA
Director and Chairman	ALTEN USA INC.	USA
Executive Director	AP AUTOMOTIVE ENGINEERING (YANTAI) CO. LTD	China
Executive Director	AP ENG INC	Korean
Executive Director	APSOLUTIONS INC.	Korean
Director	ASM ENTREPRISE SOLUTIONS PRIVATE LIMITED	India
Director and Chairman of the Board of Directors	CALSOFT LABS INC	USA
Sole Director	CALSOFT LABS UK PRIVATE LTD	UK
Director and Chairman of the Board of Directors	CPRIME INC	USA
Director	CPRIME UK LIMITED	UK
Director	CPRIME UKRAINE	Ukraine
Director	CRESTTEK ENGINEERING SOLUTIONS PRIVATE LIMITED	India
Chairman	DALIAN LIDAZHITONG INFO TECHNOLOGY CO. LTD	China
Chairman	HUBSAN SASU	France
Chairman	JINAN LIDAZHITONG INFO TECHNOLOGY CO. LTD	China
Executive Director	LETENG (DALIAN) Human Resources SERVICE CO. LTD	China
Representative Director and Chairman	NIHON RITATSU INC.	Japan
Director	PREMIER LOGIC INDIA PRIVATE LIMITED	India
Chief Executive Officer, Secretary and Chairman	PROEX INC.	Canada
Director and Chairman	PVR TECHNOLOGIES INC	USA
Representative Director and Chairman	RITATSU SOFT INC.	Japan
Sole Director	SESAME GROUP LTD	Hong Kong
Director	SI2CHIP TECHNOLOGIES PRIVATE LIMITED	India
Director and Chairman	STATMINDS	USA
Director and Chairman	SYNCRONESS INCORPORATED	USA

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

Mr Gérald ATTIA

Deputy CEO and Director

Member of the CSR Committee

Chairman	ALTEN JAPAN CO LTD	Japan
Director and Chairman	XDIN INC	USA
Chairman	CIENET TECHNOLOGIES TAIWAN	Taiwan
Chairman	TRUETEL COMMUNICATIONS TAIWAN INC.	Taiwan
Chairman	CIENET TECHNOLOGIES BEIJING CO. LTD.	China
Chairman	CIENET TECHNOLOGIES CHENGDU CO. LTD.	China
Chairman	CIENET TECHNOLOGIES NANJING CO. LTD.	China
Chairman	CIENET COMMUNICATIONS BEIJING CO. LTD.	China
Chairman	ALTEN MDC INC.	Canada
Director	WAFER SPACE SEMICONDUCTOR TECHNOLOGIES PVT LTD	India
Chairman	BEIJING LIDAZHITONG INFO TECHNOLOGY CO.	China
Director and Chairman	QUICK RELEASE INC	USA
Chairman	RADTAC OY	Finland
Director	RADTAC LIMITED	UK
Director	RADTAC HOLDINGS LIMITED	UK
Manager and Chairman	CIENET INTERNATIONAL LLC	USA
Director and Chairman	CIENET TECHNOLOGIES INC.	USA
Director	CPRIME CANADA	Canada

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE COMPANIES CONTROLLED[1] BY ALTEN SA

POSITION/OFFICE	COMPANY	COUNTRY
Manager	GMA SC	France
Manager	ASA SCI	France

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

None

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

Mrs Emily AZOULAY

Director

Member of the Remuneration and Nomination Committee

Member of the CSR Committee

BIOGRAPHY

Mrs AZOULAY has worked for the ALTEN Group since ALTEN SA was formed in 1988.

Among other positions, she was Sales Manager and Head of Administration and Finance.

Her involvement with the ALTEN Group no longer extends beyond her capacity as a Director.

Age:
73 years

Nationality:
French

Date first appointed:
22 June 2011.

Date of last renewal:
18 June 2019.

Expiry of term of office:
Meeting to be held in 2023 to approve the financial statements for the past financial year.

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

None

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

Mrs Jane SEROUSSI

Director

Member of the CSR Committee

BIOGRAPHY

Mrs SEROUSSI is a Business Manager.

She has successfully created her own brand (Cécile & Jeanne).

She has been in charge of the General and Financial Management of her group since its creation, which is developing in France and internationally through a selective network of boutiques under the brand name.

Age:
55 years

Nationality:
French

Date first appointed:
18 June 2014.

Date of last renewal:
20 June 2018.

Expiry of term of office:
Meeting to be held in 2022 and called to approve the financial statements for the past financial year.

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

POSITION/OFFICE	COMPANY	Country
Manager	CÉCILE ET JEANNE SARL	France
Manager	SIAM I SARL	France

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

None

(1) *Within the meaning of Article L. 233-16 of the French Commercial Code.*

Mrs Aliette MARDYKS

Independent Director

Chairwoman of the Audit Committee

Member of the CSR Committee

BIOGRAPHY

Mrs MARDYKS has held operational and functional positions at the Airbus Group.

She originated the accounting integration project at the AIRBUS Group within a Shared Service Centre launched in November 2008, covering four of the Group's main countries (France, Germany, United Kingdom and Spain).

Mrs MARDYKS has not held a position at Airbus Group since the end of 2016.

Age:
65 years

Nationality:
French

Date first appointed:
22 June 2017.

Date of last renewal:
28 May 2021.

Expiry of term of office:
Meeting to be held in 2025 and called to approve the financial statements for the past financial year.

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

None

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

Mr Philippe TRIBAUDEAU

Independent Director

Member of the Audit Committee

Member of the CSR Committee

Lead Director

BIOGRAPHY

Mr TRIBAUDEAU has more than 25 years of experience in finance, investment banking and mergers and acquisitions.

Licensed by the UK Financial Services Authority, he spent several years with the investment bank MERRILL LYNCH – BANK OF AMERICA in the UK, where he served as First Vice President.

Age:
60 years

Nationality:
French

Date first appointed:
24 May 2016.

Date of last renewal:
18 June 2020.

Expiry of term of office:
Meeting to be held in 2024 and called to approve the financial statements for the past financial year.

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

None

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

Mr Marc EISENBERG

Independent Director

Member of the CSR Committee

BIOGRAPHY

Mr EISENBERG began his career as a management consultant.

In 1986, he formed a cost-reduction consultancy in France, which has since become a European leader in its field and of which he was operating manager until 2012. He remains a major shareholder to this day.

He also sat on the Nanterre employment tribunal from 1995 to 1999 and on the Bobigny commercial court from 2000 to 2001.

Age:
66 years

Nationality:
French

Date first appointed:
18 June 2014.

Date of last renewal:
20 June 2018.

Expiry of term of office:
Meeting to be held in 2022 and called to approve the financial statements for the past financial year.

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

POSITION/OFFICE	COMPANY	COUNTRY
Manager	Kol Or Films	France
Member of the Supervisory Board	DPRJ	France

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

POSITION/OFFICE	COMPANY	COUNTRY
Manager	Labruyère – Pigalle – Trinité SCI	France

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

Mr Marwane METIOUI

Director representing employees

Member of the CSR Committee

BIOGRAPHY

Mr METIOUI has been an employee of the ALTEN Group since 2010, where he works as a consultant, carrying out various assignments in Logistics and Quality.

In 2013, he joined the Structured Projects Department as project quality assurance manager within the ALTEN Group.

Age:
46 years

Nationality:
French

Date first appointed:
21 December 2017.

Date of last renewal:
18 October 2018.

Expiry of term of office:
18 October 2022.

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE CONTROLLED COMPANIES[1] BY ALTEN SA

None

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

None

3

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

Mrs Maryvonne LABEILLE

Independent Director

Chairwoman of the Remuneration and Nomination Committee

Member of the CSR Committee

BIOGRAPHY

Mrs LABEILLE was Associate Director of a management consulting firm before creating the company LABEILLE Conseil in 1993, then in 2010 the company POTENTIEL ET TALENTS.

Its mission is to advise french and international groups in matters of Human Resources and recruitment, particularly in the search for and support for their managers.

Mrs LABEILLE holds several positions within SYNTEC: she is vice-Chairman of SYNTEC Conseil and Director of the SYNTEC Federation, which brings together the consulting, Engineering and digital professions. Mrs LABEILLE is also an elected member of the Paris Chamber of Commerce and Industry and a Director of the Organisation for the Development of Social Intelligence (ODIS).

Age:
64 years

Nationality:
French

Date first appointed:
29 January 2021.

Date of last renewal:
N/A

Expiry of term of office:
Meeting to be held in 2024 and called to approve the financial statements for the past financial year.

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES(1) BY ALTEN SA

None

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE CONTROLLED COMPANIES(1) BY ALTEN SA

POSITION/OFFICE	COMPANY	COUNTRY
Chairman and Chief Executive Officer	LABEILLE Conseil	France
Chairman	POTENTIEL ET TALENTS	France
Manager	SCI LE CHALONY	France

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

POSITION/OFFICE	COMPANY	COUNTRY
Independent Director	SOLEA	France

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

Mr Pierre MARCEL

Deputy CEO until 28 May 2021

BIOGRAPHY

Mr MARCEL joined the ALTEN Group in April 2000.

He has occupied various Operational Director functions within the Group.

He is currently Chief Operating Officer in charge of ALTEN Germany.

Mr MARCEL is not a member of the Board of Directors.

Age:
59 years

Nationality:
French

Date first appointed:
28 January 2013 (Deputy CEO).

Date of last renewal:
22 June 2017 (Deputy CEO).

Expiry of term of office:
28 May 2021.

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 INSIDE CONTROLLED COMPANIES(1) BY ALTEN SA

POSITION/OFFICE	COMPANY	COUNTRY
Director and Chairman of the Board of Directors	ANOTECH ENERGY NIGERIA LIMITED	Nigeria
Director	ANOTECH ENERGY NETHERLANDS BV	The Netherlands
General Director	ANOTECH ENERGY CONGO SA	Congo
Chairman	ANOTECH DWC LLC	Dubaï
Director	ANOTECH ENERGY GLOBAL SOLUTIONS LTD	UK
& President	ANOTECH ENERGY USA INC.	United States
Director	ANOTECH ENERGY SINGAPORE PVTE LTD	Singapore
Director	ANOTECH ENERGY MALAYSIA SDN BHD	Malaysia
Director	ALTEN TECHNOLOGY UK	UK
Manager	ANOTECH ENERGY EAST SARLAU	France
Chairman	ALTEN SUD OUEST SASU	France
Chairman	ANOTECH ENERGY SAS	France
Chairman	ALTEN TECHNOLOGIES SASU	France

OTHER OFFICES AND POSITIONS HELD AT 31 DECEMBER 2021 OUTSIDE CONTROLLED COMPANIES(1) BY ALTEN SA

POSITION/OFFICE	COMPANY	COUNTRY
Manager	AMARCIS SC	France
Manager	LOMARIS SC	France

OFFICES AND POSITIONS HELD OVER THE PAST FIVE YEARS AND NO LONGER HELD

POSITION/OFFICE	COMPANY	COUNTRY
Chairman	CADUCEUM SAS	France
Director	ANOTECH ENERGY BELGIUM	Belgium
Director	ANOTECH ENERGY DOHA LLC	Qatar
Chairman	ANOTECH ENERGY SERVICES LTD	UK
Director	ATEXIS SASU	France
Chairman	CADUCEUM UK LTD	UK
Director	LINCOLN SASU	France
Director	QUICK RELEASE (AUSTRALIA) PTY LTD	Australia
Director	QUICK RELEASE (AUTOMOTIVE) LIMITED	UK
Director	QUICK RELEASE INC	United States
Director	QUITE REFRESHING LIMITED	UK
Director	ALTEN LTD	UK

To the Company's knowledge, the Corporate Officers of ALTEN SA do not hold office in any other listed companies.

(1) Within the meaning of Article L. 233-16 of the French Commercial Code.

3.1.4 OPERATION, PREPARATION AND ORGANISATION OF THE WORK OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

3.1.4.1 Work of the Board of Directors

The preparation and organisation of the work of the Board of Directors fall within the framework defined by the legal and regulatory provisions applicable to French limited companies (*Sociétés Anonymes*), by the Company's Articles of Association, and by the Board's Internal Rules.

The latter was amended in 2022, in particular to take into account the update of the Middlenext Code in September 2021.

These changes mainly concerned the following points:

- strengthening of the conflict-of-interest clause;
- creation of a CSR Committee.

The latest version of the Board's Internal Rules is published on the Company's website: www.alten.com[1].

Each Director has signed the Board's Internal Rules.

Directors are convened by ordinary letter, fax, e-mail or orally.

In 2021, the representative of the Social and Economic Committee was invited to all meetings of the Board of Directors by e-mail.

The Company's Statutory Auditors are invited to all meetings of the Board of Directors in order to allow them to carry out their duties in the best way. Notably, in 2021, they were able to attend the meetings to review or approve the half-year or annual financial statements, in accordance with Article L. 823-17 of the French Commercial Code, and the Annual Ordinary General Meeting of shareholders.

To enable members of the Board of Directors to effectively prepare for meetings, the Chairman gives the Directors all information within a reasonable and adequate period of time as required to make decisions and, more generally to carry out their duties in an independent manner. In addition, each Director is able to obtain additional information necessary to perform his or her duties.

The Directors are kept regularly informed between meetings of the Board, whenever Company news so warrants, in accordance with the fourth Recommendation of the Middlenext Code.

The representative of the Social and Economic Committee received the same information within the same timeframe as the members of the Board.

In the context of the COVID-19 epidemic in France, meetings of the Board of Directors were mostly held in 2021 by videoconference, in accordance with the provisions of Ordinance 2020-321 of 25 March 2020, extended and amended in particular by Ordinance 2020-1497 of 2 December 2020, and completed by Ordinance 2020-418 of 10 April 2020, extended and amended in particular by Ordinance 2020-1614 of 18 December 2020, adapting the rules governing meetings and deliberations of meetings and governing bodies of legal entities due to the COVID-19 epidemic.

Minutes of Board meetings are drafted following each meeting and are subject to approval by the Board of Directors at its next meeting.

In 2021, the Board of Directors met eight times, with an attendance rate of 99%. In particular, it intervened on the following topics:

- preparing the 2020 annual financial statements, the 2021 half-year financial statements and the revenue figures for the first and third quarters of 2021;
- the regular review of the impact of the COVID-19 health crisis on the Group's operational activity;
- external growth and development transactions occurring during the financial year;
- the review of current agreements entered into under normal conditions and the annual review of regulated agreements whose performance continued during the financial year;
- the Company's policy on equal opportunities and equal pay, as well as the diversity policy within the Board and the management bodies;
- the convening of the Annual General Meeting;
- the 2021 remuneration policy for Corporate Officers;
- the policy of associating ALTEN Group employees with the capital (particularly in light of the economic and health situation) with, in particular: the implementation of new free share allocation plans and free performance shares within the Group;
- the renewal of the terms of office of Corporate Officers and the cooptation of a new Director;
- the self-assessment of the Board of Directors and the composition of its committees;
- analysis of the voting results of the Annual General Meeting held on 28 May 2021 (note: all resolutions presented at this meeting were adopted, with an average approval rate of 96.7%).

3.1.4.2 Evaluation of the Board of Directors

In accordance with the thirteenth Recommendation of the Middlenext Code, the Board of Directors regularly, and at least once per year, discusses subjects such as the methods of functioning, composition and organisation of the Board of Directors and any Committees, its work, its delegations of powers and its decisions. These deliberations are transcribed in minutes.

In addition to holding regular debates on the subject during its meetings, the Board carries out a formal annual self-assessment of its operations. In particular, it assesses its ability to meet the expectations of the shareholders who have mandated it to administer the Company by periodically reviewing its composition, organisation and operation, as well as the committees.

For the past five years, this self-assessment has been carried out by means of a form sent to each member of the Board.

This year, the form contained 28 questions on three themes: the composition of the Board and the Committee, the quality of the information made available to them and their functioning. On the basis of the responses obtained, the

(1) The information on the website www.alten.com is not part of the Universal Registration Document. As such, this information has not been reviewed or approved by the AMF.

Company prepares an action plan to improve any issues that may have been identified. The conclusions of the latest self-assessment were presented to the Board of Directors on 27 April 2022 and show an overall positive assessment of the functioning of the Board and its committees.

3.1.4.3 Training of Board members

Training of Board members

The Board of Directors, in collaboration with ALTEN's management, is working to implement a three-year training plan for Directors in accordance with the fifth recommendation of the Middlenext Code, which will be the subject of a specific item on the agenda of the Board of Directors in the second half of 2022.

The Board of Directors will review the progress of the plan annually and report on it in the Corporate Governance report.

3.1.4.4 Committees of the Board of Directors

The Board has established three specialised committees: the Audit Committee, the Remuneration and Nomination Committee and the CSR Committee.

The Audit Committee

On 26 July 2017, the Board created an ad hoc Audit Committee. It is chaired by Aliette MARDYKS, Independent Director, chosen for her professional experience. Mrs MARDYKS has solid financial management experience in an international environment, after a 35-year career with the Airbus Group. She held several operational and functional positions in various entities of the Airbus Group.

Duties of the Audit Committee

The duties of the Committee, as defined in the Audit Committee Operation Charter, are as follows:

- monitoring the process for preparing financial information and, where necessary, making recommendations to ensure its integrity;
- monitoring the effectiveness of the internal control, risk management and, where applicable, internal audit systems with respect to the procedures for preparing and processing accounting and financial information, without compromising its independence;
- making a recommendation on the Statutory Auditors nominated for appointment or renewal by the General Meeting;
- monitoring completion by the Statutory Auditors of their duties, taking account of the Notes and conclusions of the French High Council of Statutory Auditors after controls carried out in accordance with regulations;
- ensuring respect by Statutory Auditors of conditions of independence, under the conditions and using the methods provided for under regulations;
- approval of the provision of services other than certification of accounts (SOCA): a limited number of SOCA are approved upstream by the Audit Committee; the Committee is informed every year of the SOCA effectively provided;
- annual review of the conditions for entering into agreements entered into by ALTEN and report to the Board of Directors on the implementation of the procedure relating to the evaluation of the current agreements entered into under normal conditions, its results and any observations;
- regularly report to the Board on the performance of its duties. It also reports on the results of its accounts certification mission, the way in which this mission has contributed to the integrity of financial information and the role it has played in this process. It immediately informs the Board of any difficulties encountered in this context.

COMPOSITION AND WORK OF THE AUDIT COMMITTEE

Members	Duties performed in the committee	Independence
Aliette MARDYKS	Chairwoman	✓
Philippe TRIBAUDEAU	Member	✓

The Audit Committee met five times during the last financial year, with a 100% attendance rate:

In 2021, the Audit Committee addressed the following points:

- related-party agreements;
- internal control;
- risks, ethics and compliance.

These meetings took place in the presence of the ALTEN Statutory Auditors and the Group Financial Director. Certain Group executives, including the Legal Director, Head of Compliance and Head of Financial Internal Control, also participated in the meetings on an *ad hoc* basis. The meetings gave rise to several discussions between members of the Audit Committee and the Statutory Auditors.

The recommendations of the Audit Committee were implemented in full by the Board of Directors.

Since the beginning of the 2022 financial year, the Audit Committee has met again on 4 and 22 February 2022, notably on the occasion of the presentation of the Group's annual results to the market at the SFAF meeting on 23 February 2022.

It also met prior to the Board of directors meeting of 27 April 2022, which approved the notes to the 2021 separate and consolidated financial statements, as well as all the reports to be presented to the shareholders.

Remuneration and Nomination Committee

On 21 February 2017, the Board of Directors created a Remuneration and Nomination Committee. It has been chaired by Mrs LABEILLE since 29 January 2021, who has solid experience, particularly in Human Resources and recruitment.

Duties of the Remuneration and Nomination Committee

The committee's mission is to assist the Board of Directors in particular on the following subjects:

- remuneration policy for officers, members of the Executive Committee and the principal Directors;
- individual remuneration for officers, members of the Executive Committee and the principal Directors;
- discretionary profit sharing and shareholding schemes;
- career management;
- candidate selection process;
- individual appointments;
- composition of the Board of Directors and its committees;
- succession of officers.

COMPOSITION AND WORK OF THE REMUNERATION AND NOMINATION COMMITTEE

Members	Duties performed in the committee	Independence
Emily AZOULAY	Member	×
Maryvonne LABEILLE	Chairwoman	✓

The Remuneration and Nomination Committee met three times during the last financial year, with a 100% attendance rate.

In 2021, the Remuneration and Nomination Committee addressed the following points:

- remuneration of Corporate Officers and key persons;
- succession plan;
- mandates of Directors;
- employee-shareholding plans.

The Remuneration and Nomination Committee has met twice since the beginning of the 2022 financial year:

- on 22 February 2022 on the occasion, in particular, of the review of the 2022 remuneration policies of the Corporate Officers and the remuneration paid to them during or awarded in respect of 2021;
- on 27 April 2022 during the review of a new authorisation to allocate free shares with a view to its approval by the next General Meeting.

The CSR Committee

On 22 February 2022, the Board of Directors decided to create a CSR Committee, in charge of issues related to corporate social responsibility, chaired by an Independent Director.

Given the nature of the issues specific to this matter and the ALTEN Group's sensitivity to these subjects, which are essential to the deployment of its strategy, it was decided that the Board would form a CSR Committee in its plenary session.

Duties of the CSR Committee

The duties of the CSR Committee are as follows:

- review the main social, societal and environmental risks and opportunities for the ALTEN Group and its CSR policy;
- review the reporting, evaluation and control systems to enable the ALTEN Group to produce reliable non-financial information;
- review the main areas of communication to shareholders and other stakeholders in terms of social and environmental responsibility;
- examine and monitor the ratings obtained by the ALTEN Group from non-financial rating agencies.

The Universal Registration Document, which will be drawn up in 2023, for the 2022 financial year, will include the activity report of this committee.

3.1.5 OTHER INFORMATION

3.1.5.1 Declarations concerning members of the Board of Directors and General Management

To the best of the Company's knowledge, at the time of preparation of this document, and during the last five years, no member of the Board of Directors or of General Management (i) has been found guilty of fraud, (ii) has been stripped by a court of the right to exercise functions on management or supervisory bodies of share issuing companies, or to take part in the management or affairs of an issuer, (iii) has been implicated in a case by, and/or had an official public sanction from, any legal or regulatory authorities (including designated professional bodies), and (iv) has been involved in bankruptcy, sequestration, liquidation or placement of companies under legal administration.

Conflicts of interest

To the best of the Company's knowledge on the date this Document was prepared:

- no potential conflict of interest is identified between the duties of any of the members of the Board of Directors and the General Management towards the Company and their private interests and/or other duties;
- there are no arrangements or agreements with major shareholders or with clients, suppliers or others, under which any of the members of the Board of Directors and the General Management have been selected as a member of an administrative, management or supervisory body or as a member of the General Management;
- there is no restriction on any of the members of the Board of Directors and General Management regarding the sale, within a certain time period, of securities they hold in the Company, with the exception of the retention obligations described in paragraph "Retention of shares", in Section 3.1.3 of this Chapter.

Because ALTEN SA complies with the second recommendation of the Middlenext Code on the prevention, identification and management of conflicts of interest that may arise on the Board of Directors. Each year, the members of the Board sign a declaration in order to prevent any conflict of interest. According to the terms of this declaration, in accordance with the Board's Internal Rules and the first, second and ninth recommendations of the Middlenext Code, a Director facing such a conflict of interest is obliged to immediately notify the Board and comply with whatever the consequence may be for the performance of his or her corporate office.

Thus, depending on the case, he or she will have to refrain from voting on the corresponding deliberation, or not attend the meeting of the Board of Directors during which he or she is in a situation of conflict of interest, or, at the extreme, resign from his or her duties as a Director.

In addition, each Director must now declare before each Board meeting that he or she is not in a situation of conflict of interest with the items on the agenda.

The Chairman of the Board of Directors will not be obliged to send information or documents appertaining to the contentious issue, to Directors who he has serious grounds to believe have a conflict of interest, and shall inform the Board of Directors that such information or documents have not been sent.

The Board of Directors also created the position of Lead Director (see Chapter 3.1.3 of this Document) during its meeting of 25 April 2018. Said Director's main role is to prevent potential or proven conflicts of interest.

Each notice of meeting to the Board of Directors shall include a notice inviting the Directors who are in a situation of conflict of interest in view of the agenda, to immediately inform the Board or the Lead Director.

Service level agreements binding members of the administrative and management bodies

To the Company's knowledge and on the date on which this document was prepared, there are no service level agreements binding members of administrative or management bodies with ALTEN or any of its subsidiaries or stipulating the granting of advantages under such a contract.

3.1.5.2 Declarations relating to Corporate Officers

Emily AZOULAY and Jane SEROUSSI have family ties with Simon AZOULAY.

To the Company's knowledge and on the date on which this document was prepared, there is no other family link between the Company's Corporate Officers.

For the purpose of their corporate mandates, the Members of the Board of Directors and General Management are domiciled at the Company's registered office.

3.1.6 SUMMARY TABLE OF DELEGATIONS AND AUTHORISATIONS TO INCREASE SHARE CAPITAL

Nota bene: the pre-emptive subscription right is referred to in the table below as "PSR".

Nature of the authorisation or delegation	Date of the General Meeting	Date of expiry	Amount authorised	Use of the authorisation or delegation during the 2021 financial year	Residual amount at 31/12/2021
Delegation of authority for the purpose of increasing capital through capitalisation of reserves, profits or premiums[1]	28/05/2021	27/07/2023	10% of the share capital at 28/05/2021	None	10% of the share capital at 28/05/2021
Delegation for the purpose of increasing the share capital by issuing ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or of a Group company), and/or any other securities conferring a right in the share capital (of the Company or of a Group company), with retention of the PSR[1]	28/05/2021	27/07/2023	25% of the share capital at 28/05/2021 (nominal amount of shares) €1,150,000,000 (nominal amount of debt securities)	None	25% of the share capital at 28/05/2021 (nominal amount of shares) €1,150,000,000 (nominal amount of debt securities)
Delegation for the purpose of increasing the share capital by issuing ordinary shares giving, as the case may be, access to ordinary shares or to the allocation of debt securities (of the Company or of a Group company) and/or any other securities (excluding debt securities) conferring a right in the share capital (of the Company or of a Group company) with cancellation of the PSR and a compulsory priority period by way of a public offering (excluding the offers referred to in Article L. 411-2 of the French Monetary and Financial Code)[1]	28/05/2021	27/07/2023	10% of the share capital at 28/05/2021 (nominal amount of shares)[2][3] €460,000,000 (nominal amount of debt securities)[3]	None	10% of the share capital at 28/05/2021 (nominal amount of shares)[2][3] €460,000,000 (nominal amount of debt securities)[3]
Delegation for the purpose of increasing the share capital by issuing debt securities conferring a right in the share capital (of the Company or of a Group company), with cancellation of the PSR, by means of a public offering (excluding the offers referred to in Article L. 411-2 of the Monetary and Financial Code)[1]	28/05/2021	27/07/2023	10% of the share capital at 28/05/2021 (nominal amount of shares[2][3] €460,000,000 (nominal amount of debt securities)[3]	None	10% of the share capital at 28/05/2021 (nominal amount of shares)[2][3] €460,000,000 (nominal amount of debt securities)[3]
Delegation for the purpose of increasing the share capital by issuing ordinary shares giving, where applicable, access to ordinary shares or to the allocation of debt securities (of the Company or of a Group company), and/or any other securities (with the exception of debt securities) conferring a right in the share capital (of the Company or of a Group company), with cancellation of the PSR by private placement[1]	28/05/2021	27/07/2023	5% of the share capital at 28/05/2021 (nominal amount of shares)[2][4] €230,000,000 (nominal amount of debt securities)[4]	None	5% of the share capital at 28/05/2021 (nominal amount of shares)[2][4] €230,000,000 (nominal amount of debt securities)[4]

Nature of the authorisation or delegation	Date of the General Meeting	Date of expiry	Amount authorised	Use of the authorisation or delegation during the 2021 financial year	Residual amount at 31/12/2021
Delegation for the purpose of issuing debt securities conferring a right in the share capital (of the Company or a Group company), with cancellation of the PSR by private placement[1]	28/05/2021	27/07/2023	5% of the share capital at 28/05/2021 (nominal amount of shares)[2][4] €230,000,000 (nominal amount of debt securities)[4]	None	5% of the share capital at 28/05/2021 (nominal amount of shares)[2][4] €230,000,000 (nominal amount of debt securities)[4]
Delegation to increase the share capital in order to remunerate contributions in kind of shares or securities conferring a right in the share capital[1]	28/05/2021	27/07/2023	5% of the share capital at 28/05/2021[2]	None	5% of the share capital at 28/05/2021[2]
Delegation for purposes of increasing the capital by the issuance of ordinary shares and/or securities conferring a right in the share capital, without PSR, to the benefit of those belonging to a company savings plan, in accordance with Articles L. 3332-18 *et seq.* of the French Labour Code	28/05/2021	27/07/2023	2% of capital at the date of the Board's decision to carry out this capital increase	None	2% of capital at the date of the Board's decision to carry out this capital increase
Authorisation to award ordinary shares free of charge to salaried employees	28/05/2021	27/07/2024	0.92% (as of the date of the draft resolution) and 313,135 ordinary shares[5]	222,675 ordinary shares	33,175 performance shares and 57,285, for a total of 90,460[6] ordinary shares

(1) Suspension during a public offer.
(2) Charged against the maximum amount of capital increases set at 10% of share capital by the General Meeting of 28 May 2021.
(3) Common cap for delegations with removal of the pre-emptive subscription right by public offering.
(4) Common cap for delegations with removal of the pre-emptive subscription right by private placement.
(5) Including (i) 150,000 "performance shares" and (ii) 163,135 "democratic shares".
(6) Including (i) 33,175 "performance shares" and (ii) 57,285 "democratic shares".

3.2 REMUNERATION AND BENEFITS

3.2.1 REMUNERATION POLICY

On the recommendation of the Remuneration and Nomination Committee and taking into account the recommendations of the Middlenext Code, the Board of Directors has established a remuneration policy for ALTEN SA's Corporate Officers; This policy is in line with the Company's corporate interest, contributes to its sustainability by seeking a balanced performance in the medium and long term, in particular by aligning the interests *of* management and shareholders, and is in line with its business strategy as described in Chapter 1 of this Universal registration document.

It is precisely within this framework that the Board set the remuneration policy for the Chairman and Chief Executive Officer and the Deputy CEO of ALTEN SA.

No item of remuneration, of whatever nature, can be decided, allocated or paid by the Company, and no commitment can be made by the Company if it does not comply with the approved remuneration policy, or, in its absence, existing remuneration or practices in the Company.

The process of deciding, revising and implementing the remuneration policy of each of the Corporate Officers is carried out by the Board of Directors, based on the opinions and recommendations of the Remuneration and Nomination Committee. It should be noted that the Chairman and Chief Executive Officer and the Deputy CEO and members of the Board of Directors do not participate in the deliberations and vote on these matters.

As part of the decision-making process followed for the determination and review of the remuneration policy, the conditions of remuneration and employment of ALTEN SA employees have been taken into account by the Remuneration Committee and the Board of Directors as follows:

- account taken of equity ratios;
- study of changes in remuneration.

In the event of changes in governance personnel, the remuneration policy will be applied to the company's new Corporate Officers, and with the necessary adaptations where appropriate.

However, in exceptional circumstances, the Board of Directors may decide not to apply the remuneration policy if this exception is temporary, serves the corporate interest and is necessary to guarantee the long-term viability of ALTEN SA.

In such a case, the Board of Directors would decide on the recommendation of the Remuneration and Nomination Committee and would verify whether such a derogation is in line with the company's interest and necessary to ensure the continuity or viability of the Company. All the justifications would be brought to the attention of the shareholders in the following report on corporate governance. It should be noted that the Chairman and Chief Executive Officer and the Deputy CEO and members of the Board of Directors do not participate in the deliberations and vote on these matters.

3.2.1.1 Remuneration policy for the Chairman and Chief Executive Officer

The remuneration policy for the Chairman and Chief Executive Officer, established by the Board of Directors on the recommendation of the Remuneration and Nomination Committee, is as follows:

Remuneration items	Description	Significance
Fixed remuneration	The Chairman and Chief Executive Officer has an annual fixed remuneration package whose amount is decided by taking account of the Group's results as well as the remuneration packages of Chairmen-Chief Executive Officers of a panel of comparable companies in the ICT sector. The Chairman and Chief Executive Officer may also receive Directors' fees paid by companies controlled by ALTEN SA, due to a position as Corporate Officer in one of these companies, either directly or through a company controlled by the Chairman and Chief Executive Officer.	The fixed remuneration is the only item of remuneration of the Chairman and Chief Executive Officer, along with benefits in kind (excluding the allocation of free shares and, where applicable, exceptional remuneration). In 2022, Mr AZOULAY may receive fixed remuneration paid by ALTEN SA of a maximum amount of €400,000 and a maximum of €450,000 in remuneration paid by ALTEN SA controlled companies *via* the SGTI company controlled by Mr AZOULAY. The Board of Directors decided, on the recommendation of the Remuneration and Nomination Committee, to increase the fixed remuneration of the Chairman and Chief Executive Officer by €50,000, which corresponds to an increase of 6.25% of his total fixed remuneration. This adjustment is intended to take into account the major changes in the ALTEN Group, as evidenced by the total elimination of the effects of the COVID-19 crisis as of 2021, illustrated in particular by significant growth in revenue compared to 2019 (+11.8%) and the significant growth in the number of engineers over the last two years (+14% *vs.* 2019, *i.e.* 4,600 additional consultants).
Annual or multi-year variable remuneration	The Chairman and Chief Executive Officer does not receive any annual or multi-year variable remuneration.	None
Allocation of stock options To align the interests of executive management and shareholders by promoting value creation over the long term.	The Chairman and Chief Executive Officer is not allocated stock options.	None
Allocation of free shares To align the interests of executive management and shareholders by promoting value creation over the long term.	The Chairman and Chief Executive Officer will be able to benefit from the long-term discretionary profit-sharing plan (LTIPs) set up by the Group in the form of allocation of free shares or Preferred Shares, under the terms and conditions to be defined by the General Meeting. The Chairman and Chief Executive Officer must keep 2% of the ordinary shares thus allocated until the cessation of his functions.	Allocation of a maximum of 75,000 performance shares (over three performance years) for the years 2020 to 2022. It should be noted that these performance shares were fully granted in 2020.

Remuneration items	Description	Significance
Extraordinary remuneration To reward an executive manager's completion of an exceptional project in line with the Group's strategy.	The Board of Directors can decide, on a proposal of the Remuneration and Nomination Committee, to award exceptional remuneration to the Chairman and Chief Executive in very particular circumstances: it must be possible to justify the payment of this type of remuneration on the grounds of an event such as a major operation for ALTEN SA or the ALTEN Group (such as a structural acquisition). The amount of extraordinary remuneration thus decided may not exceed a maximum of 100% of the annual fixed remuneration. The payment of such remuneration would be subject to the approval of shareholders in accordance with Article L. 22-10-34 II of the French Commercial Code.	None
Benefits of any kind To recruit and retain a high calibre of executive management to implement the strategy by offering competitive benefits in kind.	The Chairman and Chief Executive Officer is provided with a company car.	Mr AZOULAY will be able to benefit from the provision of a company car up to a limit of **€6,000** in 2022.
Commitments	The Chairman and Chief Executive Officer does not receive any specific severance package, non-competition payment, or defined benefit pension commitment.	None

3.2.1.2 Remuneration policy for the Deputy CEO

The policy on the remuneration of the Deputy CEO, prepared by the Board on recommendation from the Remuneration and Nomination Committee, is as follows:

Remuneration items	Description	Significance
Fixed remuneration To recruit and retain high-level executive management able to implement the Group's strategy, and to provide remuneration in keeping with the position held.	The Deputy CEO receives an annual fixed remuneration package, the amount of which reflects the level of responsibility in the operational positions occupied, and the person's value in terms of performance, expertise and experience. The overall level of performance of the part of the Group managed, its size, organisation and complexity are also taken into account. The Deputy CEO may also have an employment contract concluded with a company controlled by ALTEN SA, if this employment contract pre-dates the corporate office within ALTEN SA and corresponds to specific operational functions in this controlled company. The Deputy CEO may also receive Directors' fees paid by companies controlled by ALTEN SA, due to a corporate office exercised in the latter.	The fixed remuneration of the Deputy CEO represents up to 100% of the total annual remuneration (excluding allocations of free shares and, where applicable, extraordinary remuneration). In 2022, Mr ATTIA may receive fixed remuneration paid by ALTEN SA of a maximum amount of **€260,000** and a maximum amount of **€74,000** [1] in remuneration paid by ALTEN SA controlled companies.
Annual or multi-year variable remuneration	The Deputy CEO does not receive any annual or multi-year variable remuneration.	None
Allocation of stock options To align the interests of executive management and shareholders by promoting value creation over the long term.	The Deputy CEO is not allocated stock options.	None

(1) Or €84,000 reduced by €10,000 for 2022, following an erroneous payment of €10,000 made by a subsidiary in 2021.

Remuneration items	Description	Significance
Allocation of free shares To align the interests of executive management and shareholders by promoting value creation over the long term.	The Deputy CEO may benefit from the LTIPs put in place by the Group, in the form of free allocations of shares or Preferred Shares, under the terms and conditions set by the General Meeting. The Deputy CEO must keep 2% of the ordinary shares allocated until the cessation of his functions.	Allocation of a maximum of 75,000 performance shares per Corporate Officer (over three performance years) for the years 2020 to 2022. 35,000 performance shares were granted in 2020. No allocation was made to Mr ATTIA during the 2021 financial year (see below).
Extraordinary remuneration To reward an executive manager's completion of an exceptional project in line with the Group's strategy.	The Board of Directors can decide, on a proposal of the Remuneration and Nomination Committee, to award extraordinary remuneration to the Deputy CEO in very particular circumstances: it must be possible to justify the payment of this type of remuneration on the grounds of an event such as a major operation for ALTEN SA or the ALTEN Group (such as a structural acquisition). The amount of extraordinary remuneration thus decided may not exceed a maximum of 100% of the annual fixed remuneration. The payment of such remuneration would be subject to the approval of shareholders in accordance with Article L. 22-10-34 II of the French Commercial Code.	None
Benefits of any kind To recruit and retain a high calibre of executive management to implement the strategy by offering competitive benefits in kind.	The Deputy CEO is provided with a company vehicle.	Mr ATTIA will be able to benefit from the provision of a company vehicle up to the limit of a budget of **€5,000** in 2022.
Commitments	The Deputy CEO does not receive any specific severance package, non-competition payment, or defined benefit pension commitment.	None

3.2.1.3 Remuneration policy for Directors

In its seventeenth resolution the General Meeting of 18 June 2020 set the remuneration of Board members at €200,000 per year, valid for the current financial year and until a further decision of the General Meeting. This envelope will be maintained for 2022.

The criteria for distributing remuneration allocated by the General Meeting to Board members have been set by the Board of Directors, on the proposal of the Remuneration and Nomination Committee, and are:

- attendance by Board Members at Board meetings;
- their membership of Board Committees;
- whether they are Independent Directors.

Accordingly:

- €1,500 per Board meeting attended is allocated to each Independent Director, and the amount is increased to €3,000 for each attendance by the Director beyond the threshold of 75% attendance;
- €1,000 per Board meeting attended is allocated to each non-Executive and non-Independent Director, and the amount is increased to €2,000 for each attendance by the Director beyond the threshold of 75% attendance;
- €1,500 per Director is allocated for each attendance at the Remuneration and Nomination Committee;
- €1,500 per Director is allocated for each attendance at the Audit Committee;
- in the event of the creation of new specialised committees, the Board, at the suggestion of the Remuneration and Nomination Committee, may add to these rules;
- an amount of €1,500 per assignment day is allocated in the event of the completion of a specific assignment entrusted by the Board of Directors;
- no remuneration is awarded to Executive Directors (linked to ALTEN SA by a corporate mandate and/or an employment contract);
- Directors' transport expenses will be reimbursed on presentation of receipts.

3.2.1.4 Information on the offices and employment and/or services contracts between Corporate Officers and the Company

The table below indicates the duration of the office of the Company's Executive Corporate Officers and, where applicable, the work or service contracts concluded with the Company, notice periods and the applicable termination conditions:

Company Officers	Office exercised	Date of expiry	Employment contract with ALTEN SA	Service contract with ALTEN SA	Notice periods	Termination conditions
Simon AZOULAY	Chairman and Chief Executive Officer	After the GM held in 2025 approving the financial statements of the 2024 financial year	No	No	No	Termination of office in accordance with law and case law No specific severance payment
Gérald ATTIA	Deputy CEO	After the GM held in 2025 approving the financial statements of the 2024 financial year	No	No	No	Termination of office in accordance with law and case law No specific severance payment

It is also specified that none of the Company's other Corporate Officers have concluded a service contract with ALTEN SA and that only the Director representing employees has an employment contract with the Company.

3.2.2 INFORMATION REFERRED TO IN I OF ARTICLE L. 22-10-9 OF THE FRENCH COMMERCIAL CODE FOR EACH CORPORATE OFFICER OF THE COMPANY

It is specified that the total remuneration of each Corporate Officer complies with the principles of the remuneration policy applicable to him or her and approved by the General Meeting of 28 May 2021 in its 12th and 13th to 14th resolutions.

3.2.2.1 Remuneration of Executive Corporate Officers

Summary table of remuneration and options and shares granted to each Executive Corporate Officer.

Simon AZOULAY, *Chairman and Chief Executive Officer*	**2020 financial year**	**2021 financial year**
Remuneration allocated for the financial year	€806,000	€806,000
Valuation of multi-year variable remuneration awarded during the financial year	None	None
Value of options awarded during the financial year	None	None
Value of performance shares awarded during the financial year[1][2]	€4,249,353	None
Valuation of other long-term remuneration plans	None	None
TOTAL	**€5,055,353**	**€806,000**

(1) It should be recalled that the definitive award of these shares is subject to the attainment of demanding performance criteria as well as a condition of presence, the details of which are on page 108.
(2) Value of shares when allocated within the framework of the IFRS 2 application but before staggering of the charge over the vesting period under IFRS 2.

Gérald ATTIA, *Deputy CEO*	**2020 financial year**	**2021 financial year**
Remuneration allocated for the financial year	€294,000	€349,000
Valuation of multi-year variable remuneration awarded during the financial year	None	None
Value of options awarded during the financial year	None	None
Value of performance shares awarded during the financial year[1][2]	€1,983,031	None
Valuation of other long-term remuneration plans	None	None
TOTAL	**€2,277,031**	**€349,000**

(1) It should be recalled that the definitive award of these shares is subject to the attainment of demanding performance criteria as well as a condition of presence, the details of which are on page 108.
(2) Value of shares when allocated within the framework of the IFRS 2 application but before staggering of the charge over the vesting period under IFRS 2.

Pierre MARCEL, *Deputy CEO until 28 May 2021*	**2020 financial year**	**2021 financial year**
Remuneration allocated for the financial year	€302,807	€259,362[1]
Valuation of multi-year variable remuneration awarded during the financial year	None	None
Value of options awarded during the financial year	None	None
Value of performance shares awarded during the financial year	None	None
Valuation of other long-term remuneration plans	None	None
TOTAL	**€302,807**	**€259,362**

(1) Remuneration paid by controlled companies.

Summary tables of the remuneration of each Executive Corporate Officer

Simon AZOULAY, ***Chairman and Chief Executive Officer***	**2020 financial year**		**2021 financial year**	
	Amounts allocated for 2020	**Amounts paid in 2020**	**Amounts allocated for 2021**	**Amounts paid in 2021**
Fixed remuneration	€350,000	€337,092	€350,000	€336,000
Multi-year variable remuneration	None	None	None	None
Multi-year variable remuneration	None	None	None	None
Extraordinary remuneration	None	None	None	None
Remuneration allocated for Board member status	None	None	None	None
Remuneration paid to SGTI (controlled by Mr AZOULAY) by controlled companies	€450,000	€525,000[1]	€450,000	€450,000
Benefits in kind (company car)	€6,000	€3,983	€6,000	€3,955
TOTAL	**€806,000**	**€866,075**	**€806,000**	**€789,955**

(1) The amount of Directors' fees due to SGTI by companies controlled by ALTEN is €450,000 per financial year. The payment of said "fees" took place partly in the financial year in which they were awarded and partly in the following financial year, solely for reasons of payment date, of which €75,000 was paid as fees in the 2019 financial year and €450,000 was paid as fees due in the 2020 financial year.

Gérald ATTIA, ***Deputy CEO***	**2020 financial year**		**2021 financial year**	
	Amounts allocated for 2020	**Amounts paid in 2020**	**Amounts allocated for 2021**	**Amounts paid in 2021**
Fixed remuneration	€205,000	€181,104	€260,000	€252,000
Multi-year variable remuneration	None	None	None	None
Extraordinary remuneration	None	None	None	None
Remuneration allocated for Board member status	None	None	None	None
Remuneration paid by controlled companies[1]	€84,000	€84,000	€84,000	€94,000[2]
Benefits in kind (company car)	€5,000	€3,733	€5,000	€3,705
TOTAL	**€294,000**	**€268,837**	**€349,000**	**€349,705[1]**

(1) Directors' fees paid in January of year N+1 for financial year N.
(2) A clerical error has led to the amount for 2021 being exceeded. The overrun is €10 thousand on this item (it will be charged to the 2022 remuneration, which will be reduced accordingly), reduced to less than €1 thousand if we take into account the overall package for which the maximum authorised amounts have not been reached for fixed remuneration (-€8 thousand) and benefits in kind (-€1.2 thousand).

Pierre MARCEL, ***Deputy CEO until 28 May 2021***	**2020 financial year**		**2021 financial year**	
	Amounts allocated for 2020	**Amounts paid in 2020**	**Amounts allocated for 2021**	**Amounts paid in 2021**
Fixed remuneration	€226,224[1]	€226,224[1]	None	None
Multi-year variable remuneration	None	None	None	None
Extraordinary remuneration	None	None	None	None
Remuneration allocated for Board member status	None	None	None	None
Remuneration paid by controlled companies	€72,000	€72,000	€259,362[2]	259,362[2]
Benefits in kind (company car)	€4,583	€4,583	None	None
TOTAL	**€302,807**	**€302,807**	**€259,362**	**€259,362**

(1) Taking into account Mr MARCEL's remuneration under his employment contract with ALTEN Sud-Ouest, a wholly owned subsidiary of ALTEN SA since 1 April 1996. Mr MARCEL also has an employment contract with a Group subsidiary, in respect of which he received a sum of €187,361.52 in 2021.
(2) Total remuneration including benefits in kind (company car) in the amount of €4,554.

Summary of Executive Corporate Officers' employment contracts, indemnities and/or benefits due or likely to be due as a result of the termination or change in their functions and others

Executive Corporate Officers	Employment contract	Supplementary pension plan	Remuneration or benefits owed or likely to be owed due to termination or change in duties	Remuneration related to a non-competition provision
Simon AZOULAY				
Chairman and Chief Executive Officer				
Start of term of office: 22 September 1998	None	None	None	None
Expiry of term of office: General Meeting to be held in 2025 to approve the financial statements for the last financial year				
Gérald ATTIA				
Deputy CEO				
Start of term of office: 21 December 1998	None	None	None	None
Expiry of term of office: General Meeting to be held in 2025 to approve the financial statements for the last financial year				
Pierre MARCEL				
Deputy CEO until 28 May 2021	Yes[1]	None	None[2]	None
Start of term of office: 28 January 2013				

(1) *Pierre MARCEL's employment contract with ALTEN Sud-Ouest, a wholly owned subsidiary of ALTEN SA, established prior to his appointment as Deputy CEO, relates to his role as Director at ALTEN Sud-Ouest since 1 April 1996. Mr MARCEL also has an employment contract binding him to one of the Group's subsidiaries.*

(2) *The statutory benefit owing in the event of termination of Pierre MARCEL's employment contract would amount to less than eighteen months' fixed salary.*

Remuneration ratios and comparative evolution of ALTEN's performance

The remuneration amounts of the ALTEN Corporate Officers have been compared with the median and average ages of employees in each of several financial years. This exercise shows us that the workforce has consistently become younger over the last five years. This is the result of the Group's active recruitment policy, with a strong commitment to attracting the best talent in student communities. It is a key factor behind the ratios of average and median remuneration levels of ALTEN employees to the remuneration levels of Corporate Officers.

The remuneration packages of Corporate Officers include fixed remuneration, remuneration due from controlled companies in which the ALTEN Corporate Officers hold a corporate office, benefits in kind and allocations of performance shares valued according to IFRS on their date of allocation.

In this respect, the remuneration equity ratio of the latter is also presented for the Chairman and Chief Executive Officer and the Deputy CEOs[1]:

- on the one hand by spreading the valuation of the performance shares awarded to them in 2019, 2020 and 2020 in their annual remuneration over the vesting period of the said shares (three or four years); and
- on the other hand, by restating the valuation of the said shares with their annual remuneration.

This objective is intended to standardise remuneration and thus make the equity ratios more significant.

In addition, employee remuneration includes annual variable remuneration, incentive bonuses and profit sharing paid during the financial year in question, excluding the valuation of free performance shares awarded.

Finally, in accordance with the Middlenext Code, the remuneration of ALTEN's Corporate Officers was compared to the minimum wage for each year.

(1) *In accordance with Article L. 22-10-9 of the French Commercial Code, the equity ratio is also presented for Pierre MARCEL, Deputy CEO until 28 May 2021.*

Remuneration ratios

Simon AZOULAY, *Chairman and Chief Executive Officer*	**2017**	**2018**	**2019**	**2020**	**2021**
Remuneration compared with the **average** of ALTEN SA employees	x 15	× 19	× 20	× 127	× 19
Remuneration ratio compared with the **average** of ALTEN SA employees, **including the valuation of free allocations of performance shares during the vesting period of the said shares**	x 15	× 19	× 20	× 55	× 52
Remuneration ratio compared with the **average** of ALTEN SA employees, **restated for the valuation of free allocations of performance shares during the vesting period of the said shares**	x 15	× 19	× 20	× 20	× 19
Average age of employees	32.58	32.30	31.95	31.89	33.10
Remuneration ratio compared with the **median** of ALTEN SA employees	x 17	× 22	× 23	× 143	× 22
Remuneration ratio compared with the **median** of ALTEN SA employees, **including the valuation of free allocations of performance shares during the vesting period of the said shares**	x 17	× 22	× 23	× 63	× 60
Remuneration ratio compared with the **median** of ALTEN SA employees, **restated for the valuation of free allocations of performance shares during the vesting period of the said shares**	x 17	× 22	× 23	× 22	× 22
Median age of employees	30.36	29.82	29.66	29.68	30.70
Remuneration ratio compared to the minimum wage	x 32	× 42	× 44	× 273	× 41

Gérald ATTIA, *Deputy CEO*	**2017**	**2018**	**2019**	**2020**	**2021**
Remuneration compared with the **average** of ALTEN SA employees	x 7	× 7	× 59	× 57	× 8
Remuneration ratio compared with the **average** of ALTEN SA employees, **including the valuation of free allocations of performance shares during the vesting period of the said shares**	x 32	× 30	× 20	× 23	× 24
Remuneration ratio compared with the **average** of ALTEN SA employees, **restated for the valuation of free allocations of performance shares during the vesting period of the said shares**	x 7	× 7	× 7	× 7	× 8
Average age of employees	32.58	32.30	31.95	31.89	33.10
Remuneration ratio compared with the **median** of ALTEN SA employees	x 8	× 8	× 67	× 64	× 10
Remuneration ratio compared with the **median** of ALTEN SA employees, **including the valuation of free allocations of performance shares during the vesting period of the said shares**	x 37	× 36	× 22	× 26	× 28
Remuneration ratio compared with the median **of ALTEN** SA employees, restated for the **valuation of free allocations of performance shares during the vesting period of the said shares**	x 8	× 8	× 8	× 8	× 10
Median age of employees	30.36	29.82	29.66	29.68	30.70
Remuneration ratio compared to the minimum wage	x 16	× 16	× 129	× 122	× 18

Pierre MARCEL[1], *Deputy CEO*	**2017**	**2018**	**2019**	**2020**	**2021**
Remuneration compared with the **average of** ALTEN SA employees	x 8	× 9	× 7	× 7	× 6
Remuneration ratio compared with the **average** of ALTEN SA employees, **including the valuation of free allocations of performance shares during the vesting period of the said shares**	x 33	× 33	× 7	× 7	× 6
Remuneration ratio compared with the **average** of ALTEN SA employees, **restated for the valuation of free allocations of performance shares during the vesting period of the said shares**	x 8	× 9	× 7	× 7	× 6
Average age of employees	32.58	32.30	31.95	31.89	33.10
Remuneration ratio compared with the **median** of ALTEN SA employees	x 9	× 11	× 8	× 8	× 7
Remuneration ratio compared with the **median** of ALTEN SA employees, **including the valuation of free allocations of performance shares during the vesting period of the said shares**	x 38	× 39	× 8	× 8	× 7
Remuneration ratio compared with the **median** of ALTEN SA employees, **restated for the valuation of free allocations of performance shares during the vesting period of the said shares**	x 9	× 11	× 8	× 8	× 7
Median age of employees	30.36	29.82	29.66	29.68	30.70
Remuneration ratio compared to the minimum wage	x 19	× 21	× 17	× 16	× 14

(1) Deputy CEO until 28 May 2021.

Changes in ALTEN's performance growth, average remuneration on a full-time equivalent basis for ALTEN employees other than executives, remuneration of ALTEN's Executive Corporate Officers and remuneration ratios

The change in the Executive Corporate Officers' annual remuneration is presented by spreading the valuation of the performance shares awarded over the vesting period of said shares (three years), as well as restating the valuation of the latter shares and finally, the change in their average remuneration over five years compared to the reference year.

	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	Average annual growth 2017–2021
Revenue growth	+13.0%	+14.4%	+15.6%	-11.13%	+25.44%	**10.31%**
Growth in operating profit on activity	+7.4%	+15.3%	+16.4%	-45.39%	+24.65%	**13.29%**
Change in average remuneration of ALTEN SA employees	+2.5%	+5.9%	-3.04%	+0.16%	+6.8%	**2.37%**
Change in the remuneration of Simon AZOULAY, *Chairman and Chief Executive Officer*						
• Including valuation of free share allocations **year of allocation (2020)**	+0%	+32.39%	+5.32%	+527.83%	-84.33%	**20.51%**
• Including valuation of free share allocations **during vesting period of the said shares (2020 to 2022)**	+0%	+32.39%	+5.32%	+174.97%	-0.05%	**39.91%**
• **Restating the valuation** of free share allocations	+0%	+32.39%	+5.32%	-1.46%	-0.14%	**8.23%**
Change in remuneration of Gérald ATTIA, *Deputy CEO*						
• Including valuation of free performance share allocations **year of allocation (2019 and 2020)**	-90.9%	-1.2%	+717.6%	-4.37%	-84.33%	**4.66%**
• Including valuation of free performance share allocations **during the vesting period of said shares (2017 to 2022)**	-0.1%	-0.3%	-36.3%	-16.17%	+8.70%	**-5.37%**
• **Restating the valuation** of free share allocations	-0.6%	-1.2%	-2.0%	-4.75%	+30.08%	**4.66%**
Change in Pierre MARCEL's remuneration, *Deputy CEO* until 28 May 2021						
• Including valuation of free performance share **allocations year of allocation (none)**	-89.84%	-16.71%	-20.86%	-0.25%	-38.12%	**36.79%**
• Including the valuation of free performance share allocations **during the vesting period of said shares (none)**	-0.05%	4.23%	-77.55%	-0.25%	-38.13%	**33.14%**
• **Restating the valuation** of free share allocations	-0.2%	+ 16.7%	-20.8%	-0.25%	-38.13%	**-5.75%**

3.2.2.2 Remuneration of non-Executive Corporate Officers

Table of remuneration awarded for the term of office of Director

	Amounts 2020		Amounts 2021	
Non-Executive Corporate Officers	**Amounts allocated for 2020 (in 2021)**	**Amounts paid in 2020 (for 2019)**	**Amounts allocated for 2021 (in 2022)**	**Amounts paid in 2021 (for the 2020 financial year)**
Emily AZOULAY				
Remuneration allocated in respect of the position of Board member	€16,500	€16,500	€14,500	€16,500
Other remuneration	None	None	None	None
Marc EISENBERG				
Remuneration allocated in respect of the position of Board member	€18,000	€9,000	€15,000	€18,000
Other remuneration	None	None	None	None
Evelyne FELDMAN				
Remuneration allocated in respect of the position of Board member	€16,500[1]	€22,500	None	€16,500[1]
Other remuneration	None	None	None	None
Maryvonne LABEILLE[2]				
Remuneration allocated in respect of the position of Board member			€18,000	None
Other remuneration			None	None
Aliette MARDYKS				
Remuneration allocated in respect of the position of Board member	€24,000	€21,000	€21,000	€24,000
Other remuneration	None	None	None	None
Jane SEROUSSI				
Remuneration allocated in respect of the position of Board member	€12,000	€12,000	€10,000	€12,000
Other remuneration	None	None	None	None
Philippe TRIBAUDEAU				
Remuneration allocated in respect of the position of Board member	€24,000	€24,000	€21,000	€24,000
Other remuneration	None	None	None	None
Marwane METIOUI				
Remuneration allocated in respect of the position of Board member	Not applicable	Not applicable	Not applicable	Not applicable
Other remuneration	Remuneration received under the employment contract	Remuneration received under the employment contract	Remuneration received under the employment contract	Remuneration received under the employment contract
TOTAL	**€111,000**	**€105,000**	**€99,500**	**€111,000**

(1) Amount corresponding to Mrs FELDMAN's attendance at Board meetings until 22 September 2020.
(2) Ms LABEILLE was co-opted to the Board on 29 January 2021.

3.2.2.3 Information on stock options and performance shares

Share subscription or purchase options allocated during the financial year to each executive corporate officer by ALTEN and by any company of the Group

None.

Share subscription or purchase options exercised during the financial year by each executive corporate officer

None.

Performance shares allocated during the financial year to each corporate officer

None.

Performance shares made available to each corporate officer during the financial year

None.

History of allocations of share subscription or purchase options on 31 December 2021

To date, there are no share subscription or purchase options in progress.

Share subscription or purchase options granted to first ten non-corporate-officer employees and options exercised by latter

None.

History of allocations of free shares and Preferred Shares at 31 December 2021

	Allocation of free shares		Allocation of Preferred B Shares[3]		
	Free performance share allocation Plan 4/18	Free share allocation Plan n° 2	Preferred share allocation Plan n° 3	Free performance share allocation Plan n° 5	Free performance share allocation Plan n° 6
Date of the Board of Directors' meeting	25/04/2018	27/07/2016	27/10/2016	26/04/2017	26/07/2017
Total number of shares awarded free of charge of which[1]:	75,320	1,572	500	18	167
Simon AZOULAY	-	-	-	-	-
Gérald ATTIA	-	-	-	-	-
Pierre MARCEL[2]	-	-	-	-	-
Vesting date of shares	25/04/2019	27/07/2018	27/10/2018	26/04/2019	26/07/2019
Date on which lock-up period ends	25/04/2020	27/07/2020	27/10/2020	26/04/2021	26/07/2021
Final award conditions	Presence and performance	Presence	Presence and performance	Presence and performance	Presence and performance
Number of shares vested at 31 December 2021	75,320	1,461	500	18	167
Cumulative number of cancelled or void shares (at 31 December 2021)	0	111	0	0	0
Remaining shares awarded free of charge at the end of the financial year	0	0	0	0	0

(1) Executive Corporate Officers eligible for preferred shares or performance shares are required to retain 2% of the ordinary shares until the end of their offices. The number of shares indicated for awards of class B preferred shares corresponds to the number of performance shares awarded, with a conversion ratio of a maximum of 100 ordinary shares for each Preferred B Share.

(2) Deputy CEO until 28 May 2021.

(3) One Preferred B Share entitles the holder to a maximum of 100 ordinary shares, the conversion ratio being determined according to the achievement of performance and presence criteria.

Allocation of Preferred B Shares[3]				Allocation of free shares			Allocation of free shares
Preferred share allocation Plan n° 7	**Preferred share allocation Plan n° 8**	**Preferred share allocation Plan n° 12**	**Under the authorisation received from the General Meeting held on 20 June 2018 ("Plan 2018")**	**Free performance share allocation Plan n° 9**	**Free performance share allocation Plan n° 10**	**Under the authorisation received from the General Meeting held on 18 June 2019 ("Plan 2019")**	**Free performance share allocation Plan n° 11**
19/09/2017	25/10/2017	18/06/2019	Date of the Board of Directors' meeting	24/10/2018	18/06/2019	Date of the Board of Directors' meeting	15/11/2019
729	200	814	Total number of shares awarded free of charge of which[1]:	100,450	49,550	Total number of shares awarded free of charge of which [1]:	150,000
-	-	-	Simon AZOULAY	-	-	Simon AZOULAY	-
-	-	423	Gérald ATTIA			Gérald ATTIA	-
-	-	-	Pierre MARCEL[2]			Pierre MARCEL[2]	-
19/09/2019	25/10/2019	18/06/2021	Vesting date of shares	24/10/2022	18/06/2023	Vesting date of shares	15/11/2023
19/09/2021	25/10/2021	18/06/2023	Date on which lock-up period ends	-	-	Date on which lock-up period ends	-
Presence and performance	Presence and performance	Presence	Final award conditions	Presence and performance	Presence and performance	Final award conditions	Presence and performance
661	70	814	Number of shares vested at 31 December 2021	400	0	Number of shares vested at 31 December 2021	400
68	130	0	Cumulative number of cancelled or void shares (at 31 December 2021)	14,800	8,600	Cumulative number of cancelled or void shares (at 31 December 2021)	7,200
0	0	0	Remaining shares awarded free of charge at the end of the financial year	**85,250**	**40,950**	Remaining shares awarded free of charge at the end of the financial year	**142,400**

(1) Executive Corporate Officers eligible for preferred shares or performance shares are required to retain 2% of the ordinary shares until the end of their offices. The number of shares indicated for awards of class B preferred shares corresponds to the number of performance shares awarded, with a conversion ratio of a maximum of 100 ordinary shares for each Preferred B Share.

(2) Deputy CEO until 28 May 2021.

(3) One Preferred B Share entitles the holder to a maximum of 100 ordinary shares, the conversion ratio being determined according to the achievement of performance and presence criteria.

Allocation of free shares			
Under the authorisation received from the General Meeting held on 18 June 2020 ("Plan 2020")	**Free share allocation Plan n° 13 – Motivation for 2020**	**Free performance share allocation Plan n° 14**	**Free share allocation Plan n° 15**
Date of the Board of Directors' meeting	27/10/2020	27/10/2020	27/10/2020
Total number of shares awarded free of charge of which[1]:	157,170	164,500	10,000
Simon AZOULAY	-	75,000	-
Gérald ATTIA	-	35,000	-
Pierre MARCEL[2]	-	-	-
Vesting date of shares	27/10/2022	27/10/2023	27/10/2022
Date on which lock-up period ends			
Final award conditions	Presence	Presence and performance	Presence
Number of shares vested at 31 December 2021	0	0	0
Cumulative number of cancelled or void shares (at 31 December 2021)	42,207	15,000	0
Remaining shares awarded free of charge at the end of the financial year	**114,963**	**149,500**	**10,000**

(1) Executive Corporate Officers eligible for preferred shares or performance shares are required to retain 2% of the ordinary shares until the end of their offices. The number of shares indicated for awards of class B preferred shares corresponds to the number of performance shares awarded, with a conversion ratio of a maximum of 100 ordinary shares for each Preferred B Share.

(2) Deputy CEO until 28 May 2021.

Allocation of free shares

Under the authorisation received from the General Meeting held on 18 June 2020	Free performance share allocation Plan n° 16	Free share allocation Plan n° 17	Under the authorisation received from the General Meeting held on 28 May 2021	Free share allocation Plan n° 18	Free performance share allocation Plan n° 19
Date of the Board of Directors' meeting	23/02/2021	23/02/2021	Date of the Board of Directors' meeting	27/10/2021	27/10/2021
Total number of shares awarded free of charge of which[1]:	109,450	13,500	Total number of shares awarded free of charge of which[1]:	105,850	116,825
Simon AZOULAY	-	-	Simon AZOULAY	-	-
Gérald ATTIA	-	-	Gérald ATTIA	-	-
Pierre MARCEL[2]	-	-	Pierre MARCEL[2]	-	-
Vesting date of shares	29/02/2024	23/02/2023	Vesting date of shares	27/10/2023	27/10/2025
Date on which lock-up period ends			Date on which lock-up period ends		
Final award conditions	Presence and performance	Presence	Final award conditions	Presence	Presence and performance
Number of shares vested at 31 December 2021	0	0	Number of shares vested at 31 December 2021	0	0
Cumulative number of cancelled or void shares (at 31 December 2021)	600	3,500	Cumulative number of cancelled or void shares (at 31 December 2021)	0	0
Remaining shares awarded free of charge at the end of the financial year	**108,850**	**10,000**	Remaining shares awarded free of charge at the end of the financial year	**105,850**	**116,825**

(1) Executive Corporate Officers eligible for preferred shares or performance shares are required to retain 2% of the ordinary shares until the end of their offices. The number of shares indicated for awards of class B preferred shares corresponds to the number of performance shares awarded, with a conversion ratio of a maximum of 100 ordinary shares for each Preferred B Share.

(2) Deputy CEO until 28 May 2021.

Preparation of Preferred B shares allocation plans

The Board decided to use the delegation granted by the General Meeting of 24 May 2016 to prepare, on 27 July and 27 October 2016, 19 September and 25 October 2017 and 18 June 2019, Preferred B shares allocation plans.

An ALTEN Corporate Officer was awarded Preferred B shares.

The conversion of Preferred B Shares into ordinary shares will take place at the earliest on 28 July 2020 on the basis of a conversion ratio determined by the attainment:

- of a consolidated revenue growth criterion at N+4 compared to the year of allocation of the Preferred B shares (20% weighting), adjusted by a coefficient reflecting the employee's length of service;
- of a consolidated operating profit on activity criterion at N+4 compared to the year of allocation of the Preferred B shares (80% weighting), adjusted by a coefficient reflecting the employee's length of service;
- an employment criterion (presence coefficient).

One Preferred B Share will entitle the holder to a maximum of 100 ordinary shares. Accordingly, for one Preferred B Share, the number of ordinary shares will be determined by applying the following formula:

CR1 + CR2;

or

CR1 = CR x 20% x M x Coef CA; and

CR2 = CR x 80% x M x COef ROA.

It should be recalled that 2% of ordinary shares from the conversion of Preferred B shares by ALTEN Corporate Officers must be kept by the latter until the cessation of their functions.

On 28 January 2022, the Chairman and Chief Executive Officer, acting pursuant to the sub-delegation received from the Board on 27 July 2016, noted, *inter alia*, that as at midnight on 27 January 2022, the number of Preferred B shares granted by the Board of Directors on 27 July 2016 was 245 and that these Preferred B shares were therefore automatically converted into new ordinary shares. As a result, 21,107 new ordinary shares were created, all of which were fully paid up by drawing on the unavailable reserve set aside for this purpose (after deduction of the nominal value of the Preferred B shares converted).

Implementation of performance share plans

The Board has decided to use the authorisations granted to it by the General Meetings of 20 June 2018, 18 June 2019, 18 June 2020 and 28 May 2021 to set up, on 24 October 2018, 18 June 2019, 15 November 2019, 27 October 2020, 23 February 2021 and 27 October 2021, eight plans for the allocation of the Company's performance shares within the framework of Article L. 225-197-1 of the French Commercial Code.

ALTEN Corporate Officers benefited from these plans, in strict compliance with the remuneration policy approved by the General Meeting.

General terms and conditions of the six plans

The number of shares vested at the end of the vesting period will be calculated by multiplying the number of shares allocated during the initial allocation by the performance coefficient.

This performance coefficient is the algebraic sum of four coefficients, each with a 25% weighting:

- the organic growth coefficient **("cCO")**;
- the operating margin on activity coefficient **("cOMA")**;
- the free cash flow coefficient **("cFC")**;
- the QCSR coefficient **("cQCSR")**.

The performance coefficient can also be expressed as the following mathematical formula:

cPerf = 0.25 x (cCO + cOMA + cFC + cQCSR)

or:

Organic Growth Coefficient – cCO

The organic growth coefficient is based on the achievement of criteria for annual organic growth rates in ALTEN SA's consolidated revenue weighted over three or four years depending on the plan concerned.

The annual rate of organic growth amounts to the growth in ALTEN SA's consolidated revenue expressed as a percentage, on a like-for-like basis and exchange rates.

Operating margin on activity coefficient – cOMA

The operating margin on activity coefficient is based on meeting criteria relating to ALTEN SA's annual consolidated operating margins on activity, weighted over three or four years depending on the plan concerned.

The annual consolidated operating margin on activity amounts to the ratio of (a) ALTEN SA's consolidated operating profit on activity to (b) ALTEN SA's consolidated revenue; on a like-for-like basis.

Free cash flow coefficient – cFC

The free cash flow coefficient is based on the achievement of ALTEN SA's consolidated annual free cash flow rate criteria weighted over three or four years depending on the plan concerned.

Free cash flow amounts to ALTEN SA's consolidated cash flow, less: (a) tax paid, (b) changes in working capital requirements and (c) tangible and intangible capital expenditure (capex). Free cash flow is calculated on a like-for-like basis and without the impact of organic growth.

Cash flow is calculated using ALTEN SA's consolidated net income, on a normative basis, *i.e.* restated for non-recurring or exceptional items, net of tax effect.

The annual free cash flow rate is the ratio of (a) free cash flow to (b) ALTEN SA's consolidated revenue; on a like-for-like basis.

QCSR coefficient – cQCSR

The QCSR coefficient is based on a composite index of 10 of the Quality and Corporate Social Responsibility indicators monitored by the ALTEN Group.

Performance criteria	MIN[1]	MAX[1]	Calculation
Organic growth coefficient "cCO"	80%	100%	Linear between MIN and MAX (0% at MIN and 100% at MAX)
Operating margin on activity coefficient "cOMA"	80%	100%	
Free cash flow coefficient "cFC"	80%	100%	
Quality and CSR coefficient or "cQCSR"	-	5	mIA/5*100

(1) It is the responsibility of the Board of Directors, after review by the Remuneration and Nomination Committee, to verify attainment of the above criteria and then record definitive awarding of the performance shares.

4

NON-FINANCIAL PERFORMANCE STATEMENT

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LETTER FROM THE CHAIRMAN GRI 102-14

"Our corporate culture is based on fundamentals shared by all our employees:

- human capital development;
- engineering culture;
- the search for profitable and sustainable growth.

The world is facing an unprecedented crisis. Our international development and our position as leader in Engineering and IT Services accentuate our responsibility to all our stakeholders.

To meet their expectations, ALTEN relies on a sustainable development strategy initiated with the signing of the United Nations Global Compact. This four-pronged strategy is a lever for resilience in the face of the exceptional situation we are experiencing:

- a career-accelerating employer, through:
  - attractiveness,
  - loyalty,
  - talent development,
  - skills development,
  - mobility and career management,
  - security,
  - employee development,
  - the development of labour relations;
- a key player in sustainable innovation, through the support given to our clients, employees and students in developing sustainable innovative solutions;
- a responsible partner, uncompromising on the following topics:
  - information security,
  - business ethics,
  - responsible purchasing,
  - solidarity;
- a company committed to reducing its environmental footprint through:
  - reducing the energy consumption of its buildings and the use of renewable energy,
  - the promotion of green mobility,
  - responsible digital technology,
  - reasoned use of natural resources and waste reduction.

In 2022, we will continue to face new challenges. As Chairman and Chief Executive Officer of ALTEN, I affirm my commitment to carry on this approach in the Group's countries: the network of CSR referents makes it possible to capitalise on each other's initiatives, to share our common values, and to accelerate on key issues, such as climate change".

Simon AZOULAY,

Chairman and Chief Executive Officer of the ALTEN Group

THE GROUP'S VALUES

ALTEN brings together human values, sustainable development and Engineering culture in the service of performance to satisfy its stakeholders. The Group's corporate culture is based on key values shared by all its employees.

Engineering culture

ALTEN teams cultivate the same sense of belonging to a technological environment based on:

- creativity;
- innovation;
- the search for solutions.

Sustainable growth

ALTEN is a financially solid company that is faithful to its commitments thanks to:

- the quality and rigour of its management;
- the quality of its teams;
- its rigorous management.

Human capital development

The Group's core commitments are the following:

- cultivate talent;
- enable individual development;
- develop expertise;
- provide a springboard for the future.

ORIGIN OF THE GROUP'S COMMITMENTS GRI 102-12 GRI 102-13

2010

- The 10 principles of the United Nations Global Compact are signed

2011

- Distribution of the Sustainable Development Charter and the first Code of Ethics

2012

- Distribution of the Responsible Purchasing Charter
- First awarded TOP Employer© label in France

2013

- ISO 14001 certification obtained

2014

- "Advanced Level" awarded by the Global Compact

2015

- ISO 9001 certification obtained

2016

- ISO 27001 certification obtained

2017

- Creation of ALTEN *Solidaire*

2019

- *Syntec-Ingénierie* Climate Charter for Engineers signed

2020

- Achievement of "Platinum" status in the EcoVadis assessment

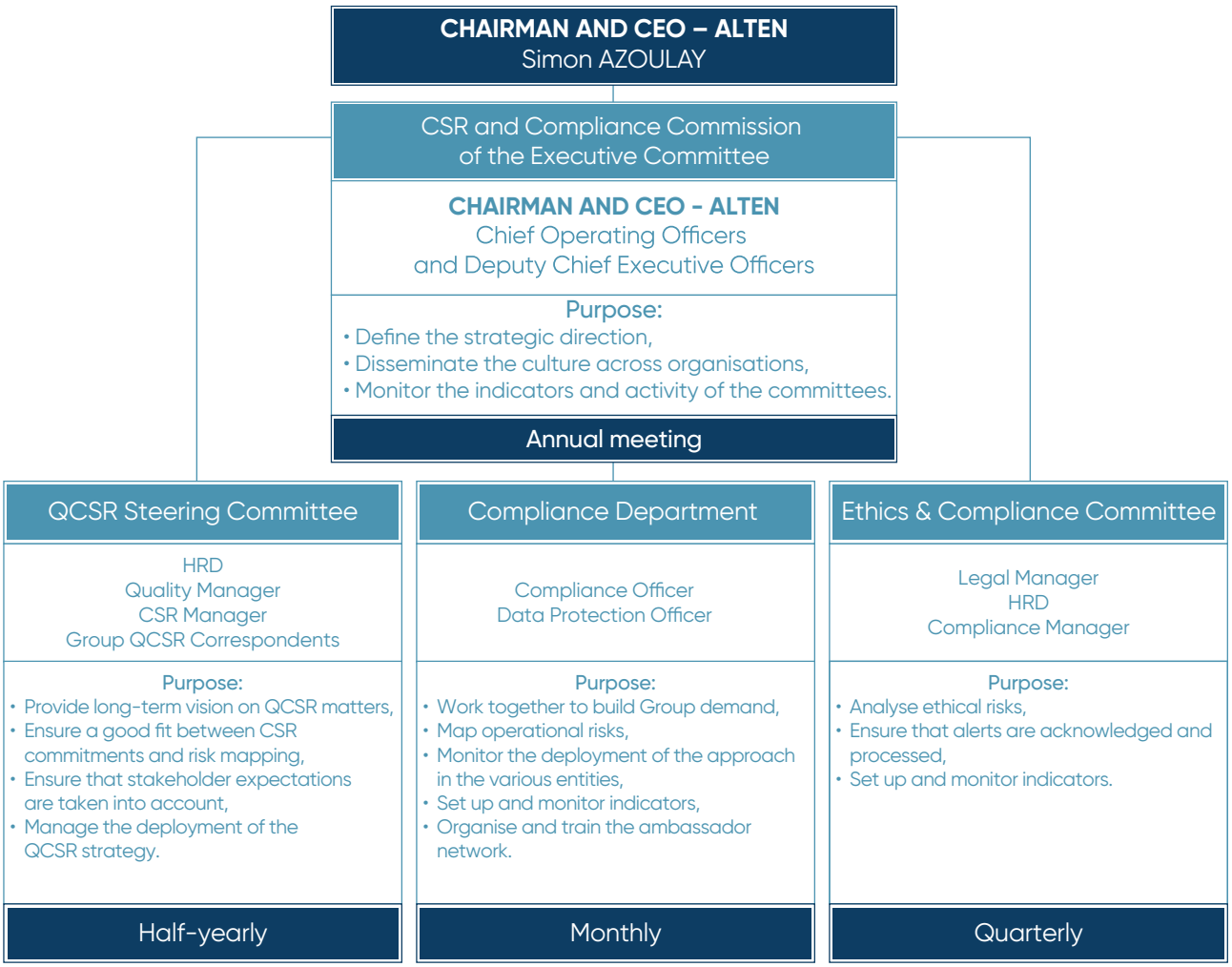
2021

- Signature of the Science-Based Targets Initiative commitment letter
- CDP Climate Change score of A-
- Jury's favourite at INR's Responsible Digital Technology Awards
- Signature of the Diversity Charter
- Signature of the *Syntec-Ingénierie* Diversity Charter
- Signature of the Planet Tech'Care manifesto

4.1 GOVERNANCE AND CSR STRATEGY

4.1.1 CSR GOVERNANCE GRI 102-18

The ALTEN Group's CSR governance is based on several committees and a CSR and Compliance Commission, created within the Executive Committee. This CSR and Compliance Committee validates the proposals of the Quality – Group CSR and Ethics and Compliance Steering Committees, and monitors the implementation of Compliance projects in the Group.



The CSR team manages the dedicated approach across the Group thanks to a network of correspondents within subsidiaries. Reporting to the Quality and Performance Department, it aims to:

- develop, run and update the Group's CSR strategy;
- assist subsidiaries with the local adaptation of the materiality and conduct of CSR projects;
- run the CSR correspondents' network;
- promote the CSR approach with management of business lines;
- respond to non-financial assessments;
- ensure the efficiency of the stakeholder listening process;
- carry out CSR watch.

4.1.2 STAKEHOLDER MAPPING

GRI 102-40 GRI 102-42 GRI 102-43 GRI 102-44

ALTEN's stakeholders interact with:

- its social or economic sphere;
- its value chain;
- civil society;
- the regions where the Group operates.

To maintain a CSR strategy that corresponds to its challenges, ALTEN engages in dialogue with its stakeholders:

Level 1

Employees,
ALTEN's true ambassadors
Interaction(s):

- suggestion box in France;
- events;
- internal communications;
- satisfaction surveys.

Clients,
drivers of research and innovation
Interaction(s):

- business and technical dialogue;
- Client questionnaires.

Students and young graduates,
future employees with high added value
Interaction(s):

- intervention in universities;
- participation in trade fairs;
- sponsorship and student challenges;
- social media;
- candidate satisfaction survey.

Schools and universities,
partners to nurture careers
Interaction(s):

- intervention in universities;
- school/university partnerships.

Level 2

Associations promoting scientific occupations,
revealing tomorrow's potential
Interaction(s):

- participation in events to promote scientific careers.

Shareholders,
support for development
Interaction(s):

- General Meetings;
- regulated information;
- questionnaires;
- investor meetings.

The media,
vectors of the ALTEN brand image
Interaction(s):

- interview;
- press;
- social media.

Suppliers and subcontractors,
partners in success
Interaction(s):

- supplier meetings;
- ALTEN Sustainable Development questionnaire.

Staff representatives,
ensuring labour relations
Interaction(s):

- staff representative bodies.

Rating agencies,
witnesses to ALTEN's performance in non-financial areas
Interaction(s):

- non-financial performance questionnaires.

Level 3

Professional bodies,
industry advocates
Interaction(s):

- publications;
- physical or online information sites;
- support tools.

Public and political powers, city halls, neighbouring businesses,
generators of a sustainable local dynamic
Interaction(s):

- conferences;
- articles;
- online platforms.

International organisations,
guides towards a more responsible approach
Interaction(s):

- conferences;
- events;
- organisations' websites.

Competitors,
competitors that encourage others to excel
Interaction(s):

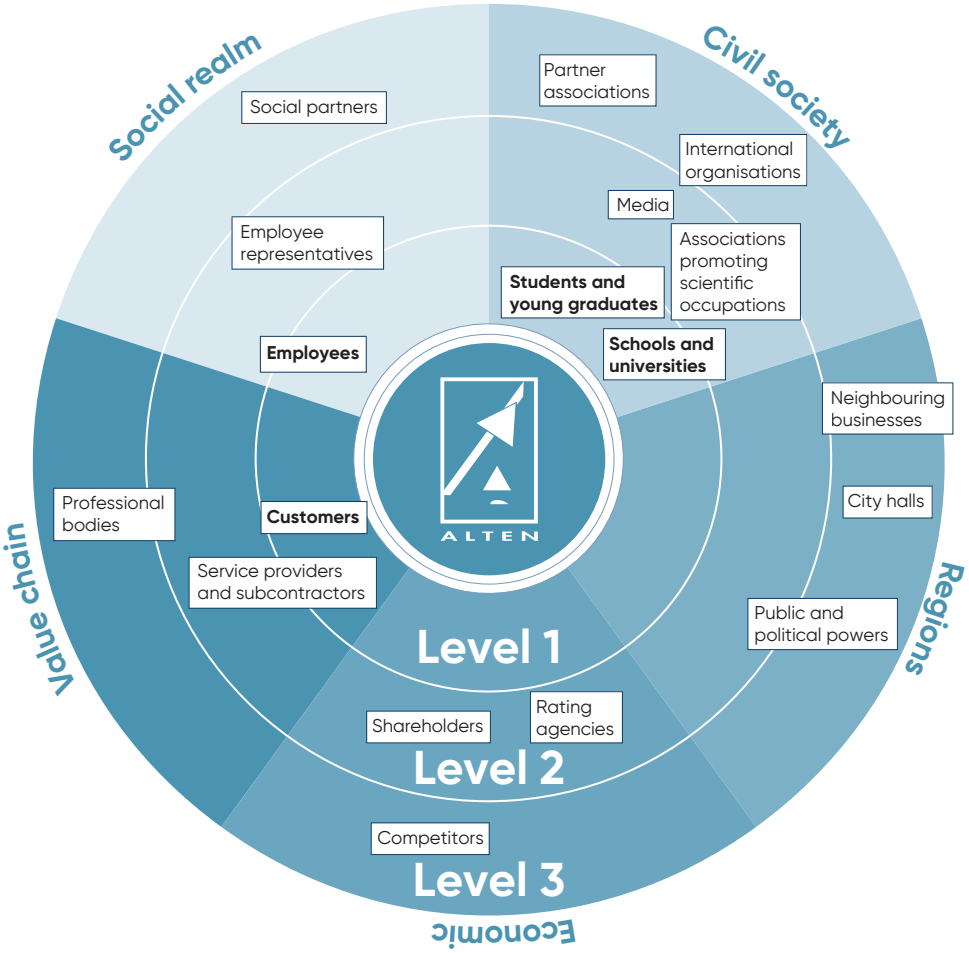
- annual publications;
- conferences;
- events.

Partner associations,
people upholding ALTEN's commitment
Interaction(s):

- skills sponsorship;
- events.

Social partners,
guarantors of social negotiations
Interaction(s):

- meetings of trade unions and employers' organisations.



4.1.3 PRIORITISATION OF CHALLENGES GRI 102-44 GRI 102-46 GRI 102-47 GRI 103-2

A carefully considered sustainable development strategy respects the Group's values and foundations. It must be aligned with its challenges and the expectations of its stakeholders.

The ALTEN Group's materiality analysis complies with the principles of the Global Reporting Initiative (GRI).

Issues are "material" if they can:

- affect the Company's short-term performance;
- determine its ability to achieve its strategic objectives;
- match the best practices in its sector;
- affect stakeholder behaviour;
- reflect the evolution of the Group.

This analysis, conducted since 2015, was updated in 2021 on the basis of interviews with stakeholders conducted internally and externally, but also on the basis of client CSR requests and sectoral analyses.

Following this analysis, the issues below have been selected as material ESG issues for the Group.

Environment	Social	Governance
Environmental footprint	Labour relations	Client satisfaction*
Contribution to the success of client CSR strategies	Diversity and equal opportunities*	Corporate governance*
Green mobility	Skills development	Information Systems Security and data protection*
Responsible Digital Technology	Talent attraction and retention	Business ethics and compliance*
	Health and safety in the workplace	Innovation
	Well-being at work	Promotion and feminisation of the Engineering professions
		Responsible purchasing
		Dialogue with local stakeholders
		Solidarity

** The issues identified by an asterisk are the most important issues both for ALTEN's activity and for its stakeholders.*

This study made it possible to refocus ALTEN's CSR strategy around four main priority areas:

- a career-accelerating employer;
- a stimulator of innovation;
- a responsible partner;
- a company committed to the environment.

4.1.4 MAIN NON-FINANCIAL RISKS GRI 102-15 GRI 102-44 GRI 103-1 GRI 103-2

The ALTEN Group has reviewed its main non-financial risks[1] from:

- the analysis of their materiality;
- their relevance;
- the severity of their issues related to financial risk analysis.

Internal departments[2] worked with an external consulting firm. Together, they identified, prioritised and defined the main non-financial risks.

To do this, they compared:

- the business model;
- the Group's materiality matrix;
- non-financial topics[3].

They assessed the impact of each risk on the Group's activity and stakeholders. They also determined the probability of occurrence of the risks to measure their final impact.

This step made it possible to extract **eight non-financial risks,** which were then associated with the issues in the materiality matrix. This made it possible to verify the consistency of the Group's approach and maximise client satisfaction.

1/ Talent recruitment and retention

The quality and productivity requirements of ALTEN's clients are constantly increasing in a context of strong commitment. The Group's success could be affected by the difficulty of attracting and retaining talent.

The attraction policy is supported by a retention plan that places ALTEN among the leaders in the employment market.

Employee recruitment and retention strategy is described in Sections 4.2.3 – "Attracting talent" and 4.2.4 – "Retain talent".

Material ESG issues related to this risk:

- diversity and equal opportunities;
- talent attraction and retention;
- outreach and feminisation of the Engineering professions;
- labour relations.

2/ Expertise and skills

ALTEN is positioned as a catalyst for innovation for its clients and employees. A lack of expertise and skill in supporting the clients would heavily penalise the Group.

Faced with this risk, ALTEN's skills development programme helps each employee to maintain or enhance their employability. At the same time, the Innovation Department develops innovative and sustainable solutions, shared with clients.

The Group's actions are described:

- in Section 4.2.5 "Career management, internal mobility and training";
- in Chapter 1, Section 1.5.3 "ALTEN Innovation: a step ahead with SMART DIGITAL".

Material ESG issues related to this risk:

- skills development;
- innovation.

3/ Health and safety in the workplace

Health and safety in the workplace is a key responsibility for ALTEN. They help to optimise the working conditions of its employees.

To control the risk of deteriorating working conditions, ALTEN has implemented a health and safety prevention and protection approach. It is based on regulations, standards and strict internal guidelines.

The Group's approach is set out in Section 4.2.7 – "Health and Safety in the Workplace".

Material ESG issues related to this risk:

- health and safety in the workplace;
- well-being at work.

4/ Security of the IT systems

Information security and cybersecurity are major strategic issues for the Group. The risks related to its Information Systems Security system are a threat to its operations and clients.

The Group has defined an Information Systems Security policy and set up the associated management system.

Its approach is described in Section 4.3.3 "Information Systems Security".

Material ESG issues related to this risk:

- Information Systems Security and data protection.

5/ The Ethics Charter and compliance with regulations

ALTEN promotes integrity and ensures compliance with laws and regulations. However, the Group may be exposed to the risk of breaching its Ethics Charter or regulations. It has therefore strengthened its internal transparency and anti-corruption procedures, in accordance with the Sapin II law.

The actions implemented by the Legal Department are detailed in Section 4.3.2 "Ethics and compliance".

Material ESG issues related to this risk:

- business ethics and compliance.

(1) In accordance with Articles L. 225-102-1, L. 22-10-36 and R. 22-10-29 of the French Commercial Code.

(2) The Quality and Performance Department, the Legal Department, the Communications Department and the Human Resources Department.

(3) Article R. 225-105 of the French Commercial Code.

6/ Dialogue with local stakeholders

The Group' s values commit it to:

- contribute to the development of the regions where it operates;
- support solidarity programmes;
- innovate for society.

Inadequate responsiveness and dialogue can affect ALTEN's attractiveness.

The Group has created a skills-based sponsorship programme in France. All ALTEN entities can participate. It carries out numerous sponsorship activities in the Group's various entities.

Details are set out in Section 4.3.6 – "Regional solidarity".

Material ESG issues related to this risk:

- dialogue with local stakeholders;
- solidarity.

7/ Human rights and environmental damage involving suppliers and subcontractors

The Group must be vigilant over the activities of its suppliers and subcontractors. It must be involved in the sustainable development of its partners. The risk would be to use suppliers or subcontractors with a lower level of CSR requirements than its own.

The Group has implemented a responsible purchasing approach linked to its duty of care plan. The Group's approach is set out in Section 4.3.4.2 – "Responsible purchasing".

Material ESG issues related to this risk:

- responsible purchasing.

8/ Climate change

ALTEN is a leader in Engineering and IT Services. A lack of adaptation to the consequences of climate change represents a risk to its success. ALTEN must sustainably control and reduce its environmental footprint and adapt its offering.

ALTEN has integrated environmental management into its quality management. The Group is rated A- by CDP Climate Change. The fight against climate change also provides opportunities for its activity.

ALTEN's policy and plan to reduce its emissions are described in Section 4.4 "Reducing the Group's environmental footprint".

Material ESG issues related to this risk:

- environmental footprint;
- green mobility;
- responsible digital technology;
- contribution to the success of client CSR strategies.

4.1.5 RATINGS – AWARDS GRI 103-3

The ALTEN Group's commitment and non-financial performance are regularly recognised by certifications, labels, and ratings:

Top Employer©	• Label awarded to ALTEN by the *Top Employers Institute* for the tenth consecutive year; • Rewards companies for their HR policy and the Group's human investments to be a benchmark employer; • Other entities certified in 2021: – ALTEN Spain, – ALTEN Italia, – ALTEN GmbH, – MI-GSO.
EcoVadis rating	• ALTEN Practice Responsibility Assessment renewed in 2021, after 12 years of voluntary assessment; • Group Sustainable Development approach rated 80/100; • Awarded the Platinum medal: – highest EcoVadis award, – distinguishes the top 1% of the world's best-performing companies.

Management system certifications	International standards are strategic tools and guidelines. Their integration into the company's management system ensures its optimal efficiency. **ALTEN's main certifications:** • ISO 9001 and EN 9100: Quality management system in the Aeronautics sector; • ISO 14001: Environmental performance management; • ISO 27001: Information security management since 2012 for ALTEN France. The following are also certified: • ALTEN India; • HUBSAN; • ALTEN Spain; • ALTEN Sverige; • ALTEN GmbH; • ALTEN Italia; • LINCOLN; • TECHaLTEN Portugal; • MI-GSO; • PCubed UK.
Health & Safety certifications	Certifications attesting to the efforts made and successes achieved through ALTEN's health and safety management system(1): • MASE, Company Safety Improvement Manual: since 2008; • CEFRI, French Committee for the Certification of Companies for the Training and Monitoring of Personnel Working with Ionising Radiation: since 2007; • ISO 45001 for ALTEN Spain.
Global Compact	Commitment and success of ALTEN's progress reaffirmed in terms of sustainable development: • membership of the United Nations Global Compact since 2010; • renewal of the Advanced award for Communication on Progress (COP).
CDP	A- rating in recognition of climate initiatives
Universum	ALTEN is ranked 91st in the Engineering category
Gaïa	ALTEN's participation in the Gaïa Rating for the seventh consecutive year with a score of 84/100 attesting to: • efforts in favour of the environment; • the social commitment of governance.
CMMI	The CMMI-SVC®, Capability Maturity Model and Integration – Services assessment reinforces ALTEN's position as a world leader in the implementation of complex projects, supported by: • a high level of expertise; • and the implementation of development processes. ALTEN achieved Level 3, which is the highest level of maturity reached in France, all sectors combined.
Responsible Digital Technology Awards	ALTEN won the "Jury's Favourite" award in the "Organisational Strategy and Responsible Digital Technology" category. Organised by the *Institut du Numérique Responsable*, these awards recognise the implementation of initiatives for a more ecological and inclusive digital environment.

(1) These certifications show the desire for a continuous improvement approach in the HSE areas.

4.2 CAREER-ACCELERATING EMPLOYER

GRI 103-1 GRI 103-2 GRI 103-3 GRI 405-1

4.2.1 CHALLENGES AND PRIORITIES

ALTEN has established a dynamic human capital management policy. This policy makes it possible to meet the CSR challenges identified in the materiality study. This policy is rolled out on the following priority areas:

- talent attraction and retention;
- skills development;
- diversity and equal opportunities;
- health and safety in the workplace;
- well-being in the workplace.

4.2.2 ALTEN EMPLOYEES GRI 102-7 GRI 102-8 GRI 401-1

The total workforce of the ALTEN Group in the CSR scope amounted to 31,603 employees at 31 December 2021. In France, there are 11,757 employees.

	Number of women in the headcount	Number of men in the headcount	Total 2020	Total 2021
France	3,423	8,334	10,905	11,757
Germany	484	1,736	2,247	2,220
Belgium	223	482	746	705
Spain	612	2,013	2,310	2,625
Italy	743	2,218	1,903	2,961
Sweden	354	934	1,228	1,288
India	692	2,603	2,076	3,295
The Netherlands	183	955	974	1,138
China	394	561	752	955
USA	176	266	387	442
UK	188	899	826	1,087
Morocco	519	444	803	963
Portugal	58	111	107	169
Finland	115	358	488	473
Switzerland	91	349	408	440
Qatar	8	71	72	79
Poland	190	182	NC	372
Romania	238	396	NC	634
TOTAL	**28%**	**72%**	**26,232**	**31,603**

In France, the average age of employees is 32.

In the Group, 60% of employees are between 25 and 34 years old; employees break down into the following age brackets in the Group's CSR scope:

	Number of employees over 45 years old	Number of employees aged between 35 and 44 years old	Number of employees aged between 25 and 34 years old	Number of employees under 25 years old
Headcount at 31/12/2021	11%	20%	60%	9%

85% of the Group's headcount is composed of Engineers:

Percentage of employees who are Consultant-Engineers	85%
• Percentage of employees who are Business Managers	6%
• Percentage of employees who are Support Functions	9%

90% of employees within the CSR scope have permanent contracts:

Percentage of permanent employees	90%
• Percentage of temporary employees	9.6%
• Percentage of employees on apprenticeship and vocational training contracts	0.4%

In 2021, the part-time headcount represented 1% of employees in France.

4.2.3 ATTRACTING TALENT

The recruitment dynamic operates through a demanding skills analysis process. It enables the identification and recruitment of high-level profiles. The Group's teams of Consultant-Engineers have access to the largest technological projects in the following sectors:

- Aeronautics;
- Space;
- Defense & Naval;
- Automotive;
- Rail;
- Energy;
- Life Sciences;
- Telecoms & Media;
- Finance & Services.

The Group therefore attaches great importance to the technical expertise, knowledge of the business sectors and the know-how of its Engineers. They must be able to adapt to rapidly changing environments:

- in France, ALTEN is strongly committed to students to attract the best talent;
- a recruitment team supports the Group's international growth, where ALTEN generates 65% of its revenue.

In 2021, there was a strong resumption of recruitment and face-to-face interventions in the Engineering schools where in 2020 the events were held remotely.

1/ Internal systems

A. Co-optation

Internal co-optation encourages and rewards the referral of applications by employees. In 2021, it resulted in the recruitment of 295 employees in France.

B. ALUMNI Ambassadors

Many of our Engineers and Managers are involved with their home schools for courses, tutorials, conferences and skills sponsorship. The ALTEN Group is proud to see its employees share its values with their networks.

2/ ALTEN Campus: partner for student projects

A. School and non-profit partnerships

To identify potential candidates as early as possible, ALTEN meets future graduates on a number of occasions: the Group is present at a large number of specialist recruitment fairs and forums. These events are an opportunity for students and graduates to meet recruiters, to discover career opportunities and, moreover, to benefit from a wealth of recruitment advice from professionals. In 2021, ALTEN took part in nearly 100 fairs and forums (physical or digital) in France and Europe.

In addition, ALTEN France is a partner of 31 Engineering schools, and organises technical and business conferences, Thinking Labs (student hackathons), and HR workshops (mock interviews, CV workshops, etc.). To do this, ALTEN is committed to working on the following priority areas:

- strengthen and boost its exchanges with the administrations of the target schools by involving ALTEN Business Directors (called Top Ambassadors). 25 ALTEN Directors are therefore involved in the management of school initiatives on their former campus, and take part in significant events during the year;
- promote Engineering professions through trade fairs, forums and *via* the launch of the Campus Manager Engineer programme, which enabled around a dozen employees to work with students in schools. ALTEN has developed a 100% digital platform, ALTENcampus.fr, to support student projects through sponsorship and allow all students to develop their soft skills by taking advantage of e-learning modules provided by ALTEN trainers;
- as a premium partner of the National Confederation of Junior-Enterprises (CNJE) since 2011, ALTEN communicates with 200 business schools, Engineering schools and universities. ALTEN's commitment is reflected in the presence of its teams at all CNJE meetings (including the 2021 Winter National Congress in Seignosse, which brought together more than 1,000 junior entrepreneurs) as well as participation in:
  - the jury of the *Prix d'Excellence* which rewards the best Junior-Enterprise,

- the Best Engineering Study Award,
- the Business Development Challenge Award.

ALTEN goes even further by establishing enhanced partnerships with some 32 junior enterprises, which the Group supports in their development *via* training courses on the following subjects:

- business development;
- structuring its business activity;
- response to a call for tenders;
- personal branding;
- convincing the recruiter;
- communicate to convince;
- creating a communications strategy;
- negotiating.

In 2021, more than 1,700 students attended these courses online or in person.

B. ALTEN Campus platform

During the health crisis, ALTEN launched the free platform ALTENcampus.fr to maintain links with students. It is the first digital interface dedicated to:

- students;
- Engineering schools;
- business schools;
- technological universities;
- non-profit organisations;
- junior enterprises.

ALTEN is thereby reaffirming its position as a partner to students and their projects, by offering content that complements their curricula. The site presents the Group's partnerships and internship and work-study programmes. It offers e-learning modules certified by ALTEN and regular live conferences on three areas:

- soft skills;
- tech skills;
- innovation trends.

The objective is to give students the keys to develop their skills, set up an associative or entrepreneurial project and to launch into professional life.

In 2021, ALTEN organised the first edition of its Students Week, aimed at students from its target schools. The programme included training on interview pitches, building a professional network, stress and time management, and a live cooking session hosted by a pastry chef.

International initiatives and specialist subsidiaries:

- **LINCOLN:** the LINCOLN teams carried out simulated interviews for Centrale – Supelec students. These discussions were carried out under the actual conditions of a remote interview and were followed by a live debriefing with advice on CV writing, interview posture and presentation methodology;
- **ALTEN Switzerland:** The Aerospace Engineers were able to accompany a group of students to work on the construction of a space rocket;
- **ALTEN Sverige:** Once again recognised as Career Company 2021 – **ALTEN Sverige** is among the 100 companies in Sweden that offer the best development opportunities for students and young professionals;
- **ALTEN Netherlands and ALTEN Italia:** Privileged partnerships with numerous universities and schools across the country.

3/ An attractive employer on social media

The Group is keen to encourage projection within the Group. It continues to strengthen its visibility on social media:

- highlighting business expertise;
- profiles and interviews of Consultant-Engineers, etc.;
- promotion of CSR commitments;
- sharing the internal life of the Company;
- relaying the Group's news.

ALTEN has active LinkedIn, Twitter, Facebook, Instagram, YouTube and Glassdoor accounts. Its popularity on LinkedIn continued to grow, reaching more than 385,350 subscribers in December 2021.

In 2021, ALTEN achieved a notable performance in the Online Talent Communication Potential Park France ranking. The Group ranks ninth, rewarding the investments and projects deployed in the health context. The Potential Park ranking is based on a survey of nearly 300 criteria on companies' digital recruitment strategies. The ranking is based on several categories: career site, online application process, social media and mobile experience.

4/ ALTEN is committed to promoting the Engineering professions among young people

ALTEN continues its actions to promote Engineering, scientific and technical professions among young people, starting at secondary school.

ALTEN partner of the *Union des Professeurs de Sciences et Techniques Industrielles* (UPSTI)

ALTEN continued to support UPSTI in its actions adapted to the health context. The association's network brings together more than 700 teachers passionate about education, technology and digital sciences as well as companies and industrial partners. Its aim is to train the Engineers of tomorrow and promote the talents of young people in the fields of Engineering and computer science.

Je filme le métier qui me plaît: Engineers in the spotlight

Je filme le métier qui me plaît is a competition for secondary school pupils and students. The aim of the competition is to showcase different professions in a 3-minute video. The competition is sponsored by prestigious "ambassadors of the arts" such as the actor Jean Dujardin, the journalist Tina Kieffer, the Director Costa-Gavras, and even Jean Reno, President of the 2021 edition.

ALTEN has been a loyal partner of the competition for four years. The Group sponsors the "Engineers in the Spotlight" category and in 2021 rewarded a team of high school students for their film "The New Guardians" presenting the issues surrounding cybersecurity.

ALTEN is also committed to increasing the number of women in scientific and technical professions. The Group is developing a number of actions to raise awareness of these courses among young women. These commitments to increasing the number of women in scientific professions are described in Section 4.2.6 "Promoting diversity".

4.2.4 RETAIN TALENT

1/ Ensuring employee satisfaction

The Group wishes to retain its talents and build their loyalty to support the Group's growth. Since 2018, it has been pursuing a loyalty plan in France aimed at:

- strengthening the quality of management by placing the monitoring and management of the careers of Consultant-Engineers at the heart of the training of Business Managers;
- strengthening the satisfaction of consultants through monthly quality surveys: consultants are invited to assess their satisfaction on the following points:

Subject:	Ratings obtained in 2020	Ratings obtained in 2021
Relationship with ALTEN	3.04/4	3.22/4
Interest of the missions	3.05/4	3.25/4
Working environment	3.09/4	3.29/4

The results are reported to the department Directors to ensure the satisfaction of the teams.

The integration and follow-up of employees has also been strengthened. Consultants are invited to an onboarding event in the month following their arrival.

Departmental Directors and Career Mission Managers lead the event. It aims to introduce the ALTEN Group to new arrivals and to create links between them.

The integration process for Consultants has been reviewed. A 5-step online process allows regular meetings between Consultants and Managers in the first year.

ALTEN also offers its Engineers the opportunity to become involved in other ways in addition to client assignments, through the following roles:

- **Site Leader:** A Site Leader Consultant ensures team cohesion between Consultant-Engineers on the same client site; 97 Site Leaders cover our Technical Assistance activities on as many client sites;
- **Campus Manager Engineer:** a Campus Manager Engineer represents his or her school. This programme was revived to strengthen relations with schools and activities with Alumni; 20 Campus Manager Engineers drove our relationships with Schools in 2021;
- **Training Engineer:** this role was created within AMPLIFY Engineers, for those who want to become a trainer. AMPLIFY Engineers is an internal training organisation dedicated to Consultant-Engineers. It is launched with the help of Engineers responsible for producing educational content and delivering in-house training. To date, 15 trainers are providing the first training courses, and as the catalogue is regularly enriched. The number of trainers will increase gradually;
- **Specialist:** this role was created to promote and leverage the expertise of Engineers in technical, scientific or functional areas representing strategic challenges. 140 Specialists represent 15 families of specialities spread over 60 fields.

Digital conferences "Chronicles of Specialists" were created in 2020. A Specialist presents his or her area of expertise for one hour. Open to all Engineers, they should enable the sharing of knowledge and strengthen the link between employees.

In 2021, eight columns were organised on topics such as:

- inertial units;
- fibre optics;
- Devops;
- SIA/Powertrain return;
- Advanced Product Quality Planning (APQP) at Airbus.

Lastly, ALTEN's Yammer social network brings together more than 17,000 members across Europe through more than 150 technical and recreational communities. In 2021, ALTEN Tribes were launched with the objective of bringing together and animating the Technical Communities on a national scale through regular events, mainly digital to facilitate their organisation and running.

The ALTEN Awards and the "Our employees have talent" programme round out this skills development.

The **ALTEN Awards** enhance the value of employees. The 6th edition of the competition, open to applications in 2021, will take place in 2022. The ALTEN Awards reward the involvement and outstanding performance of Consultant-Engineers in eight categories:

- ALTEN Award for a Project Manager of a Structured Project;
- Innovation Award;
- Award for Contribution to Corporate Development;
- Most Promising Start Award;
- Award for Site Leader of the Year;
- Commitment Award;
- Specialist Award;
- Jury Special Award.

After receiving the applications, the winners are announced at a ceremony in the presence of Simon AZOULAY, Chairman and Chief Executive Officer of the ALTEN Group.

International initiatives and specialist subsidiaries

- **CPRIME INC** received the label Great Place to Work and is included in the TOP 20 of the best-rated small and medium-sized companies in its business sector;
- **LINCOLN** also received this label;
- **ALTEN GmbH and ALTEN SW GmbH** received the awards Top Company and Open Company. The awards are presented by the German rating platform Kununu, which assesses the attractiveness of the employer *via* a voting index of employees and applicants.

2/ Labour relations

ALTEN maintains regular labour relations with its social partners to foster constructive and value-creating relationships. In this way, the Group promotes the performance of the company and the protection of its employees.

In France, 45 CSSCT meetings and 63 SEC meetings were held in 2021.

3/ Remuneration

The ALTEN Group remuneration policy combines competitiveness and equality to attract and motivate talents.

4.2.5 CAREER MANAGEMENT, INTERNAL MOBILITY AND TRAINING GRI 404-3

1/ Career management

ALTEN offers dynamic Human Resources management that promotes career diversity and skills development. The internal organisation adapts to the expectations of Consultant-Engineers, Business Managers and Support Functions.

On the **Consultant-Engineers** side, the Engineering Careers Department and the Careers Officers define internal processes. The Business Managers, in charge of Engineers, deploy and monitor these processes.

For example, the Annual Appraisal helps to build development and career plans by identifying:

- skills acquired;
- the skills to be developed;
- training needs.

A system meets Engineers' requests for geographical mobility. It also promotes internal mobility between the Group's entities and functions.

On the **Business Managers** side, the half-yearly Career Committees bringing together the Operations Managers enable them to review the performance achieved. The following are studied:

- commercial results;
- recruitment and development results;
- compliance with processes;
- the quality of the follow-up.

Hierarchical changes, functional and geographical mobility are then decided. In addition, an annual appraisal campaign is held every year. It allows Business Managers to review the past year with their managers. Action plans are then drawn up to achieve the objectives set. Lastly, the AMPLIFY training paths are designed for Business Managers to acquire essential skills and expertise. Throughout their career they benefit from:

- individual support;
- assessment procedures;
- face-to-face theoretical courses or e-learning modules.

These measures reinforce learning in the field by targeting operational performance.

AMPLIFY training in France and Germany have been digitalised for health reasons. A new digital course in English and French was rolled out in France, the UK and Germany. It covers the Group's IT offerings. In France and Germany, the "onboarding passport" offers newcomers the support of an experienced manager. The latter supervises them on certain key missions:

- business development;
- recruitment interviews;
- preparation of technical meetings;
- etc.

On the **Support Functions** side, the Career Management department has been implementing various performance and skills management processes for several years:

- annual and professional appraisals;
- personnel reviews and career committees;
- management follow-ups: meetings are organised on a regular basis with Directors and managers to define and follow up on development action plans;
- mobility follow-up interviews: meeting with the employee to get feedback on his or her mobility;
- career development meetings: career management service staff meet employees to focus on their professional development, skills acquired, aspirations and prospects for development within the Group.

More than 400 HR interviews were carried out in 2021 (+33% compared to 2019). This dynamism and the efficiency of our career processes have made it possible to fill more than one in three positions internally for Support Functions in 2021.

In 2022, Career Management has set itself the following objectives:

- digital transformation with the implementation of a new multi-domain HR tool (recruitment, career, training) has high added value for employees;
- support for our employees with even more frequent meetings with the Careers Department.

In total, in 2021, 89% of employees in France had an annual appraisal, as did 81% of the Group headcount.

International initiatives and specialist subsidiaries

ALTEN Belgium establishes committees to support the career development of Consultants. Operations Managers and representatives of the Technical Division and the Talent Development Department examine:

- performance;

- commitment;
- interactions with internal teams.

This review is both objective and fair and is conducted for all eligible Consultants.

MI-GSO, ALTEN GmbH, ALTEN SW GmbH, ALTEN Netherlands, ALTEN Finland and **ALTEN Maroc** facilitate the integration of newcomers by encouraging the sharing of expertise with more experienced consultants through sponsorship and mentoring programmes.

2/ Internal mobility

ALTEN offers the MyMOBILITY platform to strengthen internal mobility. It allows employees to:

- access the Group's offers;
- apply for jobs;
- create alerts for positions that match their aspirations.

Mobility can be vertical, horizontal or geographical.

Employees can acquire expertise and become a referent, or move into management. The ALTEN Group offers many opportunities for geographical mobility in France, abroad and in its subsidiaries. It thus supports its national and international development.

Internal mobility is based in particular on:

- skills development;
- the discovery of a new profession;
- training for new professions.

A new career boost, it allows employees to expand their network within the Company. Indeed, the departments are working more and more in synergy. It also contributes to the performance and development of the Company. It builds bridges between departments and services.

In 2021, in France, 539 people completed a move, totalling 687 Group-wide.

3/ Professional training

ALTEN is a player in a society that is constantly changing. Its training policy takes these changes into account and prepares for the challenges of tomorrow. Its main objective is to adapt skills to market needs and to support professional projects.

Each Group population has a dedicated training department:

- AMPLIFY Business Managers;
- AMPLIFY Support Functions;
- AMPLIFY Consultants.

Information is consolidated by the Group Training Department, in order to centralise it and harness its value creation potential.

In 2021, the Training teams worked in particular to:

- support new positions and professional transfers;
- build training programmes to run them remotely while maintaining quality;
- develop the offer proposed by our internal training centers.

For Business Managers

ALTEN has an in-house university dedicated to developing the skills of its Business Managers. The AMPLIFY Business Managers programmes support them in France and abroad throughout their development within the Group. Training takes place in English, French and German and is led by nearly 140 certified internal trainers, all Operations Managers within the ALTEN Group.

The AMPLIFY Business Managers programme offers:

- group courses based on an active pedagogy made of practical cases, simulations, role-plays;
- digital learning;
- tutoring courses and internal certifications to validate skills.

A total of 3 programmes are offered, with nearly 17 days of group learning, 10 days of individual learning and 2 digital courses which enable all Business Managers to acquire the skills and know-how that are essential to the operational performance of their job.

The AMPLIFY Business Managers courses are also provided in digital format. This makes it possible to maintain remote training and the deployment of new specific programmes.

For Engineers

In 2021, ALTEN rolled out its internal training academy, dedicated to Consultants.

The first programmes deployed concern the testing and agility professions and enable participants to obtain certifications recognised on the market.

The training offer is also completed by two internal courses for our population of specialists and our employees in project management situations.

In 2022, the focus will be on the deployment of career paths.

At the same time, the Training Departments dedicated to consultants will continue to roll out training to develop technical, business and soft skills.

For the Technical Division

The training offered for the Technical Divisions aims to:

- increase the skills of project stakeholders;
- disseminate common project management practices within the Group;
- deploy internal methodologies.

These training courses address 2 main priority areas essential to the success of ALTEN's projects:

1. technical (Work Packages Management – ALTEN methodology, financial management of a project, etc.);
2. managerial area: client relations, team management, communication, etc.

They are organised around 4 career paths that meet specific needs:

- Project Managers;
- Level 1 Project Managers;
- Level 2 Project Managers;
- Technical Directors.

These courses are composed of group or individual sessions (in the form of coaching), conducted in person or remotely.

This coaching totals 19 days of training.

For Support Functions

In 2021, the Support Functions Training Department continued to create and complete business onboarding courses, particularly for Engineer Recruiters and Sales Administration teams.

Career development and support courses (such as the Management course) are regularly challenged in order to offer quality training that meets the requirements of our employees and the Company.

The year 2021 was marked by the creation of different communities around the training professions in order to progress together and develop the skills of the teams. For example, the internal trainers' community, which has 25 members, focuses on creating a space for sharing and development.

Change in the number of people trained in France

• 2017	4,408
• 2018	5,431
• 2019	5,685
• 2020	4,571
• 2021	4,702

In 2020, the decrease in the number of employees trained is due to the disposal of certain entities in France. It is also due to the delay in adapting to digital training sessions in the health context. In 2021, there was once again an increase in the number of people trained.

International initiatives and specialist subsidiaries

LINCOLN: increases employee training capabilities to meet client expectations. Internal surveys monitor the quality of training organisations.

Training offered:

- train-the-trainer courses;
- technical certification courses: SAS, Dataiku, etc.;
- project management methodology training (PSPO, Scrum Master, etc.).

ALTEN Italia and ALTEN Portugal provide technical and language training online, live and recorded, *via* the AulaStreaming platform and GoFluent.

CADUCEUM and ALTEN Netherlands implement professional training plans created for ALTEN employees but also for clients through their own training institute.

ALTEN Belgium and ALTEN Spain continue the training provided by their internal Academy. It aims to boost Engineers' careers through the acquisition of new skills. The training portfolio comprises training in project management and management, as well as technical training courses (Devops, risk management, Life Sciences Skills Masterclass, etc.). ALTEN Belgium and ALTEN Spain are Platinum certified Partners for ISTQB internal training courses.

ALTEN Maroc continues its policy of developing skills by diversifying its training offer while aligning itself with future development paths. In 2021, the rate of access to training was 64%, and this thanks to the multitude of training actions carried out at all levels of the organisation.

ALTEN GmbH and ALTEN SW GmbH have the same training programme as in France. The introduction of the new ALTEN Training Center (ATC) apprenticeships management system, set up for all employees, was a success.

ALTEN TECHNOLOGY GmbH is also offering language and management courses, in addition to the technical and mandatory modules required by clients.

4.2.6 PROMOTING DIVERSITY

The Group places the promotion of diversity at the heart of its Human Resources policy. It aims to break down preconceived ideas about the Engineering profession and promote integration and inclusion. In France, ALTEN is a signatory of the Diversity Charter supported by the *Les Entreprises pour la Cité* network.

1/ Engineering is multicultural

Cultural diversity is a reality for the ALTEN Group. It is supported by the Group's international growth and mobility opportunities. In France, the workforce is comprised of 94 nationalities, and more than 100 nationalities are represented in the Group's overall headcount.

International initiatives and specialist subsidiaries

MI-GSO signs the Inclusive Culture commitment of the EW Group, a global leader in diversity, equity and inclusion consulting.

ALTEN Finland develops an Equality and Non-Discrimination Plan 2022–2024 which aims to encourage equality as well as to prevent all types of discrimination in the workplace.

CPRIME Inc. establishes an internal resource group, The Root Cause, to promote inclusion and social justice.

2/ Employment and integration of employees with disabilities

Each year, the ALTEN Group invests in the development of a policy for people with disabilities. It is committed to job retention and employee awareness. It ensures:

- assistance with administrative procedures;
- ergonomic adaptation of workstations;
- the Advice and Listening Service provided by the Disability Unit.

ALTEN is also strengthening support for employees with disabilities by:

- annual financial support for an adaptation or an external aid required as a result of an employee's disability;
- days of authorised leave for medical follow-up.

Raising awareness and communications with employees

The European Week for the Employment of People with Disabilities took place in November 2021. ALTEN proposed:

- a national digital awareness campaign *via* a quiz to discover invisible disabilities;
- encounters with the Paris Guide Dogs association in Île-de-France. This event enabled ALTEN employees to talk with a visually impaired person and a guide dog foster family.

In total, more than 450 participations in disability-related events were recorded in 2021.

ALTEN regularly communicates on its disability actions through several channels:

- internal newsletters, brochures or comics;
- the "ALTEN & Disability" community on the Yammer corporate social network;
- interactive content such as e-learning modules, serious game, e-book.

Recruitment

In 2021, ALTEN took part in an online recruitment fair specialising in the employment of people with disabilities.

Sponsorship, patronage and partnership

ALTEN sponsors and supports:

- a disabled fencing champion;
- a young disabled table tennis player.

Since 2014, ALTEN has been a partner of ASIPPH[1], which trains people with disabilities to promote their professional integration. As part of this, ALTEN helps fund training for young people with disabilities.

Digital accessibility

In 2021, ALTEN worked on making its websites accessible and published its Multi-Year Accessibility Plan. The latter sets out ALTEN's ambitions and objectives to make digital tools accessible to people with disabilities.

In 2022, ALTEN will continue its action on the following topics:

- continued accessibility of digital platforms;
- training of employees on the RGAA framework (General Accessibility Improvement Repository).

Employee training

Interactive training content is accessible to all employees on the intranet. It includes several features:

- e-book "Living with disability in the workplace";
- e-learning modules;
- FAQ.

Collaboration with the sheltered sector

ALTEN works closely with adapted companies:

- *via* co-contracting on certain client projects;
- as part of its purchasing.

This makes it possible to support and accompany adapted companies in specific sectors by providing the Group's know-how. ALTEN is committed to promoting the use of the sheltered and adapted sector as part of its external services. It is working to expand its panel of referenced suppliers from this sector.

International initiatives and specialist subsidiaries

- **ALTEN Italia** has been entrusting services (cleaning and installations) to companies specialising in the integration of people with disabilities since 2018. ALTEN Italia provides employees with digital content to raise awareness of disability at work;
- **ALTEN Netherlands** has all of its buildings accessible to people with disabilities.

Zoom on the partnership between ALTEN Spain and the Adecco Foundation

In Spain, ALTEN is very committed to the employment of people with disabilities, as demonstrated by its long-standing partnership with the Adecco Foundation.

Examples of projects developed by ALTEN Spain under this partnership:

1. **Conferences on mental health**

For several years, ALTEN has demonstrated its strong commitment to promoting and encouraging the integration of people with disabilities in the workplace. ALTEN's actions are related to speaking out and raising awareness.

2. **Family volunteering days**

Together with the Adecco Foundation, ALTEN is collaborating on a corporate volunteer programme for people with disabilities. The relatives of ALTEN employees are also invited to get involved and are thus made aware of the importance of including people with disabilities.

3. **ABILITY WEEK 2021**

Together with the Adecco Foundation, ALTEN has prepared various training and awareness-raising initiatives to facilitate the integration of people with disabilities in any environment, but above all in the workplace.

Actions include training in managing inclusive teams and the "Invisibles" campaign, which encourages all types of disability to be visible.

(1) Association for the education and professional integration of people with disabilities.

4. Inclusive environment

ALTEN strives to build an inclusive working environment. To this end, it conducts various training courses on inclusion and disability, with the goal of overcoming the stereotypes that hinder access to the labour market.

3/ Integration of people seeking employment or retraining

ALTEN is also committed to the integration of people seeking employment or retraining who are registered with the employment center. Even after a long period of inactivity, the Operational Preparation for Employment (POE) scheme supports, prepares and trains them. It allows them to be oriented towards specific and promising professions:

- cybersecurity;
- nuclear;
- naval.

Candidates can benefit from 399 hours of training to acquire the skills necessary for their integration.

ALTEN also supports the *Solidarité Nouvelles face au Chômage association* through its skills sponsorship programme.

4/ Engineering has no age limits

The average age of ALTEN employees on permanent contracts is 32 in France.

However, the expertise of more experienced employees allows us to capitalise on key knowledge and skills. A career management process is dedicated to them. It includes a second-phase career interview and privileged access to training.

As part of its skills sponsorship, ALTEN also offers assignments to senior Consultants. They can thus diversify their projects and apply their expertise to an associative cause.

At the same time, ALTEN ensures that their expertise is passed on to the young people who join its teams. The Group promotes the integration of many students in internships, apprenticeships or work-study programmes. This mainly concerns the Support Functions, which are more suited to this type of contract.

Each student is supervised by an ALTEN tutor, who is responsible for their integration and the smooth running of the assignment. The tutor passes on his or her knowledge to the student, who gradually acquires the skills linked to the training and to the future profession. For ALTEN, work-study is an opportunity to train employees in its business lines and to identify the best potential for future recruitment.

5/ Promoting engineering to women

High school students, interns, apprentices, employees, etc. Throughout their professional career, ALTEN strives to show women that the engineering profession is not just for men. The place of women in industry is a real issue for society.

In 2021, ALTEN signed the *Syntec-Ingénierie* Diversity Charter for Engineers. This signature testifies to the Group's desire to continue to make gender equality a lever to meet the challenges of the future.

ALTEN is committed to the following 4 priority areas:

1. take action to change the image of Engineering among young people and in particular young women;
2. ensure equal treatment of women and men throughout their careers;
3. promote a work-life balance for all;
4. encourage access for women to management positions, by developing upward mobility.

Regular monitoring of the commitments linked to the Charter will be carried out by *Syntec-Ingénierie*.

Furthermore, as the Group is a key player in the professional integration of young people, it is committed to raising awareness and convincing women to join the technical and scientific professions. Partnerships with associations such as *Elles Bougent* help guide female students. ALTEN is thus present as far upstream as possible, in secondary and high schools.

Situation within the Group

ALTEN promotes gender equality and wishes to increase the loyalty of its female employees.

An equal number of men and women sit on the ALTEN Group Board of Directors[1].

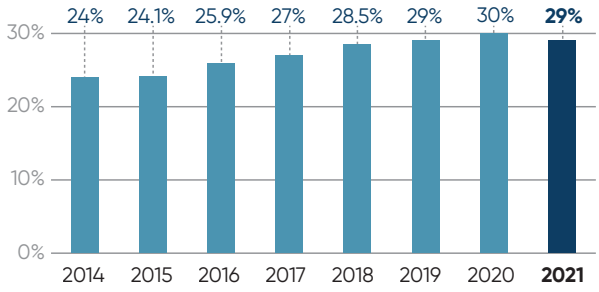
In France, ALTEN's agreement on professional gender equality sets out the company's objectives and indicators in the following areas:

- recruitment and job diversity;
- measures to close the gender pay gap;
- career progression;
- work-life balance.

With this agreement, ALTEN wishes to combat inequality and promote the importance of professional diversity within the Company.

These measures have ensured that the proportion of women in the Group's headcount in France has been steadily increasing:

Change in the number of women in the French headcount



(1) *Not counting the Director representing employees*

2021 gender equality index

Since 1 March 2019, French companies with more than 1,000 employees measure five indicators.

They publish their overall score according to the methodology of the gender equality index.

ALTEN SA obtained a score of 95/100.

ALTEN Information Systems and Networks obtained a rating of 89/100.

ALTEN SUD-OUEST obtained a rating of 89/100.

ALTEN TECHNOLOGIES obtained a score of 88/100.

Women Pitch

ALTEN is keen to continue its actions to promote the feminisation of professions while adapting to the health context. The Group has therefore focused on the digitalisation of testimonials and created Women Pitch. This programme presents video pitches on the diversity of technical and scientific careers. The pitches are then broadcast on the Group's websites and social media.

Tales of Women Engineers Portfolio

ALTEN wants to raise awareness of the technical and scientific professions and convince women to join these professions. This is achieved through the power of personal testimony. The role models help deconstruct stereotypes and preconceived ideas about these professions, from a very young age. Every year since 2017, ALTEN has interviewed its Consultant-Engineers, in France and abroad, to highlight their career paths and their business expertise.

Elles Bougent

Too few young women choose science and engineering courses. They remain under-represented in the Engineering professions. ALTEN has been a partner of the *Elles Bougent* association since 2009. The Group is committed to encouraging vocations and thus increasing the proportion of young women in Engineering.

The *Elles Bougent* association broadcasts the testimonies of female mentors who are passionate about their jobs. It informs schoolgirls and students of the many opportunities offered by Engineering degrees. ALTEN's network of female mentors includes more than 100 female employees, Business Managers and Consultant-Engineers. This year, they continued to get involved with young women through remote awareness-raising activities.

International initiatives and specialist subsidiaries

LINCOLN obtained a score of 99/100 on the gender equality index.

ALTEN Switzerland and **ALTEN Spain** broadcast videos highlighting women Engineers on International Women's Day.

ALTEN Sverige and **ALTEN Italia** use the internal network Women@ALTEN in order to build a community of women and strengthen their place in the industrial and technological world. The Women@ALTEN community organises various events throughout the year such as meet-ups, conferences, etc.

4.2.7 HEALTH AND SAFETY IN THE WORKPLACE GRI 403-1 GRI 403-5

The health and safety of employees is a priority for the ALTEN Group. They meet client, normative and regulatory requirements.

1/ FORCES policy

ALTEN's health and safety policy is centered on the acronym, FORCES, which aims to:

- Unite all stakeholders around a safety culture;
- Optimise employees' working conditions;
- Comply with normative, regulatory and client requirements;
- Capitalise on the Group's best practices to benefit all stakeholders;
- Committed to an HSE approach;
- Secure the working environment.

This approach is based on:

- risk prevention, by:
  - the identification of risks to which employees may be exposed,
  - raising employee awareness of these risks and the prevention and protection measures to be followed,
  - dialogue and communication with the Health and Safety Committee. All the Group's subsidiaries reaching the relevant regulatory thresholds organise a Health and Safety Committee, convened as often as the law requires;
- mobilising the CSE in all actions related to COVID-19;
- training, with a proactive approach to both regulatory and voluntary schemes. Upon joining the Company, each new hire must follow an e-learning module about professional risks;
- raising awareness of employees regarding specific risks. The Health, Safety and Environment booklet is distributed to all employees as a reference on awareness-raising. In addition, ALTEN is a signatory of the Ministry of the Interior's "National Appeal of Companies for Road Safety";
- safety talks given by safety Engineers or Consultant-Engineers. They provide an opportunity to discuss health and safety issues with the Consultant-Engineers. In 2021, 1,880 employees attended talks in France;
- the provision of equipment, particularly in terms of personal protection. For example:
  - 100% of ALTEN sites are equipped with defibrillators in France,
  - all employees received COVID-19 kits;
- regulatory and standards monitoring, leading ALTEN to act as early as possible on safety regulations. ALTEN has developed a dedicated monitoring tool to keep abreast of regulatory changes.

2/ Management of the health crisis linked to the spread of SARS-CoV-2 (COVID-19)

The health context required the adaptation of a risk management protocol based on principles set out by the government. ALTEN has placed a Business Continuity Plan (BCP) at the heart of its health and safety prevention approach. The measures implemented focused on:

- risk assessment;
- the mapping of activities;
- the adaptation of activities to workstations;
- their adaptation to collective and individual prevention and protection measures.

The prevention approach has been formalised by updating the single occupational risk assessment document. It enabled the implementation of the Business Continuity Plan, which includes the following priority areas and working conditions:

- **focus area 1:** ensure the smooth running of operations according to the development of the pandemic *via*:
  - an operational unit dedicated to the health crisis context coordinating the processing of requests relating to the virus. It ensures that client requirements are taken into account. The crisis unit is also responsible for:
    - the provision of personal protective equipment: masks, hydroalcoholic gel, etc.,
    - the implementation of the strict health protocol imposed on employees,
    - Management of ALTEN premises: wearing of masks, layout, continuous cleaning, etc.;
  - this same unit ensures dialogue with employees *via* an e-mail address specifically dedicated to requests and incidents;
- **focus area 2:** organise work with:
  - the introduction of teleworking when the activity allows it;
- **focus area 3:** secure buildings and their occupants thanks to:
  - the provision of collective and individual protective equipment,
  - the layout of the premises to ensure the required social distancing measures:
    - the closure of meeting rooms and lunch break areas when necessary,
    - separation of offices;
  - systems for regulating the flow of people in confined spaces:
    - stairs,
    - lifts,
    - corridors,
    - entrance halls;
  - the organisation of regular screening campaigns,
  - setting up an infirmary to offer in-company vaccination to employees,
  - permanent decontamination of premises by hydrogen peroxide diffused by the ventilation and air conditioning system;
- **focus area 4:** adapt travel where necessary through:
  - the ban on international travel,
  - the validation of Directors required for travel to France;
- **focus area 5:** centralise the reporting of information and control the processing of requests and/or incidents *via*:
  - tools for monitoring requests and incidents: inventory of COVID-19 cases, distribution of COVID kits, etc.;
- **focus area 6:** informing internally and externally through:
  - employee communication devices:
    - posters,
    - e-mails,
    - intranet,
    - dedicated e-mail address,
    - digital safe, etc.;
  - communication mechanisms with external stakeholders: COVID-19 appendix to prevention plans, etc.

The health measures put in place since April 2020 have proven to be very effective. They have enabled the ALTEN Group to continue to operate by constantly monitoring the incidence rate of the Group's sites.

3/ Assessments and certifications

In addition, ALTEN is involved in a voluntary MASE certification[1] process for its Lille, Villeurbanne and Vitrolles branches and a national ISO 45001 process. An HSE[2] survey was sent to all branch employees to measure their knowledge of these subjects.

To measure its Health and Safety performance, ALTEN relies on:

- a risk management assessment questionnaire, designed by drawing on the ALTEN internal safety reference document, sent to the MASE scope. The assessment is positive, revealing a good knowledge of ALTEN's safety culture among employees;
- its risk mapping: 100% of at-risk sites were visited or audited in 2021.

4/ Absenteeism

The absenteeism rate is an aggregate of days of absence through sick leave and work or commuting accidents. In 2021 in France, it stood at 2%.

(1) *MASE: Company Safety Improvement Manual.*

(2) *HSE: Health Safety Environment.*

4.2.8 WORK-LIFE BALANCE

1/ Well-being

A cross-functional Quality of Life at Work Committee meets every month:

- the Communications Department;
- the Operational Human Resources Department;
- the Career Development Department (DCI);
- the Department for Development of Support Positions ("DDS").

It aims to introduce positive measures for the well-being of employees in the workplace.

The ALTEN Group is committed to this through a number of recurring and one-off actions in France and abroad:

- in France, a welcome handbook provides information on:
  - the Group's organisation,
  - its values and commitments,
  - career development opportunities;

This handbook improves employee integration by providing him or her with information that is essential for successful adaptation and faster onboarding;

- an e-learning module provides an understanding of the psychosocial risks associated with stress and moral harassment;
- in France, employees benefit from, for example:
  - monthly remote yoga and fitness classes,
  - recreational and technical conferences,
  - sporting and culinary challenges, etc.;
- a counselling and psychological support unit available seven days a week to prevent psychosocial risks.

2/ Work-life balance

The ALTEN Group is concerned about the work-life balance of employees. The internal sponsoring programme "Our employees have talent" resumed in 2021. It supports personal sporting, humanitarian, cultural or artistic passions and initiatives.

Employees can also get involved in projects that promote the feminisation of the Engineering professions. They can also work on skills sponsorship assignments with ALTEN Solidaire, with partner foundations and associations. ALTEN Solidaire's community initiatives are described in Section 4.3.6 – "Regional solidarity".

On the internal social network Yammer, numerous communities encourage meetings, exchanges and the sharing of good tips:

- in the technical field: IS Dev – Web & Mobile, Cybersecurity, Agile & DevOps;
- on Corporate matters: *Elles Bougent* mentors, ALTEN & Disability, Ecology and sustainable development;
- in the recreational sphere: E-sport, Gourmet, Runners.

International initiatives and specialist subsidiaries

ALTEN Switzerland provides numerous initiatives in its offices to improve the well-being of its employees, such as free fresh fruit every week, friendly spaces, anti-stress plants, etc.

ALTEN Italia encouraged its employees to participate in the Virtual Run from home and report the number of kilometres covered by the employees *via* a dedicated application. ALTEN Italia employees ran more than 700 km during this event.

ALTEN Finland regularly conducts well-being surveys to provide services that improve the quality of life of employees.

PCUBED organised several courses delivered by The Mental Health First Aid (MHFA). 50% of the headcount now has mental health certification from this organisation.

4.3 ETHICS AND HUMAN RIGHTS GRI 102-16

4.3.1 CHALLENGES AND PRIORITIES

The Group's approach, based on the principles of integrity and transparency, are formulated around the following priorities:

- business ethics and compliance;
- Information Systems Security;
- responsible purchasing;
- duty of care plan;
- solidarity.

4.3.2 ETHICS AND COMPLIANCE GRI 102-17

The ALTEN Group built its growth on the basis of fundamental principles of integrity and transparency. Executives and employees of the ALTEN Group implement these principles in order to establish lasting relationships of trust with all of its stakeholders: employees, shareholders, public or private sector clients, suppliers, competitors and all other partners.

As such, the ALTEN Group complies with:

- the 10 principles of the United Nations Global Compact;
- the United Nations Universal Declaration of Human Rights;
- the various conventions of the International Labour Organization;
- the OECD Guidelines for Multinational Enterprises.

The Group's commitments to carry out and develop its activities in strict compliance with national and international laws and regulations are formalised in three founding documents, distributed internally and externally:

- the Ethics and Compliance Charter;
- the Sustainable Development Charter;
- the Responsible Purchasing Charter.

These documents are presented in the Duty of care plan described in Section 4.3.5.2 – "Tools to prevent serious harm".

The Compliance Department coordinates the Group's compliance approach by relying on an internal network of ambassadors, acting as links between the Compliance Department and the various Group entities. Reporting to the Legal Department, the role of the Compliance Department is as follows:

- it ensures compliance with standards wherever the Group operates;
- it anchors compliance in a responsible and continuous approach;
- it coordinates and standardises the actions carried out within the ALTEN Group;
- it prepares Group policies and distributes them to all employees;
- it also puts in place all the pedagogical tools intended to disseminate a culture of compliance.

The Group's Compliance Manager reports regularly to General Management on these subjects.

1/ Preventing corruption risks

The ALTEN Group has a "zero tolerance" policy on corruption and influence peddling. It strives to disseminate this message to all of its stakeholders. Moreover, it is carried out with respect to the national and international standards to which it is subject regarding preventing acts of corruption[1].

In terms of corruption, and more generally compliance, the ambassadors' network conveys the demands and the goals of the Group's General Management as well as reporting back on any alerts received locally.

ALTEN has defined and deploys its corruption prevention policy in accordance with the requirements of the Sapin II law[2].

A compliance framework

The Group's Ethics & Compliance Charter has for many years formalised the commitment of the ALTEN Group with respect to zero tolerance on corruption and conflicts of interest. This charter is available on the Group's website and retrievable by all stakeholders at the following address: https://www.alten.com/alten-group/responsibility-and-sustainability/

These commitments were strengthened by an Anti-Corruption Code of Conduct that applies to all of the Group's internal and external employees and Corporate Officers. It defines the main principles (corruption, conflicts of interest, etc.) and describes them so that everyone is able to adopt ethical behaviour in compliance with the Group's policy.

The roll-out of the Anti-Corruption Code of Conduct in subsidiaries is accompanied by a communication and awareness program.

The Code of Conduct is available to all ALTEN stakeholders on the Group's website (https://www.alten.com/alten-group/responsibility-and-sustainability/).

In addition to this Code, the Group has developed application guides:

- a handbook on conflicts of interest. It reminds employees of the Group's policy and of the behaviour to adopt when faced with this risk;
- a gifts and hospitality policy. It recalls the guiding principles, provisions for authorisation and provides employees with recommendations for confronting potentially risky situations.

The documents are available in several languages.

(1) *Foreign Corrupt Practices Act in the United States, United Kingdom Bribery Act in the UK, law no. 2016-1691 of 9 December 2016, called "Sapin II", in France, World Bank, OECD (Organisation for Economic Cooperation and Development), International Chamber of Commerce (ICC), Transparency International, etc.*

(2) *The law no. 2016-1691 of 9 December 2016 concerning transparency, the fight against corruption and modernisation of economic life, called the "Sapin II" law.*

A whistleblowing system

In 2016, ALTEN equipped itself with the MyALERT system, available on the intranet and open to all employees.

In a process of continuous improvement, the ALTEN Group has strengthened its system. The whistleblowing system in place meets the requirements of the Sapin II law, the law on the duty of care of parent companies and ordering companies and the General Data Protection Regulation (GDPR).

It enables all of the Group's internal and external stakeholders (employees, clients, suppliers, etc.) to submit an ethics alert confidentially (and, where appropriate, anonymously) on a secure platform available 24/7 in all countries where the ALTEN Group operates. This system is directly accessible at https://ALTEN.integrityline.com/ and is listed on the Group's institutional website. At the end of October 2021, the ALTEN Group's whistleblowing system had recorded 14,815 visits.

In addition, the update of ALTEN's intranet website in 2021 provided an opportunity to create a page dedicated to the Group's internal whistleblowing system.

Risk mapping

Pursuant to current legislation, the ALTEN Group has drawn up a mapping to identify and prioritise corruption risks according to the specificities of the ALTEN Group (activities, geographic sectors, etc.).

Since 2020, ALTEN has strengthened its approach by making available a catalogue of corruption risks that must be systematically assessed by the various corporate departments and subsidiaries. This catalogue was updated in 2021 to better meet the Group's operational challenges. The risk mapping campaign conducted this year was also extended to new entities.

The Group's entities also continued, with the support of local management, to implement the measures recommended in the various action plans.

Procedures for assessing third parties

The Group has implemented procedures for assessing third parties (clients, suppliers, M&A targets, etc.) and has equipped itself with the tools (databases, etc.) required to carry out these evaluations. The assessment of a third party before establishing a business relationship is carried out in two steps:

- an internal questionnaire and the consultation of the databases to categorise the third party according to three levels of risk (low/medium/high);
- the third party's file is approved locally or at Group level depending on its risk level.

In addition, ALTEN has reviewed its contractual policy to systematically incorporate so-called "compliance" clauses in its relationships with clients, suppliers and partners. This may trigger, as needed, compliance audits.

Finally, ALTEN systematically evaluates the targets of merger and acquisition operations, relying, if necessary, on the expertise of external firms. The compliance questionnaire sent to targets was updated in 2021.

Accounting control procedures

The Group's accounting control procedures were adapted to take into account legal requirements in terms of preventing corruption.

Training

The Group devised a training programme adapted to targeted populations and an awareness campaign intended for all employees.

When new employees are hired, they are made aware of the Group's culture in terms of "zero tolerance" for corruption, in particular, through a welcome handbook that references the Group's Ethics and Compliance Charter. The Group's Anti-Corruption Code of Conduct and its gifts and hospitality policy have also been incorporated into a welcome kit given to new arrivals.

Since 2019, *a* "Preventing corruption" e-learning module, available in several languages, has been rolled out and incorporated into mandatory training pathways for all employees, including new arrivals. This *e*-learning module reminds employees of the Group's anti-corruption policy and is accompanied by a quiz.

In addition to raising awareness generally among employees, ambassadors continued to be trained in ethics and compliance in 2021 in order to disseminate a business culture of compliance and thus prevent corruption.

A disciplinary system

The anti-corruption policy must be known and backed by all of the Group's employees. Thus, to ensure strict compliance with the principles that appear in the Code of Conduct, ALTEN has paired them with disciplinary sanctions.

An internal control and assessment mechanism

The internal control and assessment mechanism makes it possible to oversee the efficacy of measures, identify gaps and devise actions to prevent corruption. It is carried out based on a risk mapping of corruption, which is updated by the Compliance Department.

The audits carried out by the Internal Audit Department in 2021 made it possible to verify the proper implementation of the Group's compliance programme in two entities identified in the audit programme.

Key performance indicators

	Key performance indicators	2020	2021	2022 Targets
Accessibility of the whistleblowing system	% of entities with access to the whistleblowing system	100%	100%	100%
E-learning module on the prevention of corruption[1]	% of employees trained in anti-corruption	51%	62%	80%

(1) For France, Germany and the United Kingdom.

2/ Protection of personal data

ALTEN ensures compliance with regulations relating to the protection of personal data. The Group Data Protection Officer (DPO), appointed by General Management, coordinates and rolls out initiatives to ensure compliance with the personal data protection policy, *via* a network of data protection coordinators.

The Group policy ensures uniformity of procedures and processes regarding protection of personal data within the Group. It is based on procedures, including:

- the procedure for managing new personal data processing;
- the procedure for handling complaints and exercising the rights of data subjects;
- the procedure for handling personal data breaches.

The Group DPO is involved with all issues relating to personal data processing. He has the resources required to perform his duties. He does not receive any instruction in the performance of his duties from the Company and reports directly to the Company's highest level of Management.

The ALTEN Group promotes a culture of personal data protection. It provides its employees with awareness-raising e-learning modules. Each e-learning programme is tailored to employees' activities.

Key performance indicators

	Key performance indicators	2021	2022 Targets
E-learning module on the protection of personal data[1]	% of employees trained in data protection	66%	75%
Requests to exercise rights[2]	Number of requests to exercise rights processed	50	N/A
Breaches notified to data protection authorities[2]	Number of data breaches notified to Data Protection Authorities	0	N/A

(1) Succesfactors scope (France/United Kingdom).
(2) France scope.

3/ International sanctions

The Group's compliance policy also covers prevention of risks in terms of violation of international sanctions. This is referred to in the "Ethics & Compliance in a nutshell" guide, distributed to all Managers and Ethics & Compliance ambassadors. This document is available in several languages.

The assessment process for third parties, which was implemented as part of the anti-corruption programme, is also intended to prevent risks in terms of violation of international sanctions by the ALTEN Group.

4/ Lobbying

The ALTEN Group undertakes to conduct its lobbying activities in accordance with applicable laws, national and international agreements and its compliance policy. The relevant rules are set out in the Group's Anti-Corruption Code of Conduct.

In 2021, the ALTEN Group did not carry out any lobbying activity.

5/ Fiscal transparency

In line with the Group's strategy, its tax policy preserves its reputation and reduces its tax risks.

The Group adopts a responsible fiscal approach in its practices. Its efficient tax management model strictly complies with international laws and regulations.

For this reason, the ALTEN Group's fiscal policy is formulated around three principles:

- the prevalence of economic activity: the establishment in a country is based on the will to develop the best offer and the best service to national clients;
- fair taxation of operations: the Group rigorously applies national and international tax rules and pays taxes in each country;
- control of tax risks: the Group secures tax costs by:
  - the reliability of financial data,
  - documentation of tax options,
  - continuous improvement in the identification and management of tax risks within the Group.

The ALTEN Group has established a transfer pricing policy in accordance with the OECD principles. The Group keeps an eye on fair distribution between countries of its internal operating margins.

In accordance with its legal obligations, the Group has been conducting its country-by-country reporting since the 2017 financial year. It reports the breakdown of its profits, taxes and activities by tax jurisdiction.

The Group is not legally established in the non-cooperative states and regions defined by French and international law.

4.3.3 INFORMATION SYSTEMS SECURITY

Information security and cybersecurity are central strategic issues. ALTEN has integrated an ISO 27001 certified Information Security Management System (ISMS) into its processes.

Client satisfaction and risk management are paramount. The Group has therefore initiated an ISO 27001 certification process to deal with:

- changes in the consulting business lines;
- international business development;
- the increasing criticality of information.

The first step in this process was the recruitment of an Information System Security Officer. Led by Management, an ISS governance structure was set up in the form of a committee, which brings together:

- Executive Committee members;
- members of the Information Systems Department;
- the Information System Security Officer;
- the Quality and Performance Department.

It meets every six months to:

- ensure the achievement of objectives;
- analyse the control of ISS risks;
- define the action plan.

ALTEN has built the ISO 27001 requirements into its Quality, Security and Sustainable Development policy. ISO 27001 prescribes the measures necessary to ensure information security within an organisation. It also covers the functioning of the information security management system.

Transversal to the company, this approach aims to:

- ensuring service continuity;
- managing risks;
- guaranteeing control of intellectual capital;
- preserving the trust of stakeholders by defending the confidentiality of information;
- building this approach into the Company's management system, ensuring that the entire headcount assumes ownership of it;
- combating cyber-attack threats.

As part of this process, ALTEN Spain has been ISO 27001 certified since 2013. ALTEN France and ALTEN India followed in 2016, then ALTEN GmbH, HUBSAN in 2017 and LINCOLN in 2020.

In 2021, ALTEN Italia, TECHaLTEN Portugal and the MI-GSO subsidiary validated their ISO 27001 certification.

This certification rewards a strategy and work begun several years ago.

The ALTEN France Group has also developed e-learning training that is accessible and mandatory for everyone. It concerns Information Systems Security. It consists of role-playing and assessments, and raises awareness of all potential situations for employees. It also informs them about their rights and obligations. Since 2020, these e-learning modules have been supplemented by new materials in the form of cartoons. They help to understand best ISS practices in an entertaining way.

The Group has also created an intranet portal for Information Systems Security. Each employee will find:

- the IT Charter;
- security policy;
- access to dedicated e-learning modules;
- organisation;
- best practices;
- incident reporting, etc.

In the health context, information security developed projects aiming to:

- ensure compliance with the requirements;
- extend the scope of ISO 27001 certification;
- fight against cyber-attacks;
- secure remote working.

International initiatives and specialist subsidiaries

ALTEN GmbH and ALTEN Technology GmbH are TISAX certified (Trusted Information Security Assessment eXchange) which is a maturity-based information security assessment tool designed to meet the needs of the automotive industry.

4.3.4 MAINTAINING A LASTING RELATIONSHIP WITH SUPPLIERS AND SUBCONTRACTORS

GRI 102-9 GRI 308-1 GRI 414-1

1/ Strengthening and standardising purchasing practices across the Group

2020–2023 purchasing policy and programme

ALTEN's purchasing policy is driven by the Group's Purchasing Department. It is based on five areas of work:

1. the business line axis, aimed at sharing and supporting internal stakeholders in the formalisation, application and monitoring of processes and good purchasing practices;
2. the economic axis, to ensure the Company's purchasing performance;
3. the quality and performance axis, which measures and manages the performance of suppliers, partners and subcontractors;
4. the business relationships axis, focusing on the integrity and sustainability of supplier relationships while promoting innovation and competitive bidding;
5. the risk axis, relating to the management of risks of any type: financial, social, environmental, information security, ethics and compliance.

The Purchasing Department steers the deployment of the purchasing strategy in synergy with the Company's other departments. This strategy applies to all purchasing families and is part of a continuous improvement approach at Group level.

Support for international subsidiaries

To support international entities in their purchasing efforts, the ALTEN Group's Purchasing Department has made a service catalogue available to its subsidiaries, regrouping the following themes:

- the deployment of framework contracts;
- the application of the processes through the France document repository;
- the provision of financial and non-financial reporting tools;
- establishment of a Group-wide purchasing community;
- support in certification procedures.

2/ Responsible purchasing

ALTEN's responsible purchasing scheme is deployed throughout France.

Founding principles

The responsible purchasing scheme draws on the "Responsible Purchasing Charter", which sets out all of the Group's commitments and obligations with respect to suppliers. It builds on the founding principles of the United Nations Global Compact, the Universal Declaration of Human Rights, the core conventions of the International Labour Organisation and the OECD Guidelines for Multinational Enterprises.

The Purchasing Department systematically incorporates the Responsible Purchasing Charter during consultations. It is also appended to the contracts. The Purchasing Department thus ensures the commitment of its suppliers to respect the principles and to convey them to their own suppliers. To date, all suppliers and subcontractors, in the context of calls for tenders, validate the criteria contained in the Responsible Purchasing Charter (see Chapter 4.3.5.2 "Tools for the prevention of serious harm – The Responsible Purchasing Charter".).

Like the Responsible Purchasing Charter, the ALTEN Anti-Corruption Code of Conduct must be returned signed and attached to the CSR evaluation questionnaire.

Mapping of supplier CSR risks

The Purchasing Department has defined a risk map related to human rights, health, safety, the environment and corruption. The supplier's level of CSR risk is determined by its nature of activity.

CSR assessment of suppliers and the duty of care

During a call for tenders, all new suppliers are subject to an ethical and compliance analysis *via* the third-party evaluation procedure (see 4.3.2.1 "Prevention of corruption risks"). Suppliers also receive the supplier CSR questionnaire. In 2021, 20 suppliers received the questionnaire on this occasion.

At the same time, in accordance with the ALTEN Group's risk analysis, suppliers with a high level of CSR risk must demonstrate their level of control over the issues in their activity and value chain. A response to the questionnaire is required during the annual evaluation campaign. 21 suppliers responded to the CSR questionnaire during the 2021 campaign.

In total in 2021, 48% of suppliers who responded to the CSR questionnaire received a satisfactory score. Of these, 16 suppliers had an EcoVadis score above 49/100.

ALTEN works with suppliers whose performance is rated as weak or average. In this case, the answers to the questionnaire result in formal, and subsequently monitored, action plans, or in physical audits in the event that the documentation presented by the supplier is unsatisfactory. Collaboration with suppliers may be called into question if the action plan is not implemented within the allotted timeframe.

In 2021, 10 suppliers were identified with average or poor performance. For these suppliers, an action plan was defined in consultation with ALTEN.

ALTEN adapts its assessment and takes into consideration the structure and size of partner companies, suppliers and subcontractors in its supply chain. Suppliers who have received a satisfactory assessment are encouraged to maintain or even develop their CSR procedures as part of a continuous improvement process and to have their performance assessed by independent third parties. ALTEN favours business relationships with its high-performance suppliers.

In 2022, ALTEN's ambition is to extend this CSR dialogue to all strategic suppliers.

Continuous improvement of responsible purchasing practices

As part of the continuous improvement of the Purchasing Department, ALTEN called on AFNOR to support the implementation of the ISO 20400 standard on responsible purchasing.

This support, along with a self-diagnosis, placed ALTEN's responsible purchasing practices at level 2 "progression" of AFNOR Certifications' AFAQ Responsible Purchasing standard.

In 2022, ALTEN's ambition is to implement the actions necessary to obtain level 3 "confirmed" AFAQ Responsible Purchasing.

4.3.5 DUTY OF CARE PLAN

ALTEN promotes:

- personal safety;
- sustainable development;
- respect for Human Rights;
- individual freedoms;
- ethics.

In 2010, the Group signed the Global Compact, formalising its commitment to Human Rights and the environment.

This commitment is applied operationally to all employees. It is reflected in the Group's CSR, ethics and compliance strategies.

1/ Risk mapping

The development of the various risk maps is carried out by:

- the Quality and Performance Department;
- the Legal Department;
- the Purchasing Department.

ALTEN first identified and then assessed the 3 types of risk related to:

- the Group's activities;
- the business sectors of its suppliers and subcontractors;
- the countries where ALTEN operates.

ALTEN relies on its own benchmarks and external indices to quantify the level of risk.

For its own business activity, ALTEN carries out regular environmental impact assessments. Each environmental risk related to ALTEN's activity is assessed using a rating method. It takes into account:

- the frequency, determined according to the occurrence of the impact;
- the severity, indicating the level of impact on the host environment;
- stakeholder demands on the environmental aspect or impact. They are determined according to the requests of communities, associations, media, local residents, authorities, etc.;
- risk control is determined by the impact reduction actions taken and their effectiveness. This criterion also takes into account ALTEN's regulatory compliance.

ALTEN analyses social risk through the assessment of professional risks, including psychosocial risks. For each risk, the initial risk is cross-referenced with accident data and the degree of control. The residual risk calculated in this way is then ranked as follows:

- intolerable;
- substantial;
- average;
- controlled residual.

Finally, the ALTEN Group has developed a map to identify and prioritise corruption risks. It is described in Section 4.3.2.1 – "Preventing corruption risks".

For the activities of suppliers and subcontractors, the Purchasing Department mapped the risks related to:

- Human Rights;
- health and safety;
- the environment;
- corruption related to the suppliers' business sectors.

Suppliers are given the level of criticality of the services they perform.

Finally, ALTEN assesses the social and environmental risks of the countries where the Group's entities are located. For this purpose, external indices on the level of corruption and respect for political and civil rights are used. As ALTEN's activity is intellectual services, the environmental risk is considered low for all activities.

ALTEN has also set up a risk management system based on their overall mapping[1]. This is based on the identification of the risks of the Group's subsidiaries and functions. They are grouped together in a catalogue of risks to be systematically assessed by the various Group departments (Group subsidiaries and functions).

2/ Tools to prevent serious harm

The ALTEN Group has several charters to govern its activities, those of its employees, suppliers and subcontractors.

The Ethics and Compliance Charter

The Ethics and Compliance Charter formalises the Group's commitments in its activities. It complies strictly with national and international laws and regulations, including those against corruption.

This charter is intended for employees in all countries where the Group operates and is available in several languages.

(1) See Chapter 2 "Risk factors and internal control".

It reiterates the commitments backed by:

- the 10 principles of the United Nations Global Compact;
- the United Nations Universal Declaration of Human Rights;
- the various conventions of the International Labour Organization (ILO);
- the OECD guidelines for multinational enterprises.

The Sustainable Development Charter

It commits the ALTEN Group to promoting a CSR approach in its companies:

- act with integrity and ensure compliance with laws and regulations;
- promote:
  - skills development,
  - the social advancement of employees,
  - diversity and equal opportunities by combating discrimination;
- guarantee working conditions that respect fundamental rights and ensure:
  - security,
  - the health of its employees,
  - well-being in the workplace;
- sustainably reduce its impact on nature and biodiversity and promote "eco-gestures" among its employees;
- support clients in the development of solutions favourable to the environment;
- encourage employees to actively participate in responsible innovation;
- unite its clients, subcontractors and suppliers around its values and its commitment to sustainable development;
- support solidarity programmes linked to the Group's values;
- work for the development of Engineering and promotion of scientific and technical careers;
- base corporate governance on rigorous management and responsible communication.

The Responsible Purchasing Charter

This charter is an integral part of purchasing contracts. It applies to all ALTEN Group suppliers and covers the following issues:

- respect for Human Rights;
- prohibit forced or compulsory labour;
- prohibit child labour;
- combating discrimination, harassment and violence;
- fight against corruption;
- protect health & ensure safety;
- ensure fair remuneration;
- respect for freedom of association and recognition of the right to collective bargaining;
- respect for the environment.

Signatory suppliers undertake to ensure that the principles of the charter are respected.

By a cascade effect, they must convey these provisions to their own suppliers. This also applies to countries that are not signatories to ILO conventions where they would be required to work.

The Anti-Corruption Code of Conduct

This Code is described in Section 4.3.2.1 – "Preventing corruption risks".

3/ Controlling the risk in the Group's activities and those of its subsidiaries

ALTEN deploys policies and procedures to ensure compliance with its charters and to prevent their violation, particularly in the following areas:

- Human Rights and fundamental freedoms;
- personal health and safety;
- the environment.

These procedures are based on:

- labour relations;
- promoting diversity;
- FORCES policy.

Labour relations

ALTEN pursues a policy of dialogue with its social partners which is described in Section 4.2.4.2 – "Labour relations".

Promoting diversity

ALTEN fights against discrimination and in favour of diversity. The Group has included these principles in its Sustainable Development Charter. Diversity is central to the Group's Human Resources policy[1]. To reinforce its commitment, the Group has signed the Diversity Charter and the Gender Charter for Engineers.

The Group's principal actions address:

- gender equality, by retaining and promoting the ALTEN Group's female Engineers;
- the fight against discrimination, particularly with regard to disability, by responding pragmatically to the problems of:
  - hiring,
  - job retention,
  - employee awareness;
- supporting younger and older employees;
- the integration of jobseekers or people undergoing retraining registered with the employment center as part of the Operational Preparation for Employment (POE) programme.

(1) See Section 4.2.6 "Promoting diversity".

QHSE-SD-ISS policy: FORCES GRI 103-3

Each year, ALTEN's General Management reiterates its desire to maintain a reliable management system that satisfies all stakeholders. The ALTEN Group's QHSE-Sustainable Development-ISS policy is divided into six priority areas:

- federating, or uniting, all employees, professions and process pilots;
- optimising the Company's processes to target efficiency;
- respecting the demands of stakeholders;
- capitalising on each process and in all subsidiaries;
- ensuring ALTEN's commitment to an approach of quality and performance;
- securing our activities through certification efforts.

The FORCES policy is communicated to all new employees in the welcome handbook in France. It is posted in the premises.

To apply this policy, ALTEN's General Management has launched a performance approach based on Continuous Improvement. The integrated QHSE management system ensures:

- control of environmental impacts;
- client satisfaction;
- employee safety.

It complies with the guidelines:

- ISO 9001;
- ISO 14001;
- ISO 45001;
- EN 9100;
- CMMI;
- MASE;
- CEFRI;
- ISO 27001.

The Group's actions in terms of safety are described in the following Sections:

- 4.2.7 "Health and safety in the workplace";
- 4.3.3 "Information Systems Security";
- 4.4 "Reducing the Group's environmental footprint".

Measures to fight corruption

The Group's actions to prevent and fight against corruption are detailed in Section 4.3.2 – "Ethics and compliance".

4/ Assessment and control of risk with suppliers and service providers

The Purchasing Department ensures that its suppliers comply with the Responsible Purchasing Charter. It incorporates it into the specifications for calls for tender and into contracts.

ALTEN sends a CSR performance questionnaire to suppliers deemed priority following a CSR risk analysis of the sector. It enables them to assess their CSR performance. The Purchasing Department may initiate physical audits if the documentation presented is not satisfactory. The approach is described in Section 4.3.4.2 "Responsible purchasing".

5/ Report on the Duty of Care Plan and its implementation

The Duty of Care Plan has been rolled out and implemented in France.

In 2021, ALTEN Romania, ALTEN Polska, ATEXIS Spain and UNIWARE were included in the Group's CSR scope, which improves visibility of both the subsidiaries' CSR performance and CSR progress within the Group.

The results of the Plan on suppliers and subcontractors are detailed in Section 4.3.4.2 "Responsible Purchasing".

6/ Alert procedure

Internal and external stakeholders can submit a confidential and anonymous ethics alert on a secure platform:

- available 24/7 in all countries where the Group operates;
- meeting the requirements of the law on the duty of care of parent companies and ordering companies;
- accessible at https://ALTEN.integrityline.com/.

In 2021, no alerts were considered relevant in the framework of the Duty of care plan(1).

(1) For further information, refer to Section 4.3.2 – "Ethics and compliance".

4.3.6 REGIONAL SOLIDARITY GRI 103-1 GRI 103-2 GRI 103-3 GRI 203-1 GRI 203-2

In many of the Group's countries, ALTEN and its subsidiaries practice philanthropy initiatives in their host regions.

In France, ALTEN *Solidaire* helps general interest foundations and associations supporting causes with a social, medical or environmental impact. Since 2017, around 250 skills donations have been made.

In 5 years, skills sponsorship has represented more than 14,000 days of service for the benefit of more than 40 associative partners to whom we are committed.

In 2021 in France, skills sponsorship represented more than 2,600 days of work on assignments that dealt mainly with IT, operational and functional issues.

Engineers wishing to get involved on a personal level in grass-roots actions can also contact ALTEN *Solidaire*.

In 2021, as since the launch of ALTEN *Solidaire*, several major actions were carried out, including:

- solidarity drives, such as:
  - a Food Bank collection deployed on all French sites made it possible to offer more than 300 meals to families in need,
  - a challenge mobilising all employees for the Pink October & Movember campaigns, in favour of prevention and the fight against breast and prostate cancer. This sports challenge was made available to ALTEN employees and the donations were donated to these associations. At the same time, an awareness-raising conference given by the *Institut Curie* was offered to employees,
  - a collection for the CEKEDUBONHEUR association made it possible to finance more than 200 Christmas gifts. The gifts were distributed to hospitalised children under the age of one;
- helping associations on technical projects, such as:
  - *L'Armée du Salut*, for the logistical management of their donations,
  - *France Parrainages*, in the implementation of a web marketing automation project,
  - *Télécom Sans Frontières*, in the deployment of VBA tools,
  - *Phyto-Victimes*, in the deployment of a web application.

At the same time, since 2013, ALTEN has been developing IT partnerships with associations from various backgrounds:

- education;
- inclusion;
- professional reintegration.

ALTEN remasters its obsolete PCs in-house and equips them with in-house developed applications for:

- job search assistance;
- help with CV writing;
- and job interview preparation tutorials.

This equipment allows associations to offer computer training or access to PCs for job hunting.

Since 2013, more than 7,500 computers or IT equipment have been donated to some 40 associations (one-off assistance, follow-up of development projects for the beneficiaries).

International initiatives and specialist subsidiaries

ALTEN Finland raised funds, which were then donated to the Aamu Finnish Children Cancer Society for Christmas. With this donation, ALTEN Finland supports children's cancer research.

ALTEN Polska supports the *Maison de l'Enfant* by collecting money from all employees to provide necessary materials, such as refrigerators, umbrellas and clothes.

4.4 REDUCING THE GROUP'S ENVIRONMENTAL FOOTPRINT GRI 103-3

4.4.1 ENVIRONMENTAL CHALLENGES GRI 103-1

The Group encourages all its entities to cultivate a proactive environmental approach, based on a recognised standard or benchmark.

The Quality & Performance Department defines the Group's environmental policy. It aims at assisting the subsidiaries in identifying and implementing concrete actions concerning:

- building management;
- control of the carbon footprint;
- rational use of natural resources.

The General Resources Department is committed to implementing these policies at all sites.

Its environmental approach is built around the following priorities:

- raising awareness of employees about eco-friendly behaviours;
- reducing its greenhouse gas emissions;
- using natural resources in a reasonable manner and reducing waste.

ALTEN is aware that its activities and sectors give it an indirect environmental responsibility to its clients. Thus, the Group is committed to developing innovative and sustainable solutions and to acting in favour of Responsible Digital Technology.

4.4.2 GROUP ORGANISATION FOR ENVIRONMENTAL MANAGEMENT GRI 103-2

The Group's environmental management system relies upon an environmental risk analysis and a continuous improvement approach.

Several French and international entities have initiated the voluntary process of certification of their environmental management system (EMS). In 2021, 79% of the headcount within the CSR perimeter is covered by an EMS, including some entities that have been ISO 14001 certified in recent years:

- **ALTEN Spain**;
- **ALTEN GmbH** in Germany;
- **ALTEN Sverige**;
- **ALTEN SA, ALTEN SO** and **ALTEN SIR** in France.

4.4.3 EMPLOYEE AWARENESS

ALTEN involves its employees by relaying the highlights of Sustainable Development *via* communication campaigns. In France, awareness campaigns, activities and training, especially those developed as part of the ISO 14001 certification process, are organised regularly to promote eco-friendly gestures and facilitate their adoption.

A Life Charter is displayed in all common areas and meeting rooms. A dedicated e-learning module also reminds us of best daily practices to respect others and the environment. In 2021, more than 63% of employees received training on eco-friendly actions *via* e-learning modules in France.

International initiatives and specialist subsidiaries

ALTEN GmbH raises awareness among employees by publishing a monthly bulletin on how to reduce energy, water and paper consumption on boards and on the intranet. In addition, the teams set up a suggestion box through which employees are invited to contribute to improving the company's environmental orientation.

ALTEN Italia puts up 'best practice' signs in all common areas, with suggestions for improving their sustainable development approach.

ALTEN Netherlands and ALTEN Maroc regularly inform employees of upcoming CSR activities or good practices through posters and e-mails (safety, energy consumption, compliance with the state of health emergency).

4.4.4 REDUCING THE GROUP'S GREENHOUSE GAS EMISSIONS

1/ The Group's climate commitments

GRI 305-1 GRI 305-2 GRI 305-3

Since 2019, ALTEN has been a signatory of the *Syntec-Ingénierie*'s Climate Charter for Engineers. The Group will take part in *Syntec*'s Charter monitoring committee and will be involved in 3 areas:

- reducing the emissions of CO_2 produced by commuting and company vehicle-related travel;
- raising employee awareness of climate challenges;
- defining its climate pathway.

In 2021, ALTEN participated in the Global Compact's Climate Ambition Accelerator programme and signed the Initiative's commitment letter Science-Based Targets (SBTi).

The ALTEN Group has given itself 2 years to publish climate targets in line with the recommendations of the Science-Based Targets Initiative, and to realign its roadmap with these new targets. Between 2020 and 2025, ALTEN will focus on the following priority areas:

- promoting the use of renewable energy on its premises, with a target of 80% renewable energy by 2025 for the CSR scope;
- encouraging the energy efficiency of buildings;
- minimising the impact of IT facilities;
- supporting the transition to more gentle and sustainable forms of mobility;
- assessing suppliers and service providers on their carbon emissions and favouring suppliers committed to the climate;
- supporting and raising the awareness of international subsidiaries regarding their carbon trajectory.

2/ Breakdown of greenhouse gas emissions

Every year since 2019, ALTEN has updated the calculation of greenhouse gas emissions from all its activities in France and internationally. This assessment is carried out on the 3 scopes defined by the GHG Protocol:

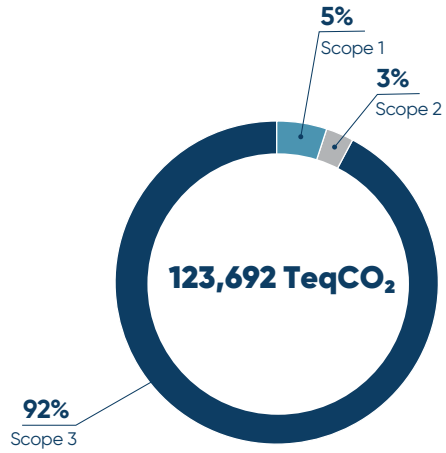
- scope 1: direct emissions mainly due to:
  - the use of fuels on site,
  - refrigerant leaks,
  - fuel combustion by the vehicle fleet;
- scope 2: indirect emissions caused by the purchase or production of electricity and steam;
- scope 3: all other indirect emissions, such as:
  - business travel,
  - employee meals,
  - purchases and services,
  - non-current assets.

The Group's greenhouse gas emissions had decreased significantly by 2020 due to the health context of COVID-19.

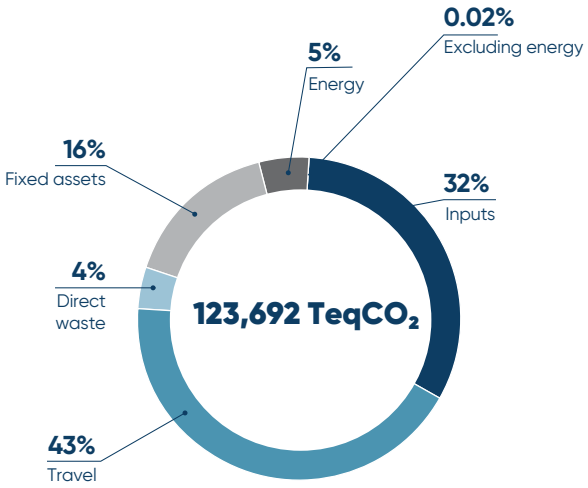
In 2021, the recovery in activity is reflected in an increase in greenhouse gas emissions. The total amount of greenhouse gases remains lower than that emitted in 2019, thanks to:

- a controlled increase in emissions related to business travel compared to 2020;
- the use of teleworking in several countries, which limits emissions related to commuting.

Group emissions by scope ($TeqCO_2$)



Group emissions by emission types ($TeqCO_2$)



The data have been rounded for clarity.

In 2021, the energy consumption of ALTEN sites within the CSR scope[1] was as follows:

	Gross consumption - 2021	Consumption per m² - 2021
France	5,816 MWh	93.7 kWh/m²
International	6,905 MWh	76.4 kWh/m²
TOTAL	**12,721 MWh**	**83.5 kWh/m²**

Energy consumption for data centers used in France by ALTEN SA in 2021 amounted to 397 MWh. This is equivalent to 6.8% of the consumption of buildings in France.

In 2021, the CDP Climate Change assessed ALTEN's approach to combating climate change at level A-.

3/ Promoting renewable energy solutions

ALTEN promotes renewable energy solutions. In 2021, 68% of the energy consumed in buildings in France was from renewable sources. By 2022, ALTEN is committed to sourcing 100% of its energy from renewable sources at all its sites in France

International initiatives and specialist subsidiaries

On an international level, subsidiaries also use renewable energies:

- **ALTEN GmbH** is rolling out the use of electricity from renewable sources at its main sites in Germany;
- **ALTEN Finland** and **ALTEN Spain** use renewable energies for more than 50% of their energy consumption;
- **ATEXIS Spain** uses 85% renewable energy.

4/ Encouraging energy efficiency in buildings

In France, the Group's real estate strategy is based on the creation of regional business clusters and on the modernisation of the real estate portfolio. The Group works with developers, architects and builders, from the design stage, allowing it to guarantee an environmental approach to buildings.

The 5 buildings recently integrated into the real estate portfolio have:

- BREEAM Very Good certifications;
- regional labels such as:
  - BBCA (Low Carbon Building),
  - BDM (Mediterranean Sustainable Buildings),
  - RT 2012 - 10%,
  - *Ready to OsmoZ*,
  - E+/C – ,
  - BBC-Effinergie 2017.

This choice to occupy efficient and more environmentally friendly buildings concerns many of the countries where the Group operates. In 2021, 47% of its buildings were certified to BBC (Low-Consumption Building) and/or HQE (High Environmental Quality) in France, compared to 38% in 2020.

ALTEN has decided to leave 5 non-certified sites in France in 2021, which accounted for 14% of electricity consumption, with the objective of reducing energy consumption.

International initiatives and specialist subsidiaries

- **ALTEN Belgium** has a building in Brussels certified by BREEAM International for its energy performance and sustainability.
- **ALTEN Switzerland** has a Minergie-certified building based in Lausanne.
- **ALTEN Spain** is LEED GOLD certified for its four buildings in Madrid.
- **ALTEN Finland** uses district heating, more than 50% of which is renewable.
- **ALTEN GmbH**: The Ulm site was designed with the building's energy requirements in mind, which are about half those of a similar new structure. The heating system is powered by photovoltaic panels and a heat pump. This structure also uses a passive heating system, with heat generated by equipment and people on site, in addition to solar energy. On the Nuremberg site, the heat supply for offices comes from a biomass cogeneration plant supplied by wood from a local forest.

5/ Minimising the impact of IT installations

ALTEN has defined and implemented a Responsible Digital Strategy that covers all issues related to its activity.

Through its Responsible Digital Strategy, ALTEN intends to put its expertise at the service of its clients and the transition of the digital sector, rely on its Innovation Labs to develop the footprint measurement and eco-design solutions of tomorrow, and finally, optimise its own internal systems.

In 2021 ALTEN received the "Jury's Favourite" award in the Corporate Strategy category of the Responsible Digital Technology Awards organised by the *Institut du Numérique Responsable*.

ALTEN's Responsible Digital Strategy is based on the following 3 pillars:

- supporting its clients *via* an innovative framework for measuring the energy consumption of IT services. This framework is developed by ALTEN's Innovation Department teams in collaboration with the network of reference partners that ALTEN has built up in the footprint measurement and digital eco-design sector. ALTEN has defined an action plan to train its employees in digital eco-design and to share expertise internally *via* the Tribe Cloud, for example. In 2022, an e-learning module for consultants will complement the Green IT Guide shared with employees in 2020;

(1) Excluding Switzerland, Qatar, China, the USA and data centers.

- providing its expertise for the transition of the digital sector by helping to improve the tools developed by its partners and by participating in external initiatives such as the AFNOR "Responsible Digital Services" working group. At the same time, ALTEN's Innovation Department is developing a measurement tool, presented in Section 4.4.4.7 "Sustainable Innovation";
- deploying the Responsible Digital Technology approach internally. ALTEN ISD is working to reduce its environmental footprint undertaken since 2013 with ISO 14001 certification.

  Thus, the ALTEN ISD is acting on the following points:

  - raising the awareness of all ISD employees about Green IT and the best practices to be implemented (*via* a charter and challenges) in 2022. There will also be a specific focus on the principles of Green Code for the ISD development staff,
  - implementing a tool to measure the environmental footprint of our cloud infrastructure and to monitor the associated carbon emissions,
  - using a tool to assess the proper sizing of virtual servers and the carbon footprint of ALTEN-owned servers in data centers,
  - strengthening the collaboration with the data center host for the creation of a calculator allowing:
    - to assess and adapt needs in real time,
    - to calculate CO_2 emissions,
    - to find ways to save energy in order to reduce the environmental footprint;
  - ALTEN offers employees digital tools that limit the amount of data stored and exchanged on networks (Teams, One Drive, One note or Sharepoint). In 2022, to promote their use, a user charter and training courses will be offered to employees;
  - faced with the increase in storage data, ALTEN launched its archiving optimisation project at the end of 2021;
  - in France, 100% of computers and monitors are Energy Star certified. The IT equipment is category A3 or A4.

Focus on the hosting of the Group's data

ALTEN relies on modern hosting technologies. The Group consumes power on demand, adapted to needs at a given moment. Resources are pooled, streamlined and optimised to reduce the number of physical servers. This reduces the environmental footprint and ensures high security systems are available 24/7.

For the past 10 years, ALTEN has been outsourcing to 2 recognised hosting providers, one in a data center, the other in the Cloud. These partners are part of a responsible digital technology approach.

- the data center hosting partner has implemented the following actions:
  - 100% of the data centers' total energy consumption comes from renewable energy,
  - it is involved in a reforestation project in Occitania (150 hectares in 2021) as part of a carbon offsetting policy which has enabled it to be the first digital company to obtain the French Low Carbon label;
- the cloud hosting partner is carbon neutral. It has committed to a 1.5° climate trajectory with the SBT Initiative and has committed to offsetting all of its carbon emissions since inception by 2030.

International initiatives and specialist subsidiaries

- **ALTEN Netherlands** hosts its servers in environmentally friendly data centers. The energy footprint is reduced by 50% through the use of an immersion cooling technology called "Immersed Computing".
- **ALTEN GmbH** is extremely vigilant about the consumption of its data centers. These have been centralised at only a few sites in order to limit the energy impact and particular attention is paid to the cooling technology.
- **ALTEN Italia** buys refurbished smartphones and laptops. Old printers are being replaced by newer ones that reduce paper waste, thanks to a user identification system based on personal badges.

6/ Favouring sustainable mobility

Travel accounted for 43% of the Group's greenhouse gas emissions in 2021. ALTEN pays particular attention to this and offers innovative alternatives to its teams

After a year 2020 marked by a very low number of trips due to the health context, travel resumed in 2021 in a particularly controlled manner.

As a result, the majority of long-distance travel has been replaced by videoconference meetings.

Most journeys in France are now made by train, the share of air travel having fallen sharply.

Commuting

Since 2018, ALTEN has been carrying out Mobility Plans at sites with more than 100 employees and subject to a local urban plan. In this context, the Group analysed employee commuting at more than 10 sites in France. These mobility studies have led to the implementation of solutions adapted to each site, including:

- installation of showers, changing rooms and bicycle parking on certain sites to encourage cycling;
- installation of electric vehicle charging stations for company and personal vehicles;
- subscription to KAROS Entreprises for all the Group's employees in France, to facilitate the use of carpooling.

Based on the results of these measures, ALTEN will extend the commuting surveys to all its employees in France in 2022.

ALTEN plans to accelerate the deployment of electric charging stations, and aims to offer 180 charging points covering 12 sites during 2022. It should be noted that in 2021 in France, ALTEN has already deployed 70 charging points at 3 sites.

Other solutions aimed at encouraging alternatives to the car will be tested, such as the installation of self-service bicycle stations.

Finally, a new eco-mobility e-learning module will be offered to all employees to raise their awareness of the impact of travel, present the alternatives favoured by the Group and encourage them to move towards more environmentally friendly mobility.

Business travel

Business travel by Group employees in France is guided by a travel policy, which is also designed to be more responsible. This document reminds employees that preference should be given to alternatives to travel, such as conference calls and video-conferencing.

It sets out very precise rules for transport and lays down the conditions under which business travel may be carried out: rail travel is mandatory for any journey of under 2:30 h; domestic and medium-haul flights in economy class; preference is given to "green" taxis, etc. In the very specific context of 2020, the travel validation policy has been tightened up, in order to significantly limit travel, in favour of videoconference meetings.

For the last 10 years, ALTEN has urged employees to use the solution introduced to make audio and web conferences possible from each computer in a secure and interactive fashion.

Company vehicles

Each year, the ALTEN Group continues to improve the environmental performance of its fleet at a steady pace. Since 2019, diesel engines have been banned from the company vehicle catalogue.

The evolution of the share of low emission vehicles (<60 g CO_2/km) in the catalogue of company vehicles in France is as follows:

Years	Share of low-emission vehicles (<60 g CO_2/km)
• 2019	40%
• 2020	67%
• 2021	75%
• 2022	Target 80%

In 2021, 64% of the on-road fleet in France was composed of low-emission vehicles, well beyond the obligations introduced by the LOM law by 2030.

The Group's company vehicles in France individually emitted an average of 73g of CO_2/km at the end of 2021.

This massive electrification, enabled by the deployment of charging points on the main buildings, has been accompanied in 2021 by a change of energy supplier, to ensure 100% renewable electricity in France.

International initiatives and specialist subsidiaries

- **MI-GSO** provides for a mileage allowance for the use of bicycles, partial reimbursement of public transport passes, the gradual integration of electric or hybrid vehicles and charging stations into its fleet.
- **ALTEN Italia** has partnered with public transport companies to promote the use of public transport by employees and has allocated certain vehicles in the company fleet to groups of employees to encourage carpooling.
- **ALTEN Netherlands** and **ALTEN Finland** provide charging stations for electric vehicles next to ALTEN buildings.
- **ALTEN Belgium** provides a Mobility Pack including a mobility bonus paid according to the category of transport used.
- **ALTEN GmbH** offers the Car2Go application to its employees, which provides electric vehicle sharing. In addition, since 2016, the teams have participated in the With Bicycle To Work campaign organised by an insurance company. Employees cycling to work for at least 20 working days were rewarded.
- **ALTEN Spain** created a sustainable mobility plan called Welcome Mobility. This plan presents a shuttle service, with several routes, as well as a carpooling platform. The objective is to improve the company's mobility ratios, by favouring the more sustainable use of transport.

7/ Sustainable innovation

Contributing to sustainable development through more environmentally friendly technological solutions is an accelerator of research and innovation. This fundamental theme is one of the 3 major issues of the **SMART DIGITAL** initiative, which includes all 8 SMART PROGRAMMES set up within ALTEN Labs.

Many development projects carried out by ALTEN's industrial clients incorporate this vision of long-term sustainability with complex and global technical issues. Historically focused on the more efficient and less carbon-intensive land or air transport of the future, ALTEN's teams are now developing ambitious innovative projects in a wide variety of fields, from more responsible management of industrial processes to Responsible Digital Technology to make software less energy-intensive. ALTEN's share of R&D for sustainable innovation is steadily increasing and reached 22% in 2021. Some examples of these achievements are:

Improving the environmental impact of digital technology

As part of its commitment to sustainable development, ALTEN has defined and implemented a Responsible Digital Strategy that covers all of its activities, including its expertise and innovation capacity. One of the solutions to reduce software consumption is to develop more sober and better designed Code: Green Code. Another is the removal of all superfluous features to focus on the essentials by working on application obesity. Finally, the 3rd challenge is to encourage digital companies, and in particular application developers, to use data sensibly, especially when accessing the Cloud. For this, ALTEN has developed an innovative tool to:

- measure the environmental impacts of data, applications and IT resources;
- implement an automated DevGreenOps approach to measure and alert on energy performance degradations when non-optimised Code is pushed into the CI/CD chain (continuous integration/continuous deployment).

This project contributed greatly to the winning of the "Jury's Favourite" prize at the 2021 Responsible Digital Technology Awards.

Improving energy efficiency in transport

The energy transition in the Automotive sector focuses primarily on the development of technologies that reduce or even eliminate pollutant emissions. In a context that will remain "hybrid" for a long time to come, energy consumption depends very much on the driver. The ALTEN Labs teams have developed eco-driving solutions that aim to link different technical fields and behavioural sciences:

- real-time processing of embedded driving data, in partnership with DUNASYS;
- modelling of fuel consumption and CO_2 emissions from driving data;
- use of geolocation and route planning information, in partnership with HERE;
- implementation of learning algorithms to analyse, anticipate and visualise eco-driving data;
- psychosocial studies (the subject of a thesis launched with the *Ecole des Mines ParisTech*) and a UX design approach complete the model.

Improving the environmental efficiency of industries

From eco-responsible thinking at the product design stage to energy consumption in factories and throughout the supply chain, ALTEN teams use new digital technologies to anticipate, manage and reduce the environmental impact of the industrial chain.

The **Green Supply Chain** project is building a "control tower" for the environmental impact of procurement and logistics by collecting all logistics data and their carbon impact in real time. The implementation of an artificial intelligence control system makes it possible to model their complex links, to predict the impact of logistical choices, and thus to prescribe actions that will reduce their environmental impact.

Within the factory itself, the **Green Factory** project is developing a comprehensive energy management tool. It aggregates all the data and their interconnections, and models the consumption of the energy mix (financial, regulatory and environmental impacts). A combination of multi-scale analysis and multi-parameter optimisation algorithms can then be used to prescribe greener and more economical solutions for the control of the various plant systems and their consumption of different energy sources.

International initiatives and specialist subsidiaries

- **ALTEN Belgium** is helping a major automotive manufacturer to meet future environmental requirements by developing and monitoring new energy solutions and is also assisting several of the Group's clients with energy performance optimisation projects.
- **ALTEN Netherlands** is working on a number of "green" projects, such as the development of charging stations for electric buses, the development of intelligent traffic routing systems to reduce traffic jams and pollution, and the development of chip-making machines that produce chips faster, using less energy and fewer natural resources, at a similar cost.
- **ALTEN Finland** is working on heat pump projects and is involved in pine oil refining projects. In addition, a project for photovoltaic systems for shopping centers is underway.
- **ALTEN Delivery Center Maroc** is involved in rechargeable hybrid or 100% electric vehicle projects.
- **ALTEN Polska** works in projects on the design of mechanical elements of control panels for wind turbines.

4.4.5 USING NATURAL RESOURCES WISELY AND REDUCING THE GROUP'S WASTE

GRI 306-2

1/ Reducing paper consumption

ALTEN uses paper essentially for purposes of office work and communication. In 2021, the Group's internal consumption came to 19.4 metric tonnes, *i.e.* an average of 2.7 kg per employee:

ALTEN is not only looking to consume less, but also to consume better. With regard to purchasing, the Group prioritises recycled and/or ecolabel paper. Thus, 94% of paper used in France in 2021 was recycled and/or certified.

ALTEN encourages paper-free exchanges:

- in France, in 2021, 96% of employees received their payslips in a digital safe;
- the project for the dematerialisation of invoices is also continuing its deployment. The aim is to increase the number of clients, suppliers and subcontractors connected to the solution each year. In 2021, almost 70,000 invoices were processed electronically, which is half of the total number of invoices processed during the year. This represents an additional 16% of dematerialised invoices compared to 2020;
- in 2021, ALTEN set up a platform that enables 100% digital contract management.

In 2022, ALTEN will continue to work on the digitalisation of its processes requiring a large number of prints.

In France, most printers are linked to a badge printing system that eliminates unnecessary, erroneous or forgotten prints. They are configured by default in black and white and recto/verso and help make employees aware of the environmental impact of each print. In 2021, printing *via* this system has decreased by 7% compared to 2020.

International initiatives and specialist subsidiaries

- **MI-GSO** has adopted a zero-paper policy. It is based on dematerialisation, in other words the digitalisation of all documents. Training employees in the right behaviours and in the use of digital tools allows the approach to be generalised in the best possible way;
- **ALTEN Netherlands, ALTEN Sverige** and **ALTEN Finland** use 100% certified and/or recycled paper.

2/ Reducing and sorting waste

The ALTEN Group is committed to waste reduction and sorting in the office.

The Group has initiated several projects to reduce the amount of paper used, and therefore paper waste generated (see Section 4.4.5.1 "Reducing paper consumption").

A paper sorting and recycling system is in place in France and in many of the Group's entities[1]: 71% of the surfaces are covered by selective sorting in the entire CSR scope.

With regard to waste electrical and electronic equipment, the Group has set up a specific monitoring system that applies to batteries and ink cartridges consumed by the Group. An audit of the WEEE waste management system at Group level will be conducted by ALTEN ISD in 2022.

In 2021 a specialised service provider collected 7.5 tonnes of WEEE from ALTEN and its subsidiaries in France; and 9.7 tonnes were collected on the CSR scope. In France, the increase in WEEE is linked to the closure of certain sites in France and the renewal of the PC fleet.

ALTEN gives a second life to obsolete IT equipment in its fleet *via* donations to associations[2]. In addition, ALTEN has implemented a partnership with a company to recondition and upgrade certain obsolete equipment (landlines and audio conference telephones, and others).

Since 2020, ALTEN has eliminated all single-use plastic cups from its sites in France. 7 ALTEN sites have been equipped with new Cy-Clope ashtrays that collect and recycle 100% of cigarette butts, which will be used as fuel to produce energy.

In 2022, ALTEN plans to deploy collection points for the recycling of masks used in the management of COVID-19.

ALTEN raises employee awareness of eco-actions *via* mandatory e-learning modules and events: for example, during the 2021 European Waste Reduction Week, ALTEN has made its employees aware of the circular economy by publishing articles on the internal network.

International initiatives and specialist subsidiaries

- **ALTEN Italia, Belgium, Spain, Finland, Polska, ANOTECH Energy (France and USA)** and **CADUCEUM** have a waste sorting system. In all offices and common areas, sorting bins are installed for plastic, paper, computer waste and other waste.
- **ALTEN Switzerland** offers employees the opportunity to buy their old mobile phones or computers at a reasonable price.
- **ALTEN GmbH** and **ALTEN Technology** promoted water bottles in the office, and the use of recycled paper for drafting purposes. In addition, the entities have eliminated disposable cups at all sites.

4.4.6 BIODIVERSITY

Particular attention is paid to the environmental certification of office supplies and equipment. The aim is to limit their impact on biodiversity as part of the Group's responsible purchasing approach.

In France, for example:

- all table and desk purchases require FSC, PEFC or NF environment certification;
- paper purchases require FSC, PEFC, European Ecolabel, NF Environnement or 100% recycled paper certification.

ALTEN wishes to raise employee awareness of biodiversity: the Group sponsors beehives in the Paris region. In 2021, ALTEN organised a web conference on pollination and the importance of protecting pollinating insects.

ALTEN continued its collaboration with a company specialising in reforestation. Since 2013, ALTEN has planted over 32,500 trees in 5 different countries.

In 2022, ALTEN will continue to raise awareness of biodiversity among its employees.

International initiatives and specialist subsidiaries

- **ALTEN Switzerland** hired a local Christmas tree producer to decorate the premises. The trees were potted and put back into the ground after the holiday season.
- **ALTEN Delivery Center Maroc** organised a "green" awareness day.
- **ALTEN GmbH** deployed the Ecosia search engine to all its employees. Ecosia uses research income to plant trees in various places around the world.

(1) Particularly in Finland, Italy, Germany and Spain.

(2) This approach is described in Section 4.3.6 – "Regional solidarity".

4.5 METHODOLOGIES AND INTERNATIONAL GUIDELINES

4.5.1 METHODOLOGICAL NOTE

GRI 102-8 GRI 102-46 GRI 102-48 GRI102-49 GRI 102-50 GRI 102-51 GRI 102-52 GRI 102-53

Temporal and geographic scopes

The data for the various indicators cover the period from 1 January 2021 to 31 December 2021.

The CSR scope in this report covers ALTEN's legal entities and solutions located in France:

- ALTEN SA;
- ALTEN SO;
- ATEXIS;
- MI-GSO;
- ALTEN SIR;
- ALTEN TECHNOLOGIES;
- AIXIAL;
- LINCOLN SAS;
- AVENIR CONSEIL FORMATION;
- AIXIAL DEVELOPMENT;
- CADUCEUM;
- ANOTECH ENERGY;
- UNIWARE.

The CSR scope also covers international entities:

- ALTEN Belgium SPRL;
- ALTEN Switzerland;
- ALTEN GmbH;
- ALTEN SW GmbH;
- ALTEN Technology GmbH;
- ALTEN Spain;
- ALTEN Finland;
- ALTEN Nederlands BV;
- Orion Engineering;
- TECHaLTEN Portugal;
- ALTEN Sverige;
- ALTEN Italia SPA;
- ALTEN LTD;
- ANOTECH ENERGY GLOBAL SOLUTIONS LTD;
- PPP UK;
- ATEXIS SPAIN;
- ALTEN CALSOFT LABS India PRIVATE LTD;
- CRESTTEK ENGINEERING;
- ALTEN INDIA PRIVATE LTD;
- ALTEN Delivery Center Maroc;
- ANOTECH ENERGY DOHA;
- ANOTECH ENERGY USA INC;
- CPRIME INC;
- ALTEN CHINA LTD;
- ALTEN POLSKA;
- ALTEN ROMANIA.

In 2021:

CLOVER GLOBAL SOLUTIONS LP merged with ANOTECH ENERGY USA INC under the name ANOTECH ENERGY USA INC;

ANOTECH ENERGY SERVICES LTD UK and ALTEN UK reported consolidated data;

In France, UNIWARE was integrated into the reporting;

Internationally, ALTEN ROMANIA, ALTEN POLSKA, ATEXIS Spain, have been integrated into the reporting.

Rate of coverage

The performance indicators reported for France and international operations cover 75% of the Group's total headcount at 31 December 2021, and 75% of revenue.

For the French entities, these indicators relate to:

- the completeness of the headcount of the entities concerned[1];
- all areas occupied by one or more ALTEN Group entities in France.

For international entities, they relate to the number of employees and floor space of each entity in the country concerned.

Guidelines

The performance indicators and the text of this report comply with Article L. 225-102-1 of the French Commercial Code. This document was prepared in line with the standards of the Global Reporting Initiative (GRI) G4 essential compliance option.

The guidelines for calculating and establishing performance indicators are available upon request by e-mail: ALTEN.csr@ALTEN.fr.

Exceptions and limitations

The ALTEN Group has set up an internal reporting tool proposed to all entities in the CSR perimeter. This tool allows for the reporting of:

- social;
- environmental;
- local societal information.

(1) ALTEN and specialised subsidiaries.

This data is then consolidated by the Group.

The ALTEN Group strives to increase the scope of its reporting each year by integrating new entities.

Origin and compilation of the data

Employee-related indicators

The following data is extracted from the social statement of financial position and payroll software of the Group's companies in France and international entities:

- headcount;
- nationalities represented in the Company;
- hires and departures;
- work-study contracts;
- total payroll;
- remuneration;
- turnover;
- organisation of working time;
- frequency rate;
- severity rate of work accidents.

Other data is derived from the reporting of the departments responsible for this in the various Group entities:

- annual appraisals;
- training;
- internal mobility.

The total number of training hours and employees trained includes training for apprentices and employees on vocational training contracts.

For international entities, employees on apprenticeship or vocational contracts are counted as fixed-term contracts for the SOC 7 and SOC 8 indicators.

Turnover is calculated according to the following definition: (Departures/[Workforce N-1+Workforce N]/2). Departures taken into account exclude trial periods, mobility and other reasons.

The work accident severity rate was calculated based on working days.

Some subsidiaries do not track all the data included in this reporting. So:

- ALTEN LTD is excluded from SOC 3 "Breakdown of headcount by age group";
- ALTEN India, CRESTTEK ENGINEERING and ATEXIS Spain are excluded from SOC 5 "Headcount by business line";
- CPRIME INC and ALTEN LTD are excluded from SOC 18 "Breakdown of headcount by type of contract";
- ALTEN Polska, ALTEN Romania, ANOTECH ENERGY DOHA, CPRIME INC, ANOTECH ENERGY GLOBAL SOLUTIONS are excluded from SOC 21c "Percentage of employees who benefited from an annual appraisal for the period 01/01/21 and 31/12/21";
- CPRIME INC, ALTEN Finland, ALTEN Polska, ANOTECH ENERGY GLOBAL SOLUTIONS, ANOTECH ENERGY DOHA are excluded from SOC 28 "Training expenditure as a% of total payroll";
- the SOC 30 indicator "total number of training hours" was recalculated for France for 2020 with corrected data;
- ALTEN Sverige is excluded from SOC 31 a "Percentage of people trained during the year by gender";
- CALSOFT LAB India, ALTEN LTD, ALTEN Polska, ALTEN Romania, ANOTECH ENERGY DOHA, CPRIME INC are excluded from SOC 34 "Frequency rate of work accidents with lost time";
- CALSOFT LAB India, ALTEN LTD, ALTEN Polska, ALTEN Romania, ANOTECH ENERGY DOHA, CPRIME INC are excluded from SOC 35 "Work accident severity rate".

Environmental indicators

- Environmental data excludes ALTEN Switzerland.
- Data related to floor space is taken from the lease documents. They are collected and then consolidated annually by building. They are then broken down according to their occupation by each entity in France and for the international entities within the CSR scope.
- Data related to consumables and energy are based on invoices and statements from suppliers and service providers.
- In France, the energy consumption of common areas is estimated at 10% of the consumption of occupied areas:
  - when ALTEN does not lease the entire building;
  - when the data is not available.
- Enviro 1: "CO_2 emissions related to the energy consumption of buildings between 01/01/21 and 31/12/21" excludes:
  - ALTEN Belgium;
  - ALTEN Polska;
  - ANOTECH ENERGY DOHA;
  - ANOTECH ENERGY USA.
- To calculate the percentage of renewable energy used in France, the energy consumption recorded on the invoices and statements of suppliers and service providers is taken into account but not the consumption linked to the common parts of the buildings.
- The quantity of cups used by ALTEN (Enviro 6) concerns only paper cups for France (the zero-plastic-cup objective in France has been achieved) and single-use plastic cups internationally.

  The Enviro 4[1] calculation method is the total amount of paper divided by the weighted number of employees for France.
- In France, energy consumption indicators were divided by the number of weighted m^2. Internationally, the actual m^2 as of 31 December 2021 are used when information on the number of m^2 weighted items is not available. The Enviro 8a indicator "Total energy consumption in kWh" excludes:
  - ALTEN Belgium;
  - ALTEN Polska;
  - ANOTECH ENERGY DOHA;
  - ANOTECH ENERGY USA.

(1) "Total quantity of paper (office and head office) consumed in kg/employee/year".

- Enviro 8b "Total energy consumption in kWh/m²/year" excludes:
  - ALTEN Belgium;
  - ALTEN Polska;
  - ANOTECH ENERGY DOHA;
  - ANOTECH ENERGY USA.
- Enviro 10 "% of occupied m² certified (BBC, HQE)" excludes:
  - ANOTECH ENERGY DOHA.
- Enviro 14 "Number of kg CO_2 eq. for business travel by train/pers/year between 01/01/21 and 31/12/21" excludes:
  - ALTEN China;
  - ALTEN India;
  - ALTEN Portugal;
  - ALTEN Romania;
  - PPP UK;
  - CPRIME INC;
  - ANOTECH ENERGY USA.
- Enviro 16 "Number of kg CO_2 eq. for business travel by air/pers/year between 01/01/21 and 31/12/21" excludes:
  - ALTEN India;
  - ALTEN Romania;
  - PPP UK;
  - CPRIME INC.
- Enviro 23a "Number of kg CO_2 eq. related to mileage by company vehicles in the fleet between 01/01/21 and 31/12/21" excludes:
  - ALTEN Romania;
  - ALTEN Spain;
  - ATEXIS Spain;
  - PPP UK.

The annual mileage of company vehicles has been estimated. Estimates are based on average monthly or annual mileage, according to data from service providers.

- Enviro 25 "Total quantity of WEEE removed by an external service provider between 01/01/21 and 31/12/21" excludes entities located in India.

  Note: the increase in WEEE in 2021 is due to site closures and the replacement of laptops and monitors in France.
- CO_2 emissions from energy consumption and travel were calculated from the raw data. The calculations use the emission factors of the Bilan Carbone® 8.6 method and the Ecoinvent database. For CO_2 emissions from renewable electricity, the emission factors have been counted as 0 in the KPI table. The emission factor for air travel is 0.187kgCO_2/passenger/km for France, and 0.19085 for international travel. In comparison it was equal to 0.265 kg CO_2/passenger/km in 2020.

Societal indicators

The data on projects supported to promote Engineering professions comes from the partnerships that received financial support.

The increase in Societal Indicator 5 is linked to a methodological change allowing partnerships with schools and universities to be taken into account.

Comparability

The CSR scope has been extended from 2020 to 2021. This change does not always make it possible to compare indicators from one year to the next. The activities of the ALTEN Group were strongly impacted in 2020 by the health crisis. The information is therefore not comparable with previous years and subsequent years. In 2021, the health crisis continued to impact the Group's activities, resulting in the maintenance of teleworking in certain areas and at certain times of the year.

4.5.2 NON-FINANCIAL PERFORMANCE INDICATORS

Social performance indicators at 31 December 2021

ALTEN indicator no.	Indicator	Units	France 2020	France 2021	Group CSR Score 2021
HEADCOUNT AND DIVERSITY					
SOC 1	Total headcount as of 31/12/2021	Actual number of employees	10,905	11,757	31,603
SOC 2	Breakdown of employees by gender	% men	70%	71%	72%
		% women	30%	29%	28%
SOC 3	Breakdown of workforce by age grouping	% of employees under 25 years old	7%	10%	9%
		% of employees between 25 and 35 years old	67%	64%	60%
		% of employees between 35 and 45 years old	19%	18%	20%
		% of employees over 45 years old	7%	7%	11%
SOC 5	Breakdown of headcount by type of job	% of employees who are engineers	85.4%	85%	85%
		% of employees who are managers	4.7%	5%	6%
		% of employees who are Support Functions	9.9%	10%	9%
HIRES AND DEPARTURES					
SOC 7	Total number of hires	Number of hires	2,531	4,796	16,606
	Employees recruited on permanent contracts	Number of hires	2,398	4,581	13,376
	incl. number of permanent hires under 25 years of age	Number of hires	600	1,163	2,069
	Employees recruited on fixed-term contracts	Number of hires	84	114	3,230
	Number of hires on apprenticeship or vocational training contracts	Number of hires	49	101	101
SOC 8	Total number of terminations	Number of terminations	4,699	3,576	11,449
	Number of departures from permanent contracts	Number of terminations	4,483	3,414	9,445
	of which resignations	Number of terminations	1,977	2,193	6,728
	of which redundancies	Number of terminations	791	405	820
	Number of departures from fixed-term contracts	Number of terminations	81	88	2,004
	Number of departures on apprenticeship or vocational training contracts	Number of terminations	135	74	74
SOC 17	Net jobs created	Number of jobs created	-2,085	1,167	5,157
TYPE OF EMPLOYMENT CONTRACT					
SOC 18	Breakdown of headcount by type of contract	% of permanent employees	98.6%	98.7%	90.0%
		% of temporary employees	0.4%	0.4%	9.6%
		% of employees on apprenticeship or vocational training contracts	1.0%	0.9%	0.4%

ALTEN indicator no.	Indicator	Units	France 2020	France 2021	Group CSR Score 2021
REMUNERATION					
SOC 19	Average annual remuneration by position	in euros managers	40,253	41,837	NC
		in euros non-managers	26,380	28,130	NC
MANAGEMENT					
SOC 21	% of employees having had an annual performance appraisal	% of employees	91%	89%	81%
SOC 22	Average rate of absenteeism (for sickness, work- or commute-related accident)	%	2%	2%	1.85%
SOC 23	ALTEN employee turnover	%	23%	23%	25.7%
ORGANISATION OF WORKING TIME					
SOC 24	Percentage of employees working full time	% of employees	98%	99%	98%
SOC 25	Percentage of employees working part-time	% of employees	2%	1%	2%
EMPLOYEE RELATIONS					
SOC 26	% of employees covered by a collective agreement	% of employees	100%	100%	100%
TRAINING					
SOC 27	Training expenditures	euros	10,185,218	11,444,895	14,133,104
SOC 28	Training expenditure as a% of payroll	%	2.00%	2.53%	1.12%
SOC 29	Training expenditure as a% of revenue	%	1.2%	1.13%	0.62%
SOC 30	Total number of training hours	h	127,911	131,164	430,223
SOC 31.a	Percentage of people receiving training during the year, by gender	% of men having received training	40%	39%	45%
		% of women having received training	47%	41%	47%
SOC 31.b	Percentage of employees who attended at least one training course during the year	% of employees	42%	40%	45%
SOC 33	Number of e-learning courses taken	number	27,033	30,851	63,752
WORK AND SAFETY CONDITIONS					
SOC 34	Frequency rate of work-related accidents with time off	rate	2.09	2.66	1.70
SOC 35	Severity rate of work-related accidents	rate	0.08	0.05	0.03
SOC 36	Number of hours of safety training	h	7,735	17,325	54,579
SOC 38	Number of work-related illnesses reported	number	0	0	17

NC = Not Consolidated.

Societal performance indicators at 31 December 2021

ALTEN indicator no.	Indicator	Units	France 2020	France 2021	Group CSR Score 2021
Societal 3	Percentage of women on the Board of Directors	%	50%	50%	50%
RELATIONS WITH EXTERNAL STAKEHOLDERS					
Societal 1	Number of partnerships for the promotion of Engineering professions: CNJE; *Elles Bougent*; etc.	Number of partnerships	27	20	40
Societal 5	Total number of partnerships forged with higher education institutions in the current year	number	29	51	346
Societal 4	Total number of partnerships forged with NGOs or similar associations in the current year	number	38	44	62
Societal 7	Number of man-days of skills sponsorship	man-days	2,344.5	2,649	3,428

Environmental performance indicators at 31 December 2021

ALTEN indicator no.	Indicator	Units	France 2020	France 2021	Group CSR Score 2021
CONSUMPTION OF NATURAL RESOURCES					
Enviro 4	Quantity of paper used per employee	kg/emp	5.23	2.47	2.65
	Total quantity of paper used	kg	22,221	8,442	19,447
Enviro 5	% of paper recycled or certified	%	99%	94%	89%
Enviro 6	Amount of cups per employee on site	number of cups/emp	9	9	36
Enviro 8.a	Total energy consumption	MWh	5,827	5,817	12,722
Enviro 8.b	Total energy consumption per m^2	kWh/m^2/year	76	94	84
Enviro 1	CO_2 emissions related to the energy consumption of buildings	Kg CO_2 eq.	168,388	121,080	2,650,188
BUSINESS TRAVEL					
Enviro 14	Number of kg CO_2 eq. for business travel by train per employee	kg CO_2 eq./emp.	0.74	0.42	3.48
Enviro 16	Number of kg CO_2 eq. for business travel by air per employee	kg CO_2 eq./emp.	154	81	90
Enviro 21	Average CO_2 emissions per km of the company vehicle fleet	g CO_2/km	96	73	105
Enviro 23.a	Number of kg CO_2 eq. from kilometres driven by company vehicles	Kg CO_2 eq.	224,972	204,347	6,063,686
EXTERNAL CERTIFICATIONS AND ASSESSMENTS					
Enviro 10	% of occupied m^2 that is certified (BBC, HQE)	%	38%	47%	29%
Enviro 18	EcoVadis score out of 100	Note	82/100		80/100
WASTE					
Enviro 25	Total quantity of electronic waste removed by an external company	metric tons	4.0	7.5	9.7
Enviro 11	% of sites covered by a waste sorting scheme	%	96%	97%	71%
Enviro 26	Total quantity of CO_2 emissions	Kg CO_2 eq.	2,085,746	1,285,568	11,188,897

The exact scope of each indicator is specified in the methodological note in Chapter 4.5.1.

4.5.3 COMPLIANCE MATRIX

Article 225 – GRENELLE 2 DECREE N° 2017-1265 OF 9 AUGUST 2017	Principles of the Global Impact	ISO 26000	Chapter 4 – 2021 URD	SDG
EMPLOYEE-RELATED INFORMATION				
EMPLOYMENT				
Total workforce and breakdown of employees by gender, age and geographical region		*6.4.4	4.2.2	SDG 5
Recruitments and redundancies			4.2.3	
Remuneration and remuneration increases			4.2.4.3	
WORK ORGANISATION				
Organisation of working time		*6.4.4	4.2.7	SDG 3 SDG 8
Absenteeism			4.2.7	
HEALTH & SAFETY				
Occupational health and safety conditions	4. The elimination of all forms of forced or compulsory labour	*6.4.6	4.2.7 4.1.4.3	
Work-related accidents, particularly their frequency together with occupational illnesses and severity	5. Effective abolition of child labour		4.2.7	
EMPLOYEE RELATIONS				
Organisation of dialogue with employees, such as procedures for informing, consulting and negotiating with employees	3. Respect for freedom of association and recognition of the right to collective bargaining	*6.4.3 *6.4.5	4.2.4.2	SDG 8 SDG 16
List of collective agreements, including health and safety at work			4.2.4.2	
TRAINING				
Training policies, particularly on environmental protection	8. Promoting greater responsibility in environmental matters	*6.4.7	4.2.5.3 4.4.3	SDG 4
Total number of training hours			4.2.5.3	
EQUALITY OF TREATMENT				
Measures taken to promote gender equality	6. The elimination of discrimination in respect of employment and occupation	*6.3.10 *6.3.7	4.2.6.4	SDG 5 SDG 10
Measures taken to promote the employment and integration of disabled persons			4.2.6.2	
The anti-discrimination policy			4.2.6	
ENVIRONMENTAL INFORMATION				
GENERAL POLICY ON ENVIRONMENTAL MATTERS				
The Company's organisation to take into account environmental issues. Where applicable, environmental assessment or certification procedures	7. Taking a conservative approach to dealing with environmental matters 8. Promoting greater responsibility in environmental matters	*6.5.2.1 *6.5.2.2	4.1.5 4.4.2	SDG 12 SDG 13
Resources devoted to prevention of environmental risks and pollution			4.4.3 4.4.4 4.4.5 4.4.6	
The amount of provisions and guarantees for environmental risks. This information cannot be of such a nature as to cause serious prejudice to the Company in an ongoing dispute	9. Developing and disseminating environmentally friendly technologies		ALTEN has no reserves or guarantees for environmental risks in France. The environmental management (ISO 14001 certified) that we apply to buildings reduces environmental hazards.	

Article 225 – GRENELLE 2 DECREE N° 2017-1265 OF 9 AUGUST 2017	Principles of the Global Impact	ISO 26000	Chapter 4 – 2021 URD	SDG
POLLUTION				
Measures to prevent, reduce and compensate for emissions into the atmosphere, soil and water that severely affect the environment	7. Taking a conservative approach to dealing with environmental matters 8. Promoting greater responsibility in environmental matters 9. Developing and disseminating environmentally friendly technologies	*6.5.3	4.4.3 4.4.4 4.4.5 4.4.6	**SDG 12**
Taking into account any form of specific pollution related to an activity, including noise and light pollution			ALTEN provides intellectual services. By their nature, these activities have little impact on the environment, cause little pollution and do not create noise pollution. However, measures are taken to ensure the smooth integration of buildings in residential areas into their neighbourhoods (BBC/HQE, ISO 14001, etc.).	
CIRCULAR ECONOMY				
WASTE MANAGEMENT AND PREVENTION				
Measures to prevent, recycle, reuse, other upgrade and eliminate waste		*6.5.3	4.4.3 4.4.5	**SDG 7** **SDG 12**
Fight against food wastage initiatives			Taking into account the tertiary nature of ALTEN's Engineering and Technology Consulting activities, the fight against food wastage is not significant.	
SUSTAINABLE USE OF RESOURCES				
Consumption and supply of water in accordance with local constraints			Taking into account the tertiary nature of ALTEN's Engineering and Technology Consulting activities, the Group's water consumption is not significant.	
Consumption of raw materials and measures taken to use them more efficiently	7. Taking a conservative approach to dealing with environmental matters 8. Promoting greater responsibility in environmental matters 9. Developing and disseminating environmentally friendly technologies		4.4.5	
Energy consumption, measures taken to improve energy efficiency and use of renewable energy		*6.5.4	4.4.3 4.4.4.1 4.4.4.3 4.4.4.4 4.4.4.5 4.4.4.7	
Land use			Given ALTEN's services business of Engineering and Technology Consulting, the Group has no activity that involves land use.	

Article 225 – GRENELLE 2 DECREE N° 2017-1265 OF 9 AUGUST 2017	Principles of the Global Impact	ISO 26000	Chapter 4 – 2021 URD	SDG
CLIMATE CHANGE				
Significant greenhouse gas emission caused by society activity, especially by using goods and services produced	7. Taking a conservative approach to dealing with environmental matters 8. Promoting greater responsibility in environmental matters 9. Developing and disseminating environmentally friendly technologies	*6.5.4 *6.5.5 *6.5.5 *6.5.5 *6.5.6	4.4.4.2	
Measures to adapt to the consequences of climate change			4.4.4 4.4.5 4.4.6	**SDG 9** **SDG 11** **SDG 12**
Targets to voluntarily reduce in the medium and long term the greenhouse gas emissions and the means implemented for this purpose			4.4.4.1	
Protection of biodiversity: measures taken to preserve or restore biodiversity			4.4.6	**SDG 15**

Article 225 – GRENELLE 2 DECREE N° 2017-1265 OF 9 AUGUST 2017	Principles of the Global Impact	ISO 26000	Chapter 4 – 2021 URD	SDG
SOCIETAL INFORMATION				
SOCIETAL COMMITMENTS IN FAVOUR OF SUSTAINABLE DEVELOPMENT				
The impact of the Company's activity on employment and local development	3. Respect for freedom of association and recognition of the right to collective bargaining	*6.8.5 *6.8.7 *6.8.8 *5.3.3 *6.8.9	4.1.4.6 4.3.6 4.4.4.7	**SDG 1** **SDG 8** **SDG 17**
The impact of the Company's activity on neighbouring or local populations			ALTEN is present in employment hotspots and is located close to its clients. Its impact on neighbouring and local populations is thus limited and not significant.	
Relationships with stakeholders and how is the dialogue with them			4.1.3 4.1.4.6 4.2.4.2	
Partnership or sponsorship actions			4.3.6 4.2.3 4.2.6.4	
SUB-CONTRACTING AND SUPPLIERS				
Taking social and environmental issues into account in the purchasing policy	1. Promoting and respecting international Human Rights law protection in the sphere of influence 2. Ensure non-complicity in Human Rights violations 8. Promoting greater responsibility in environmental matters	*6.6.6	4.3.4.1 4.3.5.2 4.3.5.4	
Taking into account in relationships with suppliers and subcontractors their social and environmental responsibility			4.1.4.7 4.3.4.2 4.3.5.1 4.3.5.2 4.3.5.4	**SDG 8** **SDG 12**
FAIR PRACTICES: MEASURES TAKEN TO PROMOTE CONSUMER HEALTH AND SAFETY				
Measures taken to promote consumer health and safety		*6.7.4	Taking into account the tertiary nature of ALTEN's Engineering and Technology Consulting activities, the Group has no activity affecting consumer health and safety.	**SDG 3**

Article 225 – GRENELLE 2 DECREE N° 2017-1265 OF 9 AUGUST 2017	Principles of the Global Impact	ISO 26000	Chapter 4 – 2021 URD	SDG
INFORMATION ON THE FIGHT AGAINST CORRUPTION: ACTIONS UNDERTAKEN TO PREVENT CORRUPTION				
Actions taken to prevent corruption	10. Acting against corruption in all its forms, including extortion of funds and bribery	*6.6.3 *6.7.4	4.1.4.5 4.3.2.1 4.3.5.2	**SDG 16**
INFORMATION ON ACTIONS IN FAVOUR OF HUMAN RIGHTS				
Promotion of and compliance with the stipulations of the core conventions of the International Labour Organisation on:	3. Respect for freedom of association and recognition of the right to collective bargaining		4.3.2	**SDG 8** **SDG 17**
respect for freedom of association and recognition of the right to collective bargaining	6. The elimination of discrimination in respect of employment and occupation		4.3.5 4.2.6.2 4.2.6.4	
the elimination of discrimination in respect of employment and occupation	4. The elimination of all forms of forced or compulsory labour	*6.3.10		
the elimination of forced or compulsory labour	5. Effective abolition of child labour	*6.3.10		
the effective prohibition of child labour		*6.3.7		
Other actions taken to promote human rights	1. Promoting and respecting international Human Rights law protection in the sphere of influence	*6.3.10 *6.3.10	4.1.4.7 4.3.2 4.3.4.2	**SDG 16**
	2. Ensure non-complicity in Human Rights violations			
	10. Acting against corruption in all its forms, including extortion of funds and bribery			

4.6 TAXONOMY INFORMATION

It is noted that, according to the NACE Code of the Group's companies, none of the Group's activities is, as of the date of this Universal registration document, eligible under the first two environmental objectives referred to in Article 9 of Regulation (EU) 2020/852 of 18 June 2020 (the "Taxonomy Regulation"), *i.e.* climate change mitigation and climate change adaptation.

All of the Group's revenue, capital expenditure and operating expenditure at the date of this Universal registration document relates to activities that are not eligible under the two objectives above.

4.7 REPORT BY THE INDEPENDENT THIRD-PARTY BODY, ON THE CONSOLIDATED NON-FINANCIAL STATEMENT INCLUDED SHOWN IN THE GROUP MANAGEMENT REPORT

For the year ended 31st December 2021

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

To the Shareholders,

In our capacity as an independent third party of ALTEN and accredited by COFRAC (under number n°3-1080, whose scope is available at www.cofrac.fr), we hereby report to you on the consolidated non-financial statement for the year ended 31st December 2021 (hereinafter the "Statement"), included in the Group management report pursuant to the legal and regulatory provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

The entity's responsibility

Pursuant to legal and regulatory requirements, the Executive Board is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement.

Independence and quality control

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

Responsibility of the independent third-party body

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

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

However, it is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions, in particular the French duty of anti-corruption;
- the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of articles A. 225-1 *et seq.* of the French Commercial Code determining the conditions in which the independent third party performs its engagement and with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements, as well as with ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.

Our procedures allowed us to assess the compliance of the Statement with regulatory provisions and the fairness of the Information:

- we obtained an understanding of all the consolidated entities' activities, the description of the social and environmental risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III as well as information regarding compliance with human rights, anti-corruption and tax avoidance legislation;

- we verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement presents the business model and the principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- we referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important;[1]
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial;
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes[2] that we considered to be the most important, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities[3] and covers between 15% and 78% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we assessed the overall consistency of the Statement based on our knowledge of the entity the consolidated entities.

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

Means and resources

Our work involved 3 persons and was conducted between December 2021 and March 2022 during a five week period.

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

Conclusion

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

Neuilly-sur-Seine, 28th April 2022

Original French report signed by:

Independent third-party body

Grant Thornton

French Member of Grant Thornton International

Jean-François Baloteaud
Partner

Bertille Crichton
Partner

(1) ***Qualitative information*** *relating to the following sections: "Promoting diversity"; "Work-life balance"; "Ethics and compliance"; "Reducing our greenhouse gas emissions"; "Using natural resources wisely and reducing our waste".*

(2) ***Quantitative social and societal information:*** *Total headcount and breakdown of employees by gender, profession and type of contract; Hires; Departures; Number of days worked; Number of working days lost; Total number of training hours; Number of people trained; Number of partnerships made with higher education institutions; Number of person-days of skills sponsorship. Quantitative environmental information: total energy consumption, CO_2 emissions related to energy consumption and business travel, total paper consumption, WEEE consumption, occupied m^2 certified BBC or HQE.*

(3) *ALTEN France, ALTEN China LTD, ALTEN Italia SPA, TECHALTEN Portugal, ALTEN Calsoft Labs, Cresttek Engineering, ALTEN India Ltd.*

5

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PRELIMINARY REMARKS

DEFINING ALTERNATIVE PERFORMANCE INDICATORS AND COMPARING THEM WITH IFRS INDICATORS

The ALTEN Group uses alternative performance indicators to monitor its operational activity. The Group feels that these indicators provide additional information enabling users of periodical financial information to get a more complete picture of the Group's performance. These alternative performance indicators complement the IFRS indicators.

REVENUE GROWTH ON A LIKE-FOR-LIKE BASIS (OR ORGANIC GROWTH)

Growth on a like-for-like basis (constant scope and exchange rates) is calculated excluding the impact of changes in exchange rates and the scope of consolidation over the period.

The impact of the exchange rate effect is determined by converting the revenue for the period using the average exchange rate of the previous financial year.

The impact of the scope is determined by excluding revenue for the period for acquisitions, and revenue of the previous period for disposals, in order to make the scope of consolidation for the period identical to that of the previous period.

This indicator makes it possible to determine the Group's intrinsic performance in terms of activity over the period.

OPERATING PROFIT ON ACTIVITY

Operating profit on activity is the operating profit before expenses relating to share-based payments, income from significant asset disposals, impairment of goodwill, and other significant and non-recurring items recorded under other operating income and expenses.

Since share-based remuneration varies markedly from one year to the next, this aggregate presented in the financial statements gives a direct view of the operational performance of the Group by making it comparable from one period to the next.

NET CASH POSITION (OR NET DEBT)

The net cash position as defined and used by the Group corresponds to the cash and cash equivalents minus gross financial debt (bank overdrafts, bank borrowings and other related financial debt). This indicator is called "net cash position" when the amount of cash and cash equivalents is higher than the gross financial debt and "net debt" when the opposite is the case.

FREE CASH FLOW

The free cash flow corresponds to the flows generated by activity minus net operating investments and financing flows linked to repayments of rental debts.

HISTORICAL FINANCIAL INFORMATION

Pursuant to Article 19 of European Regulation 2017/1129, the following information is incorporated by reference in this Universal Registration Document:

- the consolidated financial statements at 31 December 2019, and the related reports from our Statutory Auditors, presented from page 151 to 217 of Registration Document no. D. 20-0368 filed with the French Financial Markets Authority (AMF - *Autorité des Marchés Financiers*) on 28 April 2020 (https://fr.calameo.com/read/004893352727a3109fabc);
- the consolidated financial statements at 31 December 2020, and the related reports from our Statutory Auditors, presented from page 151 to 228 of the Universal Registration Document no. D. 21-0374 filed with the AMF on 28 April 2021 (https://fr.calameo.com/read/00489335220b6d29ebdb2).

5.1 ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR

5.1.1 ACTIVITY AND INCOME STATEMENT

Activity of the Group during the financial year

ALTEN, the European leader in Engineering and Technology Consulting (ETC), carries out design and research projects for the Technical and Information Systems Divisions of major industrial, telecoms and service-provider clients.

The market encompasses the full range of ETC services, specifically:

- Scientific and Technical Research;
- network architecture and IT systems.

Revenue thus amounted to €2,925.2 million, up 25.4% compared to 2020. On a like-for-like basis, activity increased by 12.9% (+8.4% in France; +15.7% outside France).

The distribution of revenue by sector of activity is presented in Chapter 1 of this Universal Registration Document.

The share of acquisitions, carried out almost exclusively abroad, contributed to the increase in activity this year by 12.8%.

International business now accounts for more than 64% of the Group compared to 61% last year.

The following acquisitions were made in 2021:

- CONSOFT (revenue: €21 million; 300 consultants): on 22 January 2021, ALTEN Europe acquired 100% of the Italian company CONSOFT SISTEMI, specialised in *Infra* IT and Digital;
- NEXEO (revenue: €37 million; 280 consultants): on 19 February 2021, ALTENWARE acquired 100% of NEXEO CONSULTING, the holding company of the NEXEO group located in France, which has a subsidiary in France and four international subsidiaries, namely in Switzerland, Luxembourg, Belgium and Canada. NEXEO is specialised in the transformation and digitalisation of IT systems;
- RADTAC (revenue: €9.5 million; 65 consultants): CPRIME UK acquired on 1 March 2021 100% of RADTAC HOLDINGS LIMITED, the UK-based holding company of the RADTAC group, which has a subsidiary in the UK and a subsidiary in Finland. RADTAC is specialised in Agile consulting and training;
- EEINS (revenue: €10 million; 90 consultants): on 19 March 2021, ALTEN EUROPE acquired 100% of EEINS GmbH, the holding company for the EEINS Group, which is located in Germany and has one subsidiary in Germany and two subsidiaries in Romania. EEINS specialises in Engineering and Consulting;
- CMED (revenue: €20 million; 180 consultants): On 1 May 2021, ALTEN EUROPE acquired 100% of CMED GROUP LIMITED, the holding company of the CMED Group located in the United Kingdom, which has two subsidiaries in the United Kingdom, a subsidiary in Romania, a subsidiary in the United States, a subsidiary in Ireland and a subsidiary in France. CMED specialises in Life Sciences;
- CIENET (revenue: €68 million; 1,900 consultants): ALTEN USA and ALTEN EUROPE acquired 100% of the CIENET group, consisting of two companies in the United States, five companies in China, and two companies in Taiwan, on 30 September 2021. CIENET is specialised in digital transformation and, in particular, software development;
- EXPERT GLOBAL SOLUTIONS (revenue: €11 million; 930 consultants): on 2 November 2021, ALTEN INDIA and ALTEN EUROPE acquired 84.50% and 5.50%, respectively, of EXPERT GLOBAL SOLUTIONS Private Limited, the holding company of the EXPERT GLOBAL SOLUTIONS group located in India, which has two subsidiaries in India, one in the United States, and one in Germany. EXPERT GLOBAL SOLUTIONS specialises in product Engineering, embedded systems and digital technologies.

Events after year end

2022 is a continuation of the second half of 2021. Business growth will depend on the evolution of the health crisis but also on the geopolitical and macroeconomic environments.

To accelerate its development and strengthen its position in strategic sectors and activities, the Group is pursuing its targeted external growth strategy:

- in Spain, acquisition in January 2022 of a company specialising in cloud and digital transformation (revenue: €12 million, 180 consultants);
- in India, acquisition in February 2022 of a company and its American and Canadian subsidiaries specialising in Engineering services including product design, embedded systems and software, manufacturing, cloud and mobile application development (revenue: €13 million; 340 consultants);
- in the United Kingdom, a group of eight companies including one in Abu Dhabi specialising in digital transformation services for public administrations (revenue: GBP 100 million; 710 consultants).

Revenue trends

The ALTEN Group generated consolidated revenue of €2,925.2 million (compared to €2,331.9 million at 31 December 2020), up +25.4% compared to the previous financial year (*i.e.* +13.7% in France and +32.9% abroad).

On a like-for-like basis, activity increased by 12.9% (+8.4% in France and +15.7% internationally).

Earnings trends

At 31 December 2021, operating profit on activity amounted to €319.9 million, or 10.9% of revenue, up 124.6% from 31 December 2020 (€142.4 million or 6.1% of revenue).

The non-recurring income amounted to -€9.8 million at 31 December 2021 and mainly concerns international activities

(-€9.7 million). It includes in particular acquisition fees for €4.8 million, gains on tax and social security audits for €0.5 million, restructuring costs for €1.6 million and earn outs for acquisitions for €3.8 million.

The IFRS cost of share-based payments was €21.9 million (€7.9 million in 2020).

After taking these items into account, operating profit was €288.2 million, 9.9% of revenue, up 141.7% compared with the previous year. In 2020, operating profit was €119.2 million and accounted for 5.1% of revenue.

Financial income amounted to -€1.7 million. It is mainly composed of the financial cost of the net debt of -€3 million (of which -€2.3 million of interest charges related to the application of IFRS 16), and a net gain on exchange of +€0.8 million.

Income tax expense were €78.6 million. Earnings of equity-accounted companies amounted to €0.1 million. The share of minority interests was less than €0.1 million.

Consequently, net income (attributable to) owners of the parent, amounted to €207.8 million (7.1% of revenue), up 112.1% from 2020 (€98 million or 4.2% of revenue).

The impact of IFRS 16 on ALTEN's results is negligible.

ALTEN Group consolidated earnings

	2020		2021		Change
	(In millions of euros)	*(in %)*	*(In millions of euros)*	*(in %)*	*(in %)*
Revenue	2,331.9	100%	2,925.2	100%	+25.4%
Operating profit on activity	142.4	6.1%	319.9	10.9%	+124.6%
Share-based payments	(7.9)		(21.9)		
Non-recurring profit/loss	(15.3)		(9.8)		
Operating profit	119.2	5.1%	288.2	9.9%	+141.7%
Financial income	14.1		(1.7)		
Taxes	(36.9)		(78.6)		
EMCs and minority interests	1.6		0.0		
NET INCOME, ATTRIBUTABLE TO OWNERS OF THE PARENT	**98.0**		**207.8**		**+112.1%**

Change in headcount

	31/12/2019	31/12/2020	31/12/2021
Consultants[1]	32,550	29,400	37,150
Internal staff[2]	4,650	4,400	5,150
TOTAL	**37,200**	**33,800**	**42,300**

Distribution of employee engineers by geographical area

	December 2019	December 2020	December 2021	Change over 12 months	
France	11,700	9,430	10,355	925	+9.8%
Europe (excluding France)	13,650	12,240	16,690	4,450	+36.4%
Asia/India/China	4,570	5,080	6,770	1,690	+33.3%
USA/Canada	1,820	1,700	2,240	540	+31.8%
Africa & Middle East	800	950	1,095	145	+15.3%
TOTAL	**32,550**	**29,400**	**37,150**	**7,750**	**+26.4%**

(1) Salaried headcount performing technical projects on customer premises, for which services are billed to customers.

(2) Internal operating headcount not billed to customers.

5.1.2 FINANCIAL STRUCTURE

Cash flow

The ALTEN Group generated gross cash flow from operations in 2021. Operating income (excluding the impact of IFRS 16) of €329.9 million (*i.e.* 11.3% of revenue), up 142.2% compared to 2020 (€136.2 million or 5.8% of revenue).

After taking into account the tax paid (€43.9 million) and the change in working capital requirements of €113.4 million (€111.6 million excluding IFRS 16), net cash flow from operating activities amounted to €174.4 million. It represented 6.0% of revenue (€258.8 million, or 11.1% in 2020).

The amount of property, plant and equipment and intangible assets (CAPEX) amounted to €16.3 million, or 0.6% of revenue.

Net financial investments amounted to €107.5 million mainly related to acquisitions.

Other financing flows (mainly due to changes in exchange rates) amounted to €7.5 million.

Consequently, the change in the Group's cash position was +€24.2 million in 2021.

The ALTEN Group therefore had a net cash position of €219.8 million (€195.6 million at the end of 2020).

Under IFRS, debts of companies acquired (€6.1 million), as well as the change in current financial liabilities (€1.5 million) constitute resources. Consequently, the change in the Group's cash position under IFRS was €28.9 million (compared with €80.9 million in 2020).

The cash flow tables may be found in Chapter 6 of this Document.

Financing structure

Sources of financing and related financial risks are covered in Chapter 6, Note 7.

Lending conditions and financing structure

Lending conditions and financing structure are presented in Chapter 6 of this Document.

Financing of accounts receivable

The Company mostly finances its accounts receivable with shareholders' equity or occasionally uses credit lines as part of the syndicated loan and/or lines of credit (see Chapter 6 of this Document) in respect of financing of working capital requirements.

Financing of investments

See Chapter 6 of this Document.

Liquidity risk

A prudent liquidity management plan involves keeping a sufficient level of liquid assets and having financial resources through appropriate credit facilities. The Group ensures that it always has sufficient liquidity to meet its commitments, in particular to realise investment opportunities.

The Group has:

- centralised cash management when local legislation permits;
- internal procedures to optimise average debt recovery times;
- a syndicated credit line in the amount of €350 million, in force since 11 March 2022 until 2027 (hereinafter referred to as the "New Syndicated Credit Line") aimed at replacing a syndicated credit line in the amount of €160 million, which was terminated voluntarily on 24 January 2022, *i.e.* two months before maturity (hereinafter referred to as the "Syndicated Credit Line in force on 31 December 2021");
- €65 million in short-term bilateral credit lines and overdraft facilities;
- a short-term negotiable debt securities programme (NeuCP) for €250 million was set up in January 2021 as part of the optimisation and diversification of funding sources. The dealers are BNP Paribas, BRED, CACIB, CIC and Société Générale. The financial documentation for the programme is available on the website: https://eucpmtn.banque-france.fr/public/#/liste-des-emitters.

The Syndicated Credit Line in force on 31 December 2021 required compliance with the following semi-annual and annual financial ratios as long as the contract remained in force and an advance was outstanding:

- ratio R1 – "Consolidated net financial debt/Consolidated operating profit on activity". This ratio should be less than 2.5;
- ratio R2 – "Consolidated net financial debt/Consolidated equity". This ratio should be less than 0.7.

At 31 December 2021, these ratios were met.

The New Syndicated Credit Line requires compliance with the following semi-annual and annual financial ratios for as long as the agreement remains in force and an advance is outstanding:

- ratio R – "Consolidated net financial debt/Consolidated operating profit on activity". This ratio should generally be less than 3 and exceptionally less than 3.5.

The Company performed a specific review of its liquidity risk and considers that it is in a position to meet its future commitments.

Sources of financing

The ALTEN Group has the sources of financing in order to finance its future investments.

5.1.3 INVESTMENTS

5.1.3.1 Major investments made over the last three financial years

Below are the companies acquired by the ALTEN Group during the last three financial years:

2019		2020		2021	
Companies	**Country**	**Companies**	**Country**	**Companies**	**Country**
BAST TECHNIEK	The Netherlands	**LZT**	China/Japan	**NEXEO**	France
EINSPLUS	Germany	**AP SOLUTIONS**	Korea/China	**RADTAC**	United Kingdom/ Finland
SDOS	Spain	**ARCHER**	United States/ Ukraine	**EEINS**	Germany/Romania
IPN	Germany	**DYNAMICS ENGINEERING**	Germany	**CMED**	United Kingdom/ Romania/ United States
WAFER SPACE	India	**SDG GROUP**	Italy/Spain/ United States	**CIENET**	United States/ China/Taiwan
QUICKRELEASE	United Kingdom/ Australia/USA/ Germany	**UNIWARE**	France	**EXPERT GLOBAL SOLUTIONS**	United States/ India
LARIX	Denmark/Sweden	**OSB**	Germany	**CONSOFT**	Italy
		IT SECTOR	Portugal		

Amount of net disbursements on acquisitions including earn outs

(In millions of euros)

2019	2020	2021
61.4	163.9	104.3

5.1.3.2 Major investments made or committed since the end of the financial year

In early 2022, the Group acquired:

- in Spain, in January 2022, a company specialising in cloud and digital transformation (revenue: €12 million, 180 consultants);
- in India, in February 2022, a company and its US and Canadian subsidiaries specialising in Engineering services including product design, embedded systems and software, manufacturing, cloud and mobile application development (revenue: €13 million; 340 consultants);
- in the United Kingdom, in April 2022, a group of eight companies, including a company in Abu Dhabi, specialising in digital transformation services for public administrations (revenue: GBP 100 million; 710 consultants).

5.1.3.3 Significant future investments

No other investment planned in the future has given rise to a firm commitment by the Company's management bodies, with the exception of earn-out clauses relating to acquired subsidiaries, whose amounts were duly posted in the Group's consolidated financial statements. The corresponding debt, estimated at €130.4 million at 31 December 2021, is posted in other current and non-current liabilities.

5.2 CHANGES AND OUTLOOK

ELEMENTS LIABLE TO HAVE A SIGNIFICANT IMPACT ON OUTLOOK

None.

PROFIT FORECASTS AND ESTIMATES

None.

5.3 ANALYSIS OF THE SEPARATE FINANCIAL STATEMENTS

ACTIVITY OF ALTEN SA

ALTEN SA is active in the Engineering and Technology Consulting and Information Systems and Technological Networks sector on behalf of major clients in industry, telecoms and the services sector.

There are two kinds of services that ALTEN SA offers its clients:

- consulting services: the projects are carried out on our clients' premises, with a commitment of resources;
- Work Packages management: projects include several levels of responsibility and risk-sharing, and may be carried out on the clients' premises or may be partially or completely outsourced to an ALTEN facility. These services are generally provided by committing resources, with corresponding invoicing on a time-spent, or work unit basis. Projects with commitments in terms of results, for a fixed fee, account for less than 10% of ALTEN SA's total activity.

After a year 2020 marked by the impact of the health crisis, activity rebounded in 2021. All business sectors are growing. The Aeronautics and Automotive/HGV sectors, which were heavily impacted by the crisis in 2021, remain below their pre-crisis levels but have rebounded more quickly than expected. Activity continues to rise in early 2022.

KEY EVENTS

A short-term negotiable debt securities programme (NeuCP) for €250 million was set up in January 2021 as part of the optimisation and diversification of funding sources.

EVENTS AFTER YEAR END

The signature of a syndicated credit agreement for an amount of €350 million, in force since 11 March 2022 until 2027, aimed at replacing a syndicated credit line for an amount of €160 million, which was terminated early and voluntarily on 24 January 2022, *i.e.* two months before maturity.

REVENUE TRENDS

ALTEN SA generated revenue of €542.2 million, up +6.3% on the previous year (€510.2 million). 96.3% of revenue from projects carried out on behalf of French clients was in France, and 3.7% abroad.

This includes direct invoicing for services rendered by some Group subsidiaries to clients with whom ALTEN SA is a listed supplier, together with related services consisting of fees billed back to subsidiaries, the rebilling of shared services, etc.

Consequently, operating revenue (excluding ongoing management income) from services carried out by ALTEN SA for its clients amounted to €420.6 million in 2021, up +3.9% over 2020 (€404.7 million).

Other external purchases and costs were €221.1 million compared with €200.8 million at 31 December 2020, up +10.1%.

Employee benefits expense amounted to €300.8 million compared to €324.2 million in 2020, down -7.2% due to the reduction in headcount and wages.

EARNINGS TRENDS

Operating profit stood at €7.2 million (1.33% of revenue) at 31 December 2021 *versus* -€16.1 million at 31 December 2020 (-3.15% of revenue).

Financial income stood at €81.7 million at 31 December 2021, compared to €19.8 million as at 31 December 2020. This financial income is mainly composed of dividends paid by ALTEN subsidiaries (€77.2 million), reversals of financial provisions (€2.7 million) and interest on loans granted to subsidiaries (€1.9 million).

Non-recurring income amounted to €0.06 million, compared to €13.1 million at 31 December 2020. After taking income tax of -€7.8 million into account, net income came to €96.8 million, or 17.9% of revenue.

In the statement of financial position, financial assets (€290.6 million) mainly consisted of investment securities.

As at 31 December 2021, ALTEN SA's net cash position (including financial debts and current accounts) was positive at €249.35 million (€170.04 million as at 31 December 2020).

5.4 OTHER FINANCIAL AND ACCOUNTING INFORMATION

5.4.1 RESULTS OF THE LAST FIVE FINANCIAL YEARS

Financial table *(In thousands of euros)*	31/12/2021	31/12/2020	31/12/2019	31/12/2018	31/12/2017
Share capital	36,098	35,953	35,864	35,522	34,383
Number of ordinary shares	34,377,818	34,238,467	34,153,067	33,825,747	33,825,747
Number of Preferred Shares	1,665	2,244	3,103	4,711	2,750
Maximum number of future shares to be created:					
• by convertible bonds	-	-	-	-	-
• by exercising subscription rights	-	-	-	-	-
• by issuance of free shares and Preferred Shares	1,021,172	922,041	684,047	754,770	585,300
Revenue (net of tax)	542,173	510,177	605,698	536,421	522,190
EBITDA	92,250	16,206	74,836	57,607	79,077
Income tax	(7,819)	(14,820)	(8,110)	(13,387)	510
Employee profit sharing	0	0	1,550	0	2,545
Depreciation, amortisation and provisions charges	3,233	(584)	(223)	(7,272)	(504)
Net earnings	96,836	31,611	81,620	78,266	76,526
Distributed earnings	44,748	33,874	0	33,443	33,365
Earnings per share after tax and before depreciation and provisions	2.91	0.91	2.38	2.10	2.25
Earnings per share after tax, depreciation and provisions	2.82	0.92	2.39	2.31	2.26
Dividend per share	1.30	1.00	-	1.00	1.00
Dividend allocated to each Preferred Share	0.65	0.50	-	0.50	0.50
Average headcount during the financial year	5,021	5,952	6,287	5,621	5,535
Total payroll	211,330	233,137	245,087	208,925	199,692
Total payroll and employee benefits	89,421	91,016	104,333	104,520	99,266

5.4.2 PAYMENT TERMS OF SUPPLIERS AND CLIENTS

	Trade payables					
	Invoices received unpaid at the end of the year for which the term has expired					
	0 days	1-30 days	31-60 days	61-90 days	91 days and over	Total (1 day and over)
(A) Late payment instalments						
Number of invoices concerned	6,738					1,329
Total amount of invoices concerned (incl. tax)	36,964,941.31	7,562,702.17	601,805.47	72,859.03	1,117,334.08	9,354,700.75
% of total amount of purchase in financial year (incl. tax)	12.85%	2.63%	0.21%	0.03%	0.39%	3.25%
% of revenue of financial year (incl. tax)						
(B) Invoices excluded from (A) relating to payables and receivables that are disputed or have not been entered in the accounts						
Number of invoices excluded	0	0	0	0	9	9
Total amount of invoices excluded incl. tax	0.00	0.00	0.00	0.00	95,322.82	95,322.82
(C) Reference due dates used						
Due dates for payment used for calculation of payment delays						Contractual periods: 60 days Legal periods: 60 days

	Trade receivables					
	Invoices issued but unpaid at the end of the year for which the term has expired					
	0 days	1-30 days	31-60 days	61-90 days	91 days and over	Total (1 day and over)
(A) Late payment instalments						
Number of invoices concerned	7,761					3,221
Total amount of invoices concerned (incl. tax)	118,760,717.44	12,140,185.98	2,718,366.38	1,451,734.57	2,814,577.51	19,124,864.44
% of total amount of purchase in financial year (incl. tax)						
% of revenue of financial year (incl. tax)	18.28%	1.87%	0.42%	0.22%	0.43%	2.94%
(B) Invoices excluded from (A) relating to payables and receivables that are disputed or have not been entered in the accounts						
Number of invoices excluded	0	0	0	0	47	47
Total amount of invoices excluded incl. tax	0.00	0.00	0.00	0.00	354,227.11	354,227.11
(C) Reference due dates used						
Due dates for payment used for calculation of payment delays						Contractual periods: 60 days Legal periods: 60 days

The information contained in the tables above only relates to ALTEN SA.

5.4.3 NON-TAX DEDUCTIBLE EXPENSES

The amount of sumptuary expenses and other non-deductible expenses referred to in Article 39–4 of the French General Tax Code came to €326,274 for ALTEN SA for the 2021 financial year.

5.5 OTHER LEGAL INFORMATION ON THE FINANCIAL YEAR

5.5.1 APPROPRIATION OF NET INCOME

The General Meeting of shareholders will be asked to approve the company financial statements for the year ended 31 December 2021, which closed with a profit of €96,836,296.53.

Source:

- net profit for the financial year: €96,836,296.53;
- other reserves: €333,512,342.92;
- retained earnings: €0;
- earnings to be allocated: €96,836,296.53.

Allocation:

- legal reserve: €14,571.06;
- dividends (34,420,715 ordinary shares): €44,746,929.50;
- dividends (1,185 Preferred B Shares): €770.25;
- other reserves: €385,586,368.64.

5.5.2 LITIGATION AND ONGOING PROCEEDINGS

In connection with its activities, the Group is involved in certain legal actions, mainly relating to former employees, commercial matters and taxes. Provisions for risks and expenses are recorded at year end whenever the Group has an obligation towards a third party which is likely or certain to result in an outflow of resources for the benefit of such third party. Provisions are broken down by type, amount and expected maturity in the Notes to the consolidated financial statements (see Chapter 6, details of consolidated financial statements, Note 8.1). Please also refer to Note 8.2 – "Contingent liabilities".

In late 2018, the French Competition Authority opened an administrative enquiry into the Engineering and Technology Consulting (ETC) and software publishing industry. ALTEN is a key player in ETC. On the date of this Document, the enquiry was ongoing and it was not possible to assess the potential consequences of this administrative enquiry.

The Romanian Competition Council opened an investigation at the end of 2021 into suspicions of anti-competitive practices in the labour market regarding skilled/specialised labour in the motor vehicle production and related activities sectors. All ICT players in Romania, including ALTEN SI Romania, were subject to inspection and seizure measures. As of the date of this Document, it is not possible to assess the potential consequences of this administrative enquiry.

Other than as mentioned above and for a period covering the last 12 months prior to the creation of this document, there are no other legal, administrative or arbitration procedures, including all the procedures ongoing or threatened, of which the Company is aware, likely to result or which have resulted in a material impact on the financial position or profitability of the issuer and/or the Group.

5 COMMENTS ON THE FINANCIAL YEAR

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6.1 CONSOLIDATED FINANCIAL STATEMENTS

6.1.1 CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	Notes	2021	2020
REVENUE	**4.2**	**2,925,180**	**2,331,925**
Purchases consumed	**4.4.1**	(308,225)	(226,772)
Employee benefits expense	**4.3.1**	(2,026,654)	(1,722,938)
External charges	**4.4.2**	(182,802)	(157,863)
Other taxes and levies		(13,081)	(11,336)
Depreciation and amortisation charges	**5.2**	(72,469)	(66,555)
Other operating expenses	**4.4.3**	(11,797)	(8,577)
Other operating income	**4.4.3**	9,713	4,562
OPERATING PROFIT ON ACTIVITY		**319,866**	**142,445**
Share-based payments	**4.3.3**	(21,929)	(7,902)
PROFIT FROM CONTINUING OPERATIONS		**297,937**	**134,543**
Other operating expenses	**4.4.4**	(11,386)	(19,754)
Other operating income	**4.4.4**	1,606	4,451
Impairment of goodwill	**5.1**	0	0
OPERATING PROFIT		**288,157**	**119,241**
Net borrowing costs	**7.3**	(2,952)	(2,367)
Other financial expenses	**7.3**	(12,460)	(16,173)
Other financial income	**7.3**	13,718	32,601
Income tax expense	**9.1**	(78,635)	(36,936)
EARNING OF CONSOLIDATED ENTITIES		**207,828**	**96,367**
Earnings from associates	**5.4**	62	1,420
NET OVERALL EARNINGS		**207,889**	**97,786**
Non-controlling interests		53	(224)
Group share		207,837	98,011
Earnings per share in euros (Group share)	**6.2**	6.14	2.91
Diluted earnings per share in euros (Group share)	**6.2**	6.03	2.86

6.1.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euros)	Notes	2021	2020
Net income, Group share		207,837	98,011
Net income, non-controlling interest's share		53	(224)
CONSOLIDATE NET INCOME		**207,889**	**97,786**
Translation adjustments		21,185	(16,425)
ITEMS THAT MAY BE RECLASSIFIED TO INCOME		**21,185**	**(16,425)**
Change in fair value of securities held for sale (net of corporate income tax)	**5.5**	(5,400)	12,191
Actuarial differences on employee benefits (net of income tax)	**4.3.2**	320	(612)
ITEMS THAT MAY NOT BE RECLASSIFIED TO INCOME		**(5,080)**	**11,579**
COMPREHENSIVE INCOME FOR THE PERIOD		**223,994**	**92,940**
Including:			
• Group share		223,945	93,154
• Non-controlling interests		49	(213)

6.1.3 STATEMENT OF FINANCIAL POSITION

ASSETS *(in thousands of euros)*	Notes	31/12/2021	31/12/2020
Goodwill	**5.1**	888,723	701,567
Right-of-use assets	**5.2**	172,233	162,636
Intangible assets	**5.3**	7,594	7,940
Property, plant and equipment	**5.3**	37,813	29,770
Interests in associates	**5.4**	1,180	1,118
Non-current financial assets	**5.5**	57,477	100,262
Deferred tax assets	**9.2**	14,877	11,648
NON-CURRENT ASSETS		**1,179,897**	**1,014,941**
Trade receivables	**4.2**	778,784	586,618
Client contract assets	**4.2**	189,189	108,100
Other current assets	**4.2**	103,385	80,084
Current tax assets		65,968	79,445
Cash and cash equivalents	**7.1**	312,311	283,424
CURRENT ASSETS		**1,449,636**	**1,137,670**
TOTAL ASSETS		**2,629,533**	**2,152,611**

LIABILITIES *(in thousands of euros)*	Notes	31/12/2021	31/12/2020
Share capital		36,098	35,953
Additional paid-in capital		60,250	60,250
Consolidated reserves		1,117,241	1,019,391
Consolidated earnings		207,837	98,011
Equity (Group share)		**1,421,427**	**1,213,604**
Non-controlling interests		**(371)**	**(484)**
TOTAL EQUITY		**1,421,056**	**1,213,120**
Post-employment benefits	**4.3.2**	18,859	17,257
Non-current provisions	**8.1**	8,848	7,512
Non-current financial liabilities	**7.2**	6,393	9,314
Non-current lease debt	**5.2**	130,637	126,104
Other non-current liabilities	**4.2**	120,246	70,275
Deferred tax liabilities	**9.2**	2,860	991
NON-CURRENT LIABILITIES		**287,842**	**231,453**
Current provisions	**8.1**	10,776	9,539
Current financial liabilities	**7.2**	86,482	78,653
Current lease debt	**5.2**	51,971	44,110
Trade payables	**4.2**	126,842	99,101
Other current liabilities	**4.2**	442,742	344,628
Client contract liabilities	**4.2**	168,927	115,130
Current tax liabilities		32,895	16,878
CURRENT LIABILITIES		**920,636**	**708,039**
TOTAL EQUITY AND LIABILITIES		**2,629,533**	**2,152,611**

6.1.4 STATEMENT OF CONSOLIDATED CASH FLOWS

(in thousands of euros)	Notes	2021	2020
Consolidate net income		**207,889**	**97,786**
Earnings from associates	**5.4**	(62)	(1,420)
Depreciation, provisions and other calculated expenses	**10.3**	76,862	65,845
Share-based payments	**4.3.3**	21,929	7,902
Income tax expense	**9.1**	78,635	36,936
Capital gains or losses from disposals		273	(22,408)
Net borrowing costs	**7.3**	2,952	2,367
Financial cost on update and provisions		527	1,674
Gross cash flow borrowing costs and tax		**389,006**	**188,682**
Taxes paid	**10.3**	(43,933)	(50,133)
Change in working capital requirements	**4.2**	(113,423)	168,887
NET CASH FLOW FROM OPERATING ACTIVITIES		**231,651**	**307,437**
Acquisitions of tangible and intangible assets		(16,596)	(12,303)
Acquisitions of financial assets		(3,238)	(6,813)
Impact of changes in scope and earn outs	**10.3**	(104,548)	(116,582)
Disposals of tangible and intangible assets		342	213
Reductions in financial assets		6,416	8,384
NET CASH FLOW FROM INVESTING ACTIVITIES		**(117,624)**	**(127,101)**
Net financial interest paid		(2,970)	(973)
Dividends paid to shareholders		(33,876)	(0)
Capital increases		0	0
Acquisitions and disposals of treasury shares		341	(356)
Changes in non-current financial liabilities		(6,622)	3,799
Change in current financial liabilities	**7.2**	6,351	(49,077)
Change in lease debt		(55,015)	(46,692)
NET CASH FLOW FROM FINANCING TRANSACTIONS		**(91,790)**	**(93,299)**
CHANGE IN CASH POSITION		**22,236**	**87,038**
Impact of exchange rate variations		6,651	(6,165)
Cash at beginning of period		283,424	202,550
CASH AT END PERIOD	**7.1**	**312,311**	**283,424**

6.1.5 CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

Change in consolidated equity, Group share

(in thousands of euros)	Number of outstanding shares	Number of shares issued	Capital	Additional paid-in capital	Reserves	Treasury shares	Translation reserves	Earnings	Share-holders' equity
AT 31 DECEMBER 2019	**33,696,147**	**34,156,170**	**35,864**	**60,250**	**861,179**	**(8,713)**	**948**	**164,225**	**1,113,752**
2019 allocation of earnings					164,225			(164,225)	0
Capital increase[1]	84,541	84,541	89		(89)				0
Dividends paid to shareholders									0
Other changes[2]					71				71
Treasury shares	(3,942)					(356)			(356)
Share-based payments					6,983				6,983
Transactions with shareholders	**80,599**	**84,541**	**89**	**0**	**171,190**	**(356)**	**0**	**(164,225)**	**6,698**
Total income for the period					11,580		(16,436)	98,011	93,154
AT 31 DECEMBER 2020	**33,776,746**	**34,240,711**	**35,953**	**60,250**	**1,043,949**	**(9,070)**	**(15,489)**	**98,011**	**1,213,604**
2020 allocation of earnings					98,011			(98,011)	0
Capital increase[1]	138,772	138,772	146		(146)				0
Dividends paid to shareholders					(33,875)				(33,875)
Other changes[2]					(83)				(83)
Treasury shares	3,825					341			341
Share-based payments					17,494				17,494
Transactions with shareholders	**142,597**	**138,772**	**146**	**0**	**81,402**	**341**	**0**	**(98,011)**	**(16,122)**
Comprehensive income for the period					(5,080)		21,188	207,837	223,945
AT 31 DECEMBER 2021	**33,919,343**	**34,379,483**	**36,099**	**60,250**	**1,120,271**	**(8,728)**	**5,700**	**207,837**	**1,421,427**

(1) Issues of shares linked to Preferred Share and Free Share plans.
(2) Transactions on minority interests.

Change in equity capital, non-controlling interests

(in thousands of euros)	Reserves	Translation reserves	Earnings	Shareholders' equity
AT 31 DECEMBER 2019	**237**	**(5)**	**(656)**	**(425)**
2019 allocation of earnings	(656)		656	0
Change in scope	153			153
Capital increases				0
Total income for the period		12	(224)	(213)
AT 31 DECEMBER 2020	**(267)**	**7**	**(224)**	**(484)**
2020 allocation of earnings	(224)		224	0
Change in scope	64			64
Capital increases				0
Total income for the period		(4)	53	49
AT 31 DECEMBER 2021	**(427)**	**3**	**53**	**(371)**

6.1.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 1 ACCOUNTING PRINCIPLES

ALTEN SA is a French limited company (*Société Anonyme*) with a Board of Directors and registered office at 40 avenue André Morizet in Boulogne-Billancourt (92100).

ALTEN SA's consolidated financial statements include:

- the financial statements for ALTEN SA;
- the financial statements for companies controlled by ALTEN SA and fully consolidated either directly or indirectly;
- interests in associates and joint ventures, consolidated using the equity-accounted method.

The economic unit is referred to as the "ALTEN Group".

The ALTEN Group is the European leader in the Engineering and Technology Consulting (ETC) market. ALTEN carries out design and research projects for the Technical and Information Systems divisions of major clients in the industrial, telecommunications and service sectors.

The consolidated financial statements presented in this Document were approved by the Board of Directors on 27 April 2022 and will be submitted for the approval of the General Meeting of 22 June 2022. They are presented in thousands of euros, unless otherwise indicated.

ALTEN SA's consolidated financial statements included in the Universal registration document are published on the internet space dedicated to users of financial statements: http://www.alten.com/fr/investisseurs.

1.1 Applicable accounting standards

In accordance with European Regulation No. 1606/2002 of 19 July 2002, the ALTEN Group's consolidated financial statements at 31 December 2021 were prepared in compliance with international accounting standards as published by the IASB and approved by the European Union on the date these financial statements were prepared. These international standards include IAS (International Accounting Standards), IFRS (International Financial Reporting Standards) and interpretations (SIC and IFRIC).

The accounting principles and rules used to prepare the consolidated financial statements for the year ended 31 December 2021 are identical to those used for the financial year ended 31 December 2020, with the exception of the new standards, amendments, and interpretations mandatory as of 1 January 2021, applied by the Group, which did not have a significant impact. In particular, the IFRS IC decision of May 2021, relating to the methodology for calculating employee benefits and the vesting period (IAS 19) did not have any impact on the consolidated financial statements as at 31 December 2021.

Moreover, the Group did not apply in advance the latest standards, amendments or interpretations published by the IASB and adopted at European level but whose application was not mandatory at 1 January 2021. Their preliminary analyses have not identified at this stage any provisions that are contrary to the Group's current accounting practices.

The Group is also considering the impact of the IFRS IC decision on the recognition of configuration and customisation costs for software made available in the cloud under a SaaS contract. At this stage, no significant impact on the Group's financial statements is expected.

1.2 Use of estimates and judgements

The preparation of financial statements in accordance with IFRS standards requires that certain estimates and assumptions be made which may affect the amounts shown in these financial statements. These estimates and assessments are continuously made on the basis of past experience and other factors considered reasonable.

The main estimates made by Management when the consolidated financial statements are drawn up relate to the recognition of revenue in fixed price contracts in the context of the percentage of completion method, the determining of provisions for loss-making contracts and the agent/principal analysis (Note 4.2), the assessment of the recoverable value of the *assets* in cash generating units including goodwill and earn outs (Note 5.1), lease liabilities (5.2), securities held for sale (Note 5.5), deferred taxes (Note 9.2), employee benefits (Note 4.3.2) and provisions (Note 8), share-based payments (Note 4.3.3) and research tax credits.

Management revises these estimates if the circumstances on which they were based change, or in the light of new information or experience. As a result, the estimates applied at 31 December 2021 could be substantively modified at a later stage.

Furthermore, in an uncertain health and macroeconomic environment, the estimates, judgements and assumptions made by the Group in preparing the consolidated financial statements during this period of uncertainty relate more specifically to:

- the valuation of the recoverable value of Cash-Generating Units and in particular goodwill (Note 5.1);
- and, prospects for the use of deferred tax assets (Note 9.2).

The Group also takes into account, to the best of its knowledge, climate risks in its closing assumptions and incorporates their potential impact in its financial statements. The inclusion of these items did not have a significant impact on the Group's financial statements in 2021.

NOTE 2 KEY EVENTS AND EVENTS AFTER THE REPORTING PERIOD

2.1 Acquisitions during the financial year

The 2021 financial year was marked by the following acquisitions:

IT Sector
(revenue: €27 million; 400 consultants)

On 22 December 2020, ALTEN Europe acquired the Portuguese company IT Sector specialising in digital transformation and IT infrastructures. This acquisition, made late in 2020, was presented in non-consolidated shares at 31 December 2020 and was consolidated as of 1 January 2021.

Consoft
(revenue: €21 million; 300 consultants)

On 22 January 2021, ALTEN Europe acquired the Italian company Consoft specialising in *Infra* IT and Digital.

Nexeo
(revenue: €37 million; 280 consultants)

On 19 February 2021, ALTENWARE acquired the NEXEO group of companies in France and Belgium specialising in the transformation and digitisation of Information Systems.

Radtac
(revenue: €9.50 million; 65 consultants)

On 1 March 2021, CPRIME UK acquired Radtac Holdings Limited in the United Kingdom, which holds two subsidiaries in England and one in Finland, specialising in Agile consulting and training.

Eeins
(revenue: €10 million; 90 consultants)

On 19 March 2021, ALTEN Europe acquired a group of four companies (two German and two Romanian) specialising in Engineering Consulting, mainly in the Automotive sector.

Cmed
(revenue: €20 million; 180 consultants)

On 1 May 2021, ALTEN Europe acquired Cmed Group Ltd in the United Kingdom, a holding company comprising operational subsidiaries specialising in life sciences (United Kingdom, Romania and the United States).

CieNet
(revenue: €68 million; 1,900 consultants)

On 30 September 2021, ALTEN Europe and ALTEN USA acquired 100% of a group of companies located in China, the US and Taiwan and specialising in software development.

Expert Global Solutions
(revenue: €11 million; 930 consultants)

On 2 November 2021, ALTEN India and ALTEN Europe acquired a group of companies in India specialising in Engineering Design Services and IT Services.

The revenues of the acquired companies, indicated above, are the latest known corporate figures presented on an annual basis.

In addition to this operational information, the table below presents the total cost of the business combination and the recognised assets and liabilities associated with these acquisitions in the 2021 financial year.

(in millions of euros)

Cost of business combination (1)	**247.0**
Usage rights	14.5
Intangible assets	1.1
Property, plant and equipment	4.3
Non-current financial assets	1.7
Deferred tax assets	2.2
NON-CURRENT ASSETS	**23.8**
Trade receivables	55.7
Client contract assets	13.6
Other current assets	29.2
Current tax assets	2.5
Cash and cash equivalents	59.0
CURRENT ASSETS	**159.9**
Post-employment benefits	(1.2)
Non-current provisions	(0.1)
Non-current financial liabilities	(5.2)
Non-current lease debt	(10.1)
Deferred tax liabilities	(1.8)
NON-CURRENT LIABILITIES	**(18.4)**
Non-current financial liabilities	(1.1)
Non-current lease debt	(4.6)
Trade payables	(17.6)
Other current liabilities	(46.0)
Client contract liabilities	(19.6)
Current tax liabilities	(3.4)
CURRENT LIABILITIES	**(92.3)**
TOTAL NET ASSETS (2)	**72.9**
GOODWILL = (1) - (2)	**174.1**

2.2 Other key events

During the first half of the year, and for the financial year ended on 31 December 2020, €33.90 million of dividends were paid to ALTEN SA shareholders.

In January 2021, the Group set up a short-term negotiable debt security (NeuCP) programme of €250 million as part of the optimisation and diversification of its financing sources. The dealers are BNP Paribas, BRED, CACIB, CIC and Société Générale. The financial documentation for the programme is available on the website: https://eucpmtn.banque-france.fr/public/#/liste-des-emitters[1].

2.3 Events after the reporting period

ALTEN SA entered into a syndicated credit agreement in the amount of €350 million effective from 11 March 2022 until 2027, to replace a €160 million syndicated credit line that was terminated early and voluntarily on 24 January 2022, two months prior to maturity (see Note 7.4 Liquidity risk).

To accelerate its development and strengthen its position in strategic sectors and activities, the Group is pursuing its targeted external growth strategy:

- in Spain, acquisition in January 2022 of a group of companies specialising in Cloud and digital transformation (revenue: €12 million, 180 consultants);
- in India and North America, acquisition in February 2022 of a group of companies specialising in digital transformation (revenue: €11 million, 370 consultants);
- in the United Kingdom, a group of eight companies including one in Abu Dhabi specialising in digital transformation services for public administrations (revenue: GBP 100 million; 710 consultants).

The ALTEN Group's exposure to the immediately foreseeable consequences of the crisis in Ukraine remains low: The Group has a legal entity in Ukraine with 120 employees, which generated revenue of €6.50 million in 2021 and whose net assets amounted to €220 thousand at 31 December 2021. The Group also has a branch in Russia in the field of Oil & Gas, which achieved revenue in 2021 of €25 million with a headcount of 129 employees. The net assets of this branch were €2.10 million at 31 December 2021.

(1) The information on the website https://eucpmtn.banque-france.fr/public/#/liste-des-emetteurs does not form part of the Universal registration document. As such, this information has not been reviewed or approved by the AMF.

NOTE 3 SCOPE OF CONSOLIDATION

Consolidation principles

The **full consolidation** method is used for the consolidation of the financial statements of the companies in which ALTEN SA exercises direct or indirect control. Control of a company exists when the Group:

- holds power over the Company;
- is exposed or entitled to variable yields by virtue of its links with the Company;
- has the capacity to exercise its power over the Company's activities considered to be relevant in such a way as to influence the amount of yield it obtains.

All the transactions between the consolidated subsidiaries are eliminated, as are the Group's internal results. The results of the subsidiaries acquired are consolidated from the date on which the control is exercised.

The ALTEN Group exercises notable influence in certain entities, which is characterised by the power to participate in decisions on the Company's financial and operational policies, without controlling or jointly controlling these policies. Investments in its entities, known as associates, are recognised using the **equity accounting** method and are presented distinctly under "Interests in associates". Goodwill relating to the acquisition of associates is included in the value of "Interests in associates".

Profit from these investments attributable to owners of the parent is recognised separately in the income statement. The investment is initially entered at the cost price and then after the acquisition, the book value is:

- increased or decreased to account for the share of income of the associate;
- reduced by the dividends paid to the Group by the associate.

Business combinations

Business combinations are entered according to the acquisition method:

- the cost of an acquisition is measured at the fair value of the consideration transferred, including any earn out as of the date of the takeover;
- if the Group owes conditional payments to the transferring party and earn outs in particular, these are included in the costs of the business combination. These debts are valued at their fair value based on non-measurable data (level 3). Any change in the fair value of these debts after the allocation period (one-year period as from the date of acquisition) is reported in earnings;
- the goodwill recognised under assets in the statement of financial position corresponds to the difference between the consideration transferred and the fair value of the identifiable assets acquired and liabilities assumed as of the takeover date;
- the adjustments to the fair value of identifiable assets acquired and of liabilities assumed, recorded on a provisional basis (due to audit processes and additional reviews still in progress at the reporting date), are recognised as retrospective goodwill adjustments if they take place during a 12-month allocation period, and if they are the result of existing factors and circumstances at the date of acquisition. Beyond this period, the effects are recognised directly through profit or loss.

Goodwill is allocated to Cash-Generating Units (CGU) or to groups of Cash-Generating Units that can benefit from business combinations that led to Goodwill.

In the absence of a change of control, the variation in transactions relating to non-controlling interests is recognised under shareholders' equity.

Translation methods

The items included in the financial statements of each of the Group's entities are valued according to the currency of the main economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in euros, the parent company's functional currency.

The financial statements of companies whose currency is not the euro are converted according to the following principles:

- statement of financial position items (with the exception of equity) are translated at closing rates;
- equity is translated at the historical rate;
- the income statement is translated using the average rate for the period. This average rate is an approximation of the rate on the transaction date, provided that there are no major fluctuations;
- translation differences are recognised in other comprehensive income under "translation differences".

Transactions made by a company in a currency other than its functional currency are converted at the exchange rate in force at the time of the transaction. Monetary assets and liabilities expressed in foreign currencies are converted at the closing price. Monetary assets and liabilities expressed in foreign currencies are recognised at the historic price applicable on the date of the transaction. Exchange differences resulting from the conversion of transactions in foreign currencies are included in the income statement.

Certain loans and borrowings denominated in foreign currencies are considered to be net investments in a subsidiary whose functional currency is not the euro, when the repayment is not reasonably likely in the foreseeable future. The exchange differences regarding these loans and borrowings are recognised in other comprehensive income, under translation differences.

3.1 List of companies in the scope of consolidation

The two tables show the scope of consolidation respectively for France and International. The main changes compared to the previous financial year relate to the acquisitions made during the period, but also to the rationalisation and simplification of the Group's organisation by means of mergers.

France

		31/12/2021			31/12/2020		
Company name	**SIRET N°.**	**Basis of consolidation[1]**	**% interest**	**% control**	**Basis of consolidation[1]**	**% interest**	**% control**
ALTEN SA	34860741700055	FC		Consolidating	FC		Consolidating
ALTEN SIR	40035788500021	FC	100.00	100.00	FC	100.00	100.00
ALTEN SUD-OUEST	40419144700048	FC	100.00	100.00	FC	100.00	100.00
MI-GSO	38054561600050	FC	100.00	100.00	FC	100.00	100.00
ALTEN CASH MANAGEMENT	48011617700019	FC	100.00	100.00	FC	100.00	100.00
ALTEN EUROPE	48016830100012	FC	100.00	100.00	FC	100.00	100.00
ATEXIS FRANCE	43904555000019	FC	100.00	100.00	FC	100.00	100.00
ALTEN AEROSPACE	48761023100019	FC	100.00	100.00	FC	100.00	100.00
AVENIR CONSEIL FORMATION	40246017400038	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY	49304667600018	FC	100.00	100.00	FC	100.00	100.00
HPTI	49967035400012	FC	100.00	100.00	FC	100.00	100.00
LINCOLN	37934230600063	FC	100.00	100.00	FC	100.00	100.00
AIXIAL	75210813400020	FC	100.00	100.00	FC	100.00	100.00
HPA	80160860500011	FC	100.00	100.00	FC	100.00	100.00
AIXIAL DEVELOPMENT	80405155500014	FC	100.00	100.00	FC	100.00	100.00
ALTEN LIFE SCIENCES HOLDING	80863080000015	FC	100.00	100.00	FC	100.00	100.00
ALTEN TECHNOLOGIES	80863082600010	FC	100.00	100.00	FC	100.00	100.00
HUBSAN	80946486000018	FC	100.00	100.00	FC	100.00	100.00
CADUCEUM	79934031000033	FC	100.00	100.00	FC	100.00	100.00
EQUITECH	82443936800013	FC	90.00	90.00	FC	90.00	90.00
ALT11	88983833000013	FC	100.00	100.00	FC	100.00	100.00
FINANCIERE ENOS	81896161700029	-	-	-	FC	100.00	100.00
UNIWARE GLOBAL SERVICES	52762706100023	FC	100.00	100.00	FC	100.00	100.00
UNIWARE CONSULTING	82376788400039	-	-	-	FC	100.00	100.00
UNIWARE MANAGEMENT	82376788400039	-	-	-	FC	100.00	100.00
UNIWARE IT	82376788400039	-	-	-	FC	100.00	100.00
ALTENWARE	82451104200015	FC	100.00	100.00	FC	100.00	100.00
FINAXIUM	53255205600055	FC	100.00	100.00	-	-	-
NEXEO ASSURANCE	80967624000025	FC	100.00	100.00	-	-	-
NEXEO CONSULTING HOLDING	48077850500044	FC	100.00	100.00	-	-	-

International

		31/12/2021			31/12/2020		
Company name	Country of operation	Basis of consolidation[1]	% interest	% control	Basis of consolidation[1]	% interest	% control
MI-GSO GmbH	Germany	FC	100.00	100.00	FC	100.00	100.00
ALTEN TECHNOLOGY GmbH	Germany	FC	100.00	100.00	FC	100.00	100.00
ATEXIS GmbH	Germany	FC	100.00	100.00	FC	100.00	100.00
ALTEN GmbH	Germany	FC	100.00	100.00	FC	100.00	100.00
DO PROFESIONAL SERVICES GmbH	Germany	-	-	-	FC	100.00	100.00
ALTEN SW GmbH	Germany	FC	100.00	100.00	FC	100.00	100.00
BEONE GROUP GmbH	Germany	FC	100.00	100.00	FC	100.00	100.00
BEONE STUTTGART	Germany	EM	59.00	59.00	EM	59.00	59.00
CLEAR CONSULT GmbH	Germany	-	-	-	FC	100.00	100.00
AIXIAL GmbH	Germany	FC	100.00	100.00	FC	100.00	100.00
QUICK RELEASE GmbH	Germany	FC	100.00	100.00	FC	100.00	100.00
DYNAMIC ENGINEERING GmbH	Germany	FC	70.00	70.00	FC	70.00	70.00
OSB AG	Germany	FC	100.00	100.00	FC	100.00	100.00
EEINS GmbH	Germany	FC	100.00	100.00	-	-	-
PROGRAM PLANNING PROFESSIONALS PTY LTD	Australia	FC	100.00	100.00	FC	100.00	100.00
QUICK RELEASE AUSTRALIA PTY	Australia	FC	100.00	100.00	FC	100.00	100.00
ALTEN AUSTRIA SUD	Austria	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY AZERBAIDJAN	Azerbaijan	FC	100.00	100.00	FC	100.00	100.00
ALTEN BELGIUM	Belgium	FC	100.00	100.00	FC	100.00	100.00
AIXIAL SPRL	Belgium	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY BELGIUM	Belgium	FC	70.00	70.00	FC	70.00	70.00
NEXEO BELGIUM	Belgium	FC	100.00	100.00	-	-	-
ANOTECH DO BRASIL	Brazil	-	-	-	FC	100.00	100.00
ALTEN CANADA	Canada	FC	100.00	100.00	FC	100.00	100.00
PROGRAM PLANNING PROFESSIONALS CANADA	Canada	FC	100.00	100.00	FC	100.00	100.00
PROEX	Canada	FC	100.00	100.00	FC	100.00	100.00
ALTEN CHINA	China	FC	100.00	100.00	FC	100.00	100.00
NUO DAI BUSINESS CONSULTING	China	FC	100.00	100.00	FC	100.00	100.00
BEIJING LZT INFO TECHNOLOGY	China	FC	100.00	100.00	FC	100.00	100.00
DALIAN LZT INFO TECHNOLOGY	China	FC	100.00	100.00	FC	100.00	100.00
JINAN LZT INFO TECHNOLOGY	China	FC	100.00	100.00	FC	100.00	100.00
AP AUTOMOTIVE ENGINEERING	China	FC	100.00	100.00	FC	100.00	100.00
CIENET COMMUNICATIONS BEIJING CO LTD	China	FC	100.00	100.00	-	-	-
CIENET TECHNOLOGIES BEIJING CO LTD	China	FC	100.00	100.00	-	-	-
CIENET TECHNOLOGIES CHENGDU CO LTD	China	FC	100.00	100.00	-	-	-
CIENET TECHNOLOGIES NANJING CO LTD	China	FC	100.00	100.00	-	-	-
ANOTECH ENERGY CONGO	Congo	FC	100.00	100.00	FC	100.00	100.00
AP SOLUTIONS	South Korea	FC	100.00	100.00	FC	100.00	100.00
LARIX AS	Denmark	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY DOHA	Qatar	FC	100.00	100.00	FC	100.00	100.00
SDG MIDDLE EAST FOR CONSULTING	Egypt	FC	100.00	100.00	FC	100.00	100.00
SDG GULF FZ	United Arab Emirates	FC	100.00	100.00	FC	100.00	100.00
ALTEN SPAIN	Spain	FC	100.00	100.00	FC	100.00	100.00
ATEXIS SPAIN	Spain	FC	100.00	100.00	FC	100.00	100.00
MI GSO EMP SPAIN	Spain	FC	100.00	100.00	FC	100.00	100.00
AVENIR CONSEIL FORMATION SPAIN	Spain	FC	100.00	100.00	FC	100.00	100.00
E-TIC SISTEMES	Spain	-	-	-	FC	100.00	100.00
OPTIMISSA SERVICIOS PROFESIONALES	Spain	FC	100.00	100.00	FC	100.00	100.00
SDG CONSULTING ESPANA	Spain	FC	100.00	100.00	FC	100.00	100.00
SDOS	Spain	-	-	-	FC	100.00	100.00
ALTEN USA	United States	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY USA	United States	FC	100.00	100.00	FC	100.00	100.00
ALTEN TECHNOLOGY USA	United States	FC	100.00	100.00	FC	100.00	100.00
X-DIN INC	United States	FC	100.00	100.00	FC	100.00	100.00
CALSOFT LABS INC	United States	FC	100.00	100.00	FC	100.00	100.00

		31/12/2021			31/12/2020		
Company name	Country of operation	Basis of consolidation[1]	% interest	% control	Basis of consolidation[1]	% interest	% control
PROGRAM PLANNING PROFESSIONALS INC	United States	FC	100.00	100.00	FC	100.00	100.00
CPRIME	United States	FC	100.00	100.00	FC	100.00	100.00
PVR TECHNOLOGIES INC	United States	FC	100.00	100.00	FC	100.00	100.00
STATMINDS LLC	United States	FC	100.00	100.00	FC	100.00	100.00
CLOVER GLOBAL SOLUTIONS	United States	-	-	-	FC	100.00	100.00
CLOVER CORPORATE SERVICES	United States	-	-	-	FC	100.00	100.00
SYNCRONESS INC	United States	FC	100.00	100.00	FC	100.00	100.00
PREMIER LOGIC LLC	United States	-	-	-	FC	100.00	100.00
QUICK RELEASE INC	United States	FC	100.00	100.00	FC	100.00	100.00
SDG CONSULTING US	United States	FC	100.00	100.00	FC	100.00	100.00
CMED INC	United States	FC	100.00	100.00	-	-	-
CIENET INTERNATIONAL LLC	United States	FC	100.00	100.00	-	-	-
CIENET TECHNOLOGIES LLC	United States	FC	100.00	100.00	-	-	-
ALTE OY	Finland	FC	100.00	100.00	FC	100.00	100.00
COMIQ GROUP OY	Finland	FC	100.00	100.00	FC	100.00	100.00
COMIQ OY	Finland	FC	100.00	100.00	FC	100.00	100.00
COMIQ PROJECT MANAGEMENT OY	Finland	-	-	-	FC	100.00	100.00
COMIQ TAMPERE OY	Finland	-	-	-	FC	100.00	100.00
RADTAC OY	Finland	FC	100.00	100.00	-	-	-
ANOTECH ENERGY GLOBAL SOLUTION	Great Britain	FC	100.00	100.00	FC	100.00	100.00
ALTEN LTD	Great Britain	FC	100.00	100.00	FC	100.00	100.00
PROGRAM PLANNING PROFESSIONALS LTD	Great Britain	FC	100.00	100.00	FC	100.00	100.00
CALSOFT LABS UK PRIVATE LTD	Great Britain	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY SERVICES	Great Britain	FC	80.00	80.00	FC	80.00	80.00
OPTIMISSA LTD	Great Britain	FC	100.00	100.00	FC	100.00	100.00
QUITE REFRESHING LTD	Great Britain	FC	100.00	100.00	FC	100.00	100.00
QUICK RELEASE AUTOMOTIVE LTD	Great Britain	FC	100.00	100.00	FC	100.00	100.00
SDG CONSULTING UK & IRELAND	Great Britain	FC	100.00	100.00	FC	100.00	100.00
CPRIME UK	Great Britain	FC	100.00	100.00	-	-	-
RADTAC HOLDINGS LIMITED	Great Britain	FC	100.00	100.00	-	-	-
RADTAC LIMITED	Great Britain	FC	100.00	100.00	-	-	-
CMED GROUP LTD	Great Britain	FC	100.00	100.00	-	-	-
CMED LTD	Great Britain	FC	100.00	100.00	-	-	-
CMED TECHNOLOGY LTD	Great Britain	FC	100.00	100.00	-	-	-
SESAME GROUP LIMITED	Hong Kong	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY HONG KONG	Hong Kong	FC	100.00	100.00	FC	100.00	100.00
ALTEN INDIA PRIVATE LTD	India	FC	100.00	100.00	FC	100.00	100.00
ALTEN CALSOFT LABS INDIA	India	FC	100.00	100.00	FC	100.00	100.00
CRESTTEK ENGINEERING SOLUTIONS PRIVATE LTD	India	FC	99.98	99.98	FC	99.98	99.98
ASM ENTERPRISE SOLUTIONS	India	FC	100.00	100.00	FC	100.00	100.00
PREMIER LOGIC INDIA PRIVATE LTD	India	-	-	-	FC	99.00	99.00
SI2CHIP TECHNOLOGIES PRIVATE LTD	India	FC	100.00	100.00	FC	100.00	100.00
WAFER SPACE SEMICONDUCTORS TECHNOLOGIES PVT	India	FC	100.00	100.00	FC	100.00	100.00
EXPERT GLOBAL SOLUTIONS PRIVATE LTD	India	FC	100.00	100.00	-	-	-
EC MOBILITY PRIVATE LTD	India	FC	100.00	100.00	-	-	-
ALTEN JAPAN CO LTD	Japan	FC	100.00	100.00	FC	100.00	100.00
RITATSU SOFT	Japan	FC	100.00	100.00	FC	100.00	100.00
NIHON RITATSU	Japan	FC	100.00	100.00	FC	100.00	100.00
PROGRAM PLANNING PROFESSIONALS INDONESIA	Indonesia	FC	100.00	100.00	FC	100.00	100.00
ALTEN ITALIA	Italy	FC	100.00	100.00	FC	100.00	100.00
POSITECH SRL	Italy	FC	100.00	100.00	FC	100.00	100.00
SDG GROUP SRL	Italy	FC	100.00	100.00	FC	100.00	100.00
SDG CONSULTING ITALIA	Italy	FC	100.00	100.00	FC	100.00	100.00
OPTIMISSA GROUP	Luxembourg	FC	100.00	100.00	FC	100.00	100.00
ALTEN LUXEMBOURG	Luxembourg	FC	100.00	100.00	FC	100.00	100.00
ALTEN DELIVERY CENTER MAROC	Morocco	FC	100.00	100.00	FC	100.00	100.00

		31/12/2021			31/12/2020		
Company name	Country of operation	Basis of consolidation[1]	% interest	% control	Basis of consolidation[1]	% interest	% control
OPTIMISSA CAPITAL MARKETS CONSULTING	Mexico	FC	100.00	100.00	FC	100.00	100.00
ALTEN INGENIERIA MEXICO	Mexico	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY NIGERIA	Nigeria	FC	100.00	100.00	FC	100.00	100.00
ALTEN NEDERLAND	The Netherlands	FC	100.00	100.00	FC	100.00	100.00
ORION ENGINEERING BV	The Netherlands	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY NETHERLANDS	The Netherlands	FC	100.00	100.00	FC	100.00	100.00
ALTEN POLSKA SP ZOO	Poland	FC	100.00	100.00	FC	100.00	100.00
ALTEN ENGINEERING FACTORY SP ZOO	Poland	FC	100.00	100.00	FC	100.00	100.00
CLEAR INTEC SP ZOO	Poland	FC	100.00	100.00	FC	100.00	100.00
TECHALTEN Portugal	Portugal	FC	100.00	100.00	FC	100.00	100.00
OPTIMISSA Portugal UNIPESSOAL	Portugal	FC	100.00	100.00	FC	100.00	100.00
SDG PT STRATEGY DECISION GOVERNANCE	Portugal	FC	100.00	100.00	FC	100.00	100.00
MI GSO LDA	Portugal	FC	100.00	100.00	-	-	-
IT SECTOR	Portugal	FC	100.00	100.00	-	-	-
ALTEN SI TECHNO ROMANIA	Romania	FC	100.00	100.00	FC	100.00	100.00
ATEXIS SRL	Romania	-	-	-	FC	100.00	100.00
GECI ENGINEERING SERVICES SRL	Romania	-	-	-	FC	100.00	100.00
KEPLER ROMINFO	Romania	-	-	-	FC	100.00	100.00
KEPLER ENGINEERING SRL	Romania	-	-	-	FC	100.00	100.00
ALTEN DELIVERY CENTER IASI SRL	Romania	FC	100.00	100.00	FC	100.00	100.00
EEINS EXPERTS SRL	Romania	FC	100.00	100.00	-	-	-
EEINS TIMISOARA SRL	Romania	FC	100.00	100.00	-	-	-
CMED SRL	Romania	FC	100.00	100.00	-	-	-
PROGRAM PLANNING PROFESSIONALS PTE LTD	Singapore	FC	100.00	100.00	FC	100.00	100.00
ANOTECH ENERGY SINGAPORE	Singapore	FC	100.00	100.00	FC	100.00	100.00
ALTEN CALSOFT LABS SINGAPORE	Singapore	FC	100.00	100.00	FC	100.00	100.00
AIXIAL SRO	Czech Republic	FC	100.00	100.00	FC	100.00	100.00
ALTEN SVERIGE AB	Sweden	FC	100.00	100.00	FC	100.00	100.00
BEAMON PEOPLE AB	Sweden	-	-	-	FC	100.00	100.00
CHIEF CONSULTING AB	Sweden	FC	60.00	60.00	FC	60.00	60.00
LARIX SWEDEN AB	Sweden	FC	100.00	100.00	FC	100.00	100.00
ALTEN SWITZERLAND SARL AG	Switzerland	FC	100.00	100.00	FC	100.00	100.00
CIENET TECHNOLOGIES CO LTD TAIWAN	Taiwan	FC	100.00	100.00	-	-	-
TRUETEL COMMUNICATIONS TAIWAN INC	Taiwan	FC	100.00	100.00	-	-	-
CPRIME UKRAINE	Ukraine	FC	100.00	100.00	FC	100.00	100.00

(1) FC = Full Consolidation/EM = Equity-accounted Method.

Note that:

- Anotech Do Brasil and Premier Logic India, which no longer have any operational activity or significant assets and liabilities, were removed from the scope of consolidation on 1 January 2021;
- Consoft, which was acquired during the period, does not appear in the scope of consolidation as it was absorbed by ALTEN Italia.

3.2 Commitments relating to the scope of consolidation

(in thousands of euros)	31/12/2021	31/12/2020
Bank guarantees given		
ALTEN SA	8,251	3,666
CALSOFT LABS INC	40	37
ALTEN ITALIA	794	687
ALTEN BELGIUM	299	299
ALTEN NEDERLAND	212	212
ALTEN SPAIN	4,312	3,269
ALTEN GmbH	1,210	
IT SECTOR	28	
ALTEN SVERIGE	84	4,019
ORION ENGINEERING	21	20
ETIC SISTEMES		17
ALTE OYE		178
BEAMON PEOPLE		185
ALTEN SWITZERLAND	445	303
ALTEN SW GmbH	136	
AP SOLUTIONS	704	
OSB AG	212	
ALTEN AUSTRIA SUD	19	
PCUBED PTY LTD (AUSTRALIA)	64	
ALTEN SI TECHNO ROMANIA	218	
ALTEN TECHNOLOGY GmbH	286	
ATEXIS GmbH	9	
SDG CONSULTING ESPANA	1,174	
SDG CONSULTING ITALIA	206	
TOTAL	**18,725**	**12,893**
Pledges, sureties and guarantees received *(as security for liability guarantees)*		
ALTE OY		
ALTEN CALSOFT INDIA	950	1,067
ALTEN EUROPE	1,750	3,532
ALTEN ITALIA		750
ALTEN SPAIN	400	400
SESAME GROUP LTD	1,248	1,248
CPRIME INC	122	122
ALTENWARE	2,725	1,725
CPRIME UK	238	
ALTEN USA	7,058	
(other)		
HPTI[1]	14,900	17,100
TOTAL	**29,391**	**25,944**

(1) Pledge of securities held as collateral for a loan granted to a company in which the Group holds an interest.

NOTE 4 OPERATIONAL DATA

4.1 Operational segments

Operating segment information reflects the internal Information System used by Group Management for decision-making purposes. Group activity is presented by geographic region, distinguishing between France and International. The financial information published below corresponds to the information used internally by the main operational decision-maker (the Chairman) in order to assess the performance of the segments.

	31/12/2021			31/12/2020		
(in thousands of euros)	**France**	**International**	**TOTAL**	**France**	**International**	**TOTAL**
Net revenue	1,031,889	1,893,292	**2,925,180**	907,480	1,424,444	**2,331,925**
Operating profit on activity	86,231	233,635	**319,866**	32,432	110,013	**142,445**
Rate of operating profit on activity/revenue for the segment	*8.4%*	*12.3%*	***10.9%***	*3.6%*	*7.7%*	***6.1%***
Profit from continuing operations	69,785	228,152	**297,937**	27,574	106,969	**134,543**
Operating profit	69,714	218,443	**288,157**	25,555	93,686	**119,241**
Financial income	409	(2,103)	**(1,694)**	18,688	(4,627)	**14,061**
Income tax expense	(22,543)	(56,092)	**(78,635)**	(10,839)	(26,097)	**(36,936)**
Earnings from associates	0	62	**62**	1,456	(36)	**1,420**
NET OVERALL EARNINGS	**47,579**	**160,310**	**207,890**	**34,860**	**62,926**	**97,786**
Non-controlling interests	37	(89)	**(53)**	89	136	**224**
NET INCOME, GROUP SHARE	**47,616**	**160,221**	**207,837**	**34,949**	**63,062**	**98,011**

	31/12/2021			31/12/2020		
(in thousands of euros)	**France**	**International**	**TOTAL**	**France**	**International**	**TOTAL**
Goodwill	183,004	705,719	**888,723**	159,449	542,118	**701,567**
Interests in associates	0	1,180	**1,180**	0	1,118	**1,118**
Headcount at year end	12,100	30,200	**42,300**	11,000	22,800	**33,800**
Cash at end period	117,232	195,079	**312,311**	102,863	180,551	**283,415**
Financial liabilities (including lease liabilities)	164,139	111,344	**275,483**	161,321	96,859	**258,180**
Rental liabilities	82,705	99,903	**182,609**	90,863	79,351	**170,214**
Net investments for the period	19,249	98,375	**117,624**	(6,418)	133,518	**127,101**

The contribution to the 2021 revenue of the companies acquired and consolidated in 2021 amounted to €84.9 million.

4.2 Revenue, working capital requirements and duration of client relationships to the consolidated financial statements

Revenue

Group revenue is recognised over the period in which services are rendered and made up of services:

- on a time-worked basis: the income is recognised using the percentage of completion method since the client continuously receives and consumes the benefits of the services which are provided to him. The amount to be invoiced represents the value of the services provided to the client and, consequently, by applying the right to invoice simplification measure, the revenue is recognised according to time spent. Income is therefore equal to time spent multiplied by an hourly, daily or monthly rate;
- for the "Work Packages" method: recognition of revenue varies according to the nature of the resource commitment:
  - when the Work Packages is a global cost-based scheme, revenue is equal to the time spent multiplied by an hourly, daily or monthly selling price as described above,
  - when it is an outsourced service, for which the billing is on a monthly or quarterly fixed-price basis, revenue is recognised on a monthly basis, according to the fixed price amount, independent of the actual time spent by the consultants, the right to invoice being acquired according to this contractual pattern,
  - finally, if it is a Work Packages with service commitments, the revenue is recognised separately for each of the elements when they are identifiable separately and the client can benefit from them. When these elements are not identifiable, the revenue is recognised as the client receives/approves deliverables and/or performance indicators (work units) the price of which is determined in the Work Packages contract. For fixed-price contracts this generally corresponds to the percentage of completion method described below;
- fixed price: revenue is recognised according to the percentage of completion method, proportionately to the spending committed to in relation to the estimation of total spending of the contract when at least one of the following conditions is respected: (i) the client receives and consumes the benefits provided by the Group service as the service is being provided or (ii) the Group service creates or enhances the value of an asset which the client obtains control of as it is being created or as its value is being enhanced (iii) the Group has an enforceable right to a payment for the service provided to date in the event of termination by the client.

Loss-making contracts give rise to recognition of a contract loss provision corresponding to the total expected loss less any losses already recorded in advance.

Notion of principal/agent: When the Group sells licences and/or sub-contracting bought from external suppliers, its relationship with the client is analysed in order to determine whether the Group is acting as a principal or agent. The Group acts as a principal when it controls the goods or services prior to their transfer to the client; the revenue is then recognised on a gross basis.

If the Group acts as an agent, the revenue is recognised on a net basis corresponding to the commission received by the Group as an agent.

Trade receivables and assets and liabilities linked to client contracts

Trade receivables and related assets are valued at the amortised cost minus any losses in value. Losses in value are registered:

- statistically, according to expected losses estimated over the lifespan of the receivables, taking account of the history of losses on receivables;
- on a case-by-case basis when it becomes likely that the receivable will not be received and it is possible to reasonably estimate the amount of the loss.

Assets linked to client contracts are essentially made up of invoices to be issued. Liabilities linked to client contracts are mainly made up of deferred income and credit Notes to be drawn up. In addition, no asset is recognised under costs of obtaining a contract.

Revenue

By type of service

(in millions of euros)	2021	%	2020	%
Service provision	2,890.5	98.8%	2,299.7	98.6%
Re-invoiced expenses	14.9	0.5%	15.4	0.7%
Others (including margin on sales of licences)	19.8	0.7%	16.8	0.7%
TOTAL	**2,925.2**	**100%**	**2,331.9**	**100%**

By geographical area

(in millions of euros)	2021	%	2020	%
France	**1,031.9**	**35.3%**	**907.5**	**38.9%**
International	**1,893.3**	**64.7%**	**1,424.4**	**61.1%**
North America	371.1	12.7%	299.1	12.8%
Germany	263.2	9.0%	193.7	8.3%
Spain	216.5	7.4%	151.9	6.5%
Italy	198.0	6.8%	118.1	5.1%
Asia-Pacific	175.9	6.0%	123.1	5.3%
Scandinavia	172.6	5.9%	165.4	7.1%
Benelux	169.5	5.8%	152.7	6.5%
UK	140.2	4.8%	95.2	4.1%
Switzerland	63.3	2.2%	57.3	2.5%
Eastern Europe	62.8	2.1%	46.1	2.0%
Other	60.1	2.1%	21.9	0.9%
TOTAL	**2,925.2**	**100%**	**2,331.9**	**100%**

Order book

As permitted by IFRS 15, no information is communicated relating to the service obligations remaining at 31 December 2021 for contracts with an initial expected duration of one year or less.

Working capital requirements

(in thousands of euros)	31/12/2020	Cash flow variation	Other flows*	31/12/2021	Current	Non-current
Trade receivables	586,618	118,493	73,674	778,784	778,784	
Client contract assets	108,100	65,773	15,316	189,189	189,189	
Client contract liabilities	(115,130)	(32,968)	(20,830)	(168,927)	(168,927)	
Client advances and payments on account (2)	(5,279)	(828)	(3,295)	(9,403)	(9,403)	
TRADE RECEIVABLES AND RELATED ACCOUNTS (A)	**574,308**	**150,470**	**64,865**	**789,643**	**789,643**	
Trade payables	(99,101)	(6,490)	(21,251)	(126,843)	(126,843)	
Prepaid expenses (1)	14,942	5,052	5,569	25,563	25,563	
Supplier receivables (1)	1,703	119	377	2,199	2,199	
Supplier advances and payments on account (1)	1,706	(1,567)	961	1,099	1,099	
TRADE PAYABLES AND RELATED ACCOUNTS (B)	**(80,751)**	**(2,887)**	**(14,344)**	**(97,982)**	**(97,982)**	
Tax and social security receivables (1)	56,451	4,152	5,439	66,042	66,042	
Other receivables (1)	4,899	3,586	(446)	8,039	8,039	
Tax and social security debt (2)	(332,812)	(50,790)	(34,357)	(417,959)	(414,392)	(3,567)
Other debts (2)	(4,101)	8,891	(10,006)	(5,215)	(5,215)	(0)
OTHER ASSETS/LIABILITIES (C)	**(275,563)**	**(34,161)**	**(39,370)**	**(349,093)**	**(345,526)**	**(3,567)**
WCR (= A + B + C)	**217,994**	**113,423**	**11,151**	**342,567**	**346,134**	**(3,567)**
Reconciliation with the consolidated statement of financial position						
Sum of (1)	**79,700**	**11,341**	**11,900**	**102,941**	**102,941**	
Current financial assets	383		60	444	444	
TOTAL OF "OTHER CURRENT ASSETS"	**80,084**	**11,341**	**11,960**	**103,385**	**103,385**	
Sum of (2)	**(342,192)**	**(42,727)**	**(47,658)**	**(432,577)**	**(429,010)**	**(3,567)**
Earn outs	(72,711)		(57,700)	(130,410)	(13,730)	(116,679)
TOTAL OF "OTHER CURRENT AND NON-CURRENT LIABILITIES"	**(414,903)**	**(42,727)**	**(105,358)**	**(562,988)**	**(442,740)**	**(120,246)**

Clients and duration of relationship

The following table shows the breakdown of the portfolio of trade receivables based on age:

	31/12/2021					31/12/2020				
(in thousands of euros)	Unmatured	< 6 months	6 months to one year	> 1 year	Balance	Unmatured	< 6 months	6 months to one year	> 1 year	Balance
TRADE RECEIVABLES										
Gross value	625,569	147,475	8,811	9,081	790,936	459,827	106,177	22,195	9,492	597,691
Provisions	0	(3,067)	(1,477)	(7,608)	(12,152)	0	(2,278)	(1,471)	(7,324)	(11,073)
NET VALUES	**625,569**	**144,408**	**7,334**	**1,474**	**778,784**	**459,827**	**103,900**	**20,724**	**2,168**	**586,618**

Based on experience and considering its policy for recovering trade receivables, the Group feels that the level of impairment for the financial year is appropriate to the risks involved.

4.3 Employee expenses and benefits

4.3.1 Employee benefits expense

(in thousands of euros)	31/12/2021	31/12/2020
Salaries and benefits	(1,989,515)	(1,697,205)
Set provisions to labour disputes	(1,193)	222
Retirement benefits	(638)	(1,375)
Taxes levied on wages	(28,929)	(22,392)
Employee profit sharing	(6,379)	(2,187)
TOTAL	**(2,026,654)**	**(1,722,938)**

The "salaries and benefits" item is reduced by research tax credits (CIR). Social security charges under defined contribution plans amounted to €360.40 million in 2021 (compared to €306.70 million in 2020).

4.3.2 Post-employment benefits

The Group offers certain benefits in the form of defined contribution pension plans. With regard to these plans, the Group's only other commitment is the payment of premiums carried as a charge on the income statement for the financial year. The Group has not established employee benefits as part of defined benefit plans. Its commitment is essentially made up of:

- retirement benefits valued by an independent actuary, using the projected unit credit method, in France;
- severance pay (TFR), in Italy.

According to the projected unit credit method, each period of service results in an additional right to benefits and each of these units is valued separately in order to determine the final obligation. This final obligation is then discounted. These calculations incorporate two types of assumptions:

Financial assumptions:

- a financial discount rate;
- an inflation rate;
- a salary revaluation rate;
- an employer contribution rate.

Demographic assumptions:

- the assumption of a retirement age generally set at 65, the age at which a French employee will have reached the number of years of contributions entitling the employee to the full pension amount granted under the national pension plan;
- INSEE mortality tables;
- average staff turnover rates, by age and employment category;
- ages of first employment;
- number of employees taking retirement.

These assessments are carried out every year with updated actuarial assumptions. The Group has no assets to cover commitments for retirement benefits.

Expenses are recognised:

- Under Operating Profit for the part relating to cost of services;
- Under Net Financial Income for the part relating to discounting.

Actuarial gains and losses (actuarial differences) are recognised directly in Other Comprehensive Income.

The following table presents staff benefits:

(In thousands of euros)	Total commitment
AT 31/12/2019	**13,743**
Change in scope	1,201
Reclassification	0
Cost of services provided	1,508
Interest expenses	117
Actuarial gains and losses	821
Benefits paid	(133)
AT 31/12/2020	**17,257**
Change in scope	1,341
Reclassification	0
Cost of services provided	894
Interest expenses	52
Actuarial gains and losses	(426)
Benefits paid	(259)
AT 31/12/2021	**18,859**

It should be noted that the commitment includes €106,000 in retirement benefits (as provided for in the SYNTEC collective agreement) of a Corporate Officer with a work contract.

The main assumptions used to value the commitment are shown in the table below:

	31/12/2021	31/12/2020
Discount rate	1.00%	0.40%
Turnover rate (historical data recorded)	Age group	Age group
Revaluation rate for employees		
• Managerial staff	1.50%	1.50%
• Non-managerial staff	2.00%	2.00%
Employer contribution rate		
• Managerial staff	40.00%	40.00%
• Non-managerial staff	40.00%	40.00%
Mortality table		
• Women	TF15/17	TF 13/15
• Men	TH 15/17	TH 13/15
Retirement age		
• Managerial staff	65 years	65 years
• Non-managerial staff	60 to 62 years	60 to 62 years

The rate of personnel turnover is taken according to historical data observed in the Group. The reference rate used to calculate the discount rate is the yield on AA-rated corporate bonds in the euro zone.

The impact of changes in the discount rate on the commitment calculation is shown in the table below:

	-0.5 point	Mid value	+0.5 point
Discount rate	0.50%	1.00%	1.50%
TOTAL COMMITMENT *(IN THOUSANDS OF EUROS)*	**20,292**	**18,859**	**17,559**

4.3.3 Share-based payments

Some of the Group's employees qualify for share options or free shares. In accordance with IFRS 2 "Share-based payments", free options or shares are valued at their fair value on the date on which they are awarded, by an external value, based on the Black and Scholes or binomial models. Changes in value after the date on which they are awarded have no impact on this initial valuation.

The overall expenses are recorded on a straight-line basis over the rights vesting period, with a counterparty in shareholders' equity.

ALTEN SA's Board of Directors allocated free shares during the financial year under the authorisations granted by the General Meeting of 18 June 2020. This allocation was the subject of four separate plans, the main terms of which are presented, together with those of the plans of previous years, the expense of which was not fully spread over previous years, in the table below:

Plans													**TOTAL**
Date of award by the Board	2017	24/10/2018	18/06/2019	18/06/2019	15/11/2019	27/10/2020	27/10/2020	27/10/2020	23/02/2021	23/02/2021	27/10/2021	27/10/2021	
Class of financial instruments awarded	Preferred B share (four plans)	Ordinary share	Preferred B share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	
Number of financial instruments awarded		100,450	814	49,550	150,000	157,170	164,500	10,000	109,450	13,500	105,850	116,825	
of which number awarded to employees		*100,450*	*391*	*49,550*	*150,000*	*157,170*	*54,500*	*10,000*	*109,450*	*13,500*	*105,850*	*116,825*	
of which number awarded to Corporate Officers		*0*	*423*	*0*	*0*	*0*	*110,000*	*0*	*0*	*0*	*0*	*0*	
Number of instruments voided over the period		4,600	0	7,400	6,500	42,207	15,000	0	600	3,500	0	0	
Number of instruments subscribed for over the period		400			400								
Number of instruments outstanding at 31/12/2021		85,250	814	40,950	142,400	114,963	149,500	10,000	108,850	10,000	105,850	116,825	
Fair value of the financial instruments *(in euros)*		73.7	4,899.9	92.5	96.4	76.7	75.7	76.7	84.9	85.9	132.5	130.6	
Final award date	2019	24/10/2022	18/06/2021	18/06/2023	15/11/2023	27/10/2022	27/10/2023	27/10/2022	23/02/2024	23/10/2023	30/10/2023	27/10/2025	
Final award conditions	Presence and performance	Presence and performance	Presence	Presence and performance	Presence and performance	Presence	Presence and performance	Presence and performance	Presence and performance	Presence	Presence	Presence and performance	
Lock-up/ Non-transferability period	2021	None	18/06/2023	None	None	None	None	None	None	None	None	None	
Cost of services provided in 2021 *(In thousands of euros)*	471	2,071	926	886	2,859	2,787	3,339	329	1,915	298	1,119	493	17,494
Employer contribution cost 2021 *(In thousands of euros)*	41	595	116	161	289	1,137	1,102	136	397	156	253	51	4,435
(IN THOUSANDS OF EUROS)													**21,929**

For plans awarded in 2019, at the end of the lock-up period, the Preferred B shares may be converted into ordinary shares provided that the performance and presence criteria are met over four years.

The conversion parity is: 1 preferred share = (100 x M x Revenue Coef) x 20% + (100 x M x OPA Coef) x 80%.

Growth in relation to revenue	Translation coefficient linked to revenue growth (Rev Coef)	Growth in OPA	Translation coefficient linked to OPA growth (OPA Coef)	Presence-based multiplying coefficient (M)
> or = 26%	100%	> or = 20.0%	100%	
22.0%	80%	17.4%	80%	Default = 0.01
18.0%	60%	15.0%	60%	
14.0%	40%	12.1%	40%	*Presence on third anniversary of award = 0.1*
10.0%	20%	10.0%	20%	
<10.0%	0%	<10.0%	0%	*Presence on fourth anniversary of award = 1*

For the free share plans awarded in 2018, 2019, 2020 and 2021:

- the shares of the democratic plan dated 27/10/2020, the final grant date of which is set for 27/10/2022, are subject to a single presence condition and shall be freely transferable at the end of this date;
- the shares of performance plans will be definitively awarded after the vesting period pending the effective presence of the beneficiary; the final number of shares depends on the attainment of performance criteria in line with the following formula:

Number of shares definitively awarded = Number of shares initially awarded x (CO coef + OMA coef + FC coef + QCSR coef)/4.

With:

cCO	cOMA	cFC	cQCSR
Based on the weighted annual organic growth rate.	Based on the annual weighted rate of activity operating margin	Based on the annual weighted rate Normative free cash flow/revenue	Based on the annual average of the ALTEN composite CSR index
("CO")	**("OMA")**	**("FC")**	**("mIA")**

4.4 Other items of the consolidated income statement

4.4.1 Purchases consumed

(in thousands of euros)	31/12/2021	31/12/2020
Purchasing and subcontracting business	(287,438)	(209,138)
Non-stock purchases	(20,787)	(17,634)
TOTAL	**(308,225)**	**(226,772)**

Purchases mainly consist of subcontracting.

4.4.2 External charges

(in thousands of euros)	31/12/2021	31/12/2020
Rents and rental charges*	(15,627)	(15,339)
Maintenance and repairs	(16,508)	(20,396)
External personnel, fees	(58,418)	(38,512)
Transportation and travel	(47,894)	(44,656)
Other external charges	(44,354)	(38,961)
TOTAL	**(182,802)**	**(157,863)**

* *Real estate rental charges, rental fees for contracts of less than 12 months and rental charges of a service nature in accordance with the application of IFRS 16.*

4.4.3 Other operating income and expenses

(in thousands of euros)	31/12/2021	31/12/2020
Provisions for impairments of current assets	(3,991)	(4,204)
Losses on unrecoverable receivables	(2,349)	(1,215)
Provisions for long-term contingencies	(2,346)	(2,689)
Book value of non-current assets sold	(3,091)	(327)
Other expenses	(20)	(143)
TOTAL EXPENSES	**(11,797)**	**(8,577)**
Reversal of provisions for receivables	5,008	2,902
Reversals of provisions for long-term contingencies	1,372	1,422
Proceeds from sale of non-current assets	3,178	228
Other income	155	11
TOTAL INCOME	**9,713**	**4,562**
TOTAL OTHER OPERATING INCOME AND EXPENSES	**(2,084)**	**(4,015)**

4.4.4 Other operating income and expenses

Other operating income and expenses include non-recurring transactions and significant amounts that could potentially misrepresent the Group's operating performance. These might include:

- restructuring costs for recent acquisitions;
- acquisition fees;
- other non-recurring income and expenses of a significant amount which are not intrinsically linked to the business activity.

(in thousands of euros)	2021	2020
Restructuring costs	(1,648)	(7,044)
Fees associated with the acquisition of new companies	(4,798)	(5,797)
Social security and tax adjustments	499	(2,479)
Other	(3,833)	18
TOTAL OTHER OPERATING INCOME AND EXPENSES	**(9,780)**	**(15,303)**
Including other operating expenses	*(11,386)*	*(19,754)*
Including other operating income	*1,606*	*4,451*

Other operating income and expenses in 2021 consisted of restructuring costs (-€1.6 million), mainly costs generated by headcount reduction measures abroad, acquisition fees (-€4.8 million), reversals of provisions for social security and tax adjustments (+€0.5 million), and various expenses (-€3.8 million), including the adjustment of costs of business combinations acquired under IFRS 3 (in particular change in earn-out payments).

NOTE 5 NON-CURRENT ASSETS

5.1 Goodwill and impairment tests

Goodwill is initially recognised in a business combination as described in Note 3 in the "Business combinations" part.

After the initial accounting, the ALTEN Group carries out impairment tests on goodwill (in particular) as soon as a sign of value loss is identified and at least once a year. Losses in value in goodwill are not reversible.

For the purpose of this test, assets and liabilities are grouped into Cash-Generating Units (CGUs). CGUs are homogeneous groups of assets that generate cash inflows through continuous use which are largely independent of the cash inflows from other assets or groups of assets. CGUs correspond to legal entities or relevant groups of legal entities.

The value-in-use of these units is determined by reference to future net cash flows, discounted and restated for the effects of IFRS 16. When this value is lower than the net book value of the CGU, an impairment loss is recorded in operating profit for the difference; it is allocated first against goodwill.

Whether such impairment loss is recognised is determined on the basis of the Discounted Cash Flow, for which the Group expects to obtain flows from the cash-generating unit. Value in use is determined through:

- a four-year financial budget prepared by the entity and validated by the Group's Financial Department, updated when the year-end budget is prepared. The cash flow beyond the four-year period is extrapolated, taking into account a perpetual growth rate;
- perpetual growth rate: this growth rate does not exceed the long-term average growth rate for the business sector;
- discount rate: this rate corresponds to the weighted average cost of capital, derived from risk-free interest rates, country and market risk premium, beta coefficient and the cost of debt.

The discount rates used to discount cash flow after taxes are net of taxes.

Goodwill, allocated by country, is broken down as follows:

(in thousands of euros)	France	UK	Belgium	Portugal	The Netherlands	Spain	Germany
31/12/2020	159,449	18,279	12,686		26,168	104,865	103,891
Acquisitions	23,569	30,109		29,375			11,740
Disposals/withdrawals							
Earn-out adjustments						1,711	5,572
Translation differences							
Other	(16)					443	(1,420)
Impairments							
31/12/2021	**183,002**	**48,388**	**12,686**	**29,375**	**26,168**	**107,019**	**119,783**

During the 2021 financial year, the increase in the amount of goodwill can be mainly explained by the following:

- the Group's acquisitions during the period (as described in Note 2.1);
- adjustments of earn outs and corrections to positions (included under "Other") within the allocation period;
- translation differences on goodwill denominated in foreign currencies.

Switzerland	Italy	Scandinavia	North America	Asia	Eastern Europe	Other	Total
24,340	47,181	64,201	102,436	31,054	6,850	169	701,567
	5,051		14,193	60,055			174,092
							0
	753		(140)				7,896
675		(299)	4,464	1,097			5,937
	195		(30)	60			(768)
							0
25,015	**53,180**	**63,902**	**120,923**	**92,265**	**6,850**	**169**	**888,723**

The Group performed impairment testing on all the assets of its CGUs at 31 December 2021. The tests show that the recoverable amounts of the assets of the CGUs are higher than their book value. It should be noted that in an uncertain context, the forecasts and estimates used for these tests could be significantly modified at a later date.

The table below presents the main actuarial assumptions and structural operating assumptions used for the impairment tests performed during the year for the main countries. Note that the CGUs correspond to legal entities (and hardly ever to a combination of legal entities) and that they are, for the purpose of simplification and clarity of this Note, grouped by country or geographical area.

The growth rate and discount rate assumptions used in the valuation of all Cash-Generating Units were revised in light of general market data.

	2021				2020			
Country	Value of goodwill	Average annual revenue growth rate 2021-2026	Perpetual growth rate	Weighted average cost of capital (WACC)	Value of goodwill	Average annual revenue growth rate 2020-2025	Perpetual growth rate	Weighted average cost of capital (WACC)
France	183,002	6%	2%	7.7%	159,449	5%	2%	7.6%
North America	120,923	11%	2%	7.3%	102,436	10%	2%	8.0% to 8.4%
Germany	119,783	9%	2%	7.2%	103,891	5%	2%	7.0%
Spain	107,019	8%	2%	8.1%	104,865	5%	2%	9.1%
Asia	92,265	9%	2%	7.4% to 9.1%	31,054	7%	2%	7.9% to 10.1%
Scandinavia	63,902	6%	2%	7.3% to 7.7%	64,201	5%	2%	7.2% to 7.8%
Italy	53,180	6%	2%	8.8%	47,181	5%	2%	10.3%
UK	48,388	11%	2%	7.9%	18,279	8%	2%	7.7%
Portugal	29,375	4%	2%	7.9%				
The Netherlands	26,168	7%	2%	7.3%	26,168	3%	2%	7.1%
Switzerland	25,015	4%	2%	7.4%	24,340	1%	2%	6.8%
Belgium	12,686	6%	2%	7.6%	12,686	2%	2%	7.7%
Eastern Europe	6,850	10%	2%	8.0% to 10.0%	6,850	7%	2%	8.2% to 10.5%
Other	169	na	na	na	169	na	na	na
TOTAL	**888,723**				**701,567**			

The main operating assumptions used to build the budget are in line with the historical data seen for each CGU.

The Group presents analyses of sensitivity to key assumptions for WACC, the open-ended growth rate and normative OPA Coefficient. The results of these analyses in terms of impairment of goodwill are summarised in the table below.

	2021					2020				
Country	Goodwill	Test margin*	+1 point WACC**	Zero growth rate**	Normative OPA -1 point**	Goodwill	Test margin*	+1 point WACC**	Zero growth rate**	Normative OPA -1 point**
France	183,002	445,632	(5,357)	(5,980)	(3,777)	159,449	447,408	-	-	-
North America	120,923	462,178	-	-	-	102,436	187,362	-	-	-
Germany	119,783	280,049	(1,266)	(402)	(1,980)	103,891	47,238	(6,328)	(3,751)	(3,187)
Spain	107,019	176,494	-	-	-	104,865	37,051	-	-	-
Asia	92,265	95,640	-	-	-	31,054	68,845	-	-	-
Scandinavia	63,902	193,530	-	-	-	64,201	101,238	-	-	-
Italy	53,180	288,908	-	-	-	47,181	120,803	-	-	-
UK	48,388	331,459	-	-	-	18,279	109,193	-	-	-
Portugal	29,375	46,172	-	-	-					
The Netherlands	26,168	234,055	-	-	-	26,168	153,893	-	-	-
Switzerland	25,015	177,051	-	-	-	24,340	141,326	-	-	-
Belgium	12,686	104,071	-	-	-	12,686	82,903	-	-	-
Eastern Europe	6,850	160,953	-	-	-	6,850	88,865	-	-	-
Other	169		-	-	-	169	na	(2,622)	-	-
TOTAL	**888,723**	**2,996,191**	**(6,623)**	**(6,382)**	**(5,757)**	**701,567**	**1,586,125**	**(8,950)**	**(3,751)**	**(3,187)**

* *Test margin = Value-in-use - total value of assets to be tested (including goodwill) for all CGUs included in the country.*
** *Amount of impairment of the CGU or CGUs included in the country. Other constant parameters.*

5.2 Rights of use and lease liabilities

Leases, as defined by IFRS 16 "Leases", are recognised in the statement of financial position, resulting in the recognition of:

- an asset that corresponds to the right to use the leased asset during the term of the contract.

At the effective date of a lease, rights of use are valued at their cost and include the initial amount of debt plus or minus any advance payments and benefits received from the lessor. Any initial direct costs incurred for the signing of the agreement (marginal costs that would not have been incurred if the agreement had not been entered into) increase the amount of the assets. Rights of use are amortised over the useful life of the underlying assets. This period always corresponds to the term of the lease, given the type of agreements the Group enters into:

- rental debt for future payment obligations over the term of the agreement.

When the agreement enters into force, lease liability is recognised at an amount equal to the discounted value of the rents paid over the term of the agreement. The amounts taken into account for rent in the valuation of the debt are rents, payments to be made or received from the lessor, less payments already made or received. Rents are discounted using discount rates broken down by country and based on the average terms of the agreements.

In the income statement, depreciation and amortisation expenses are recognised in profit from continuing operations and interest expenses in financial income. The tax impact of this consolidation restatement is taken into account through the recognition of deferred tax.

During the life of each agreement, the amount of the debt and rights of use may be adjusted should events occur that lead to the upward or downward revision or modification of the term of the lease and the amount of rent.

Initially, the term of the lease is defined individually for each agreement and corresponds to the fixed period of the commitment, taking into account the optional periods that are reasonably certain to be exercised.

The main simplification measures allowed by IFRS 16 are applied by the Group:

- exclusion of leases relating to underlying assets with a value of less than €5,000;
- exclusion of leases with terms of under 12 months.

Rents for agreements excluded from the scope of IFRS 16 are recognised directly as operating expenses.

Statement of financial position

Rights of use (non-current assets)

(in thousands of euros)	Real estate	Vehicles	Computer equipment	Other	Total
Gross value					
Gross value - 31/12/2020	**199,730**	**35,123**	**4,604**	**475**	**239,932**
New contracts	45,530	13,452	1,899	493	61,374
Decreases in lease periods/rentals and withdrawals	(28,985)	(9,005)	(1,178)	(300)	(39,469)
Change in scope	28,561	3,458	1,849	177	34,045
Translation differences	2,558	31	9	19	2,616
Gross value - 31/12/2021	**247,394**	**43,059**	**7,183**	**863**	**298,499**
Depreciation and amortisation					
Depreciation and amortisation - 31/12/2020	**(59,478)**	**(14,731)**	**(2,850)**	**(237)**	**(77,296)**
Provisions	(42,034)	(12,694)	(2,089)	(425)	(57,243)
Reversals	15,540	7,488	1,080	279	24,387
Change in scope	(12,974)	(1,357)	(693)	(50)	(15,075)
Translation differences	(1,008)	(21)	(4)	(8)	(1,040)
Depreciation and amortisation - 31/12/2021	**(99,955)**	**(21,314)**	**(4,556)**	**(441)**	**(126,266)**
NET VALUE - 31/12/2021	**147,439**	**21,746**	**2,626**	**422**	**172,233**

Financial lease debt (current and non-current liabilities)

(in thousands of euros)	Real estate	Vehicles	Computer equipment	Other	Total
Rental debt - 31/12/2020	**147,742**	**20,456**	**1,773**	**243**	**170,213**
New contracts	45,770	13,435	1,899	493	61,597
Decreases in lease periods/rentals and withdrawals	(13,639)	(1,543)	(101)	(22)	(15,305)
Cash flow (repayments)	(39,807)	(12,694)	(2,089)	(424)	(55,015)
Change in scope	15,970	2,142	1,163	127	19,402
Translation differences	1,685	15	5	11	1,715
Lease liability - 31/12/2021	**157,720**	**21,810**	**2,650**	**428**	**182,608**
Current debt	**39,472**	**10,342**	**1,879**	**279**	**51,971**
Non-current debt	**118,248**	**11,469**	**771**	**149**	**130,637**

Consolidated income statement and consolidated statement of cash flows

Net income was impacted by -€0.2 million (with an impact of +€0.8 million on operating profit on activity, +€1.2 million on other operating expenses, -€2.3 million on financial income and +€0,1 million on the income tax expense) with the application of IFRS 16.

In the cash flow statement, the line "Net cash flows from financing transactions" includes disbursements relating to leases for an amount of -€57.3 million (*i.e.* -€55.0 million in respect of the repayment of the lease liability and -€2.3 million in respect of financial interest paid) with the application of IFRS 16. In return, cash flows generated by operations are increased by €57.3 million.

5.3 Non-current assets and depreciation

Only the elements whose cost may be estimated reliably and whose future economic benefits are likely to go to the Group are recognised under tangible or intangible assets.

The depreciation period is based on the estimated useful lives of each of the different categories of assets, depreciated on a straight-line basis:

Intangible assets

- Software/Information Systems 3 to 10 years.

Property, plant and equipment

- Computer equipment 1.5 to 5 years.
- Transport equipment 5 years.
- Office equipment 5 years.
- Fixtures and fittings 10 years maximum.
- Buildings 25 years.

Useful life is reviewed at least annually and adjusted accordingly if the expectations differ significantly from previous estimates.

Development costs

Development costs must be entered as intangible assets as soon as the Company can demonstrate:

- the technical feasibility necessary to complete the development project in anticipation of its placement into service or sale;
- its intention and technical and financial ability to complete the development project;
- that the future economic benefits to be derived from these development expenses are likely to go to the Company;
- and that the cost of the asset can be measured reliably.

All expenses directly attributable to the creation, production and preparation of the asset in view of its planned use are fixed. These expenses are amortised on a straight-line basis according to the applicable asset's probable useful life.

Tangible and intangible assets amounted to €45.4 million at 31 December 2021 (€37.7 million at 31 December 2020). No particular event relating to these items took place during the 2021 financial year.

5.4 Interests in associates

Interests in associates are recognised using the equity-accounted method described in the "Consolidation principle" Section of Note 3.

(in thousands of euros)	BeOne Stuttgart
INTERESTS IN ASSOCIATES AT 31 DECEMBER 2019	**1,154**
Earnings from associates	(36)
Capital increases	
Change in scope	
Dividend neutralisation	
INTERESTS IN ASSOCIATES AT 31 DECEMBER 2020	**1,118**
Earnings from associates	62
Capital increases	
Change in scope	
Dividend neutralisation	
INTERESTS IN ASSOCIATES AT 31 DECEMBER 2021	**1,180**
Financial data of associates	*
Revenue	5,388
Operating profit	60
Total assets	4,198
Shareholders' equity	2,000

** 2021 data in local Gaap and in thousands of euros.*

5.5 Non-current financial assets

Non-current financial assets include shares/investments in companies or mutual funds (grouped under the item "securities held for sale"), financial assets held to maturity ("deposits and guarantees") and loans and receivables, whether or not related to equity interests ("other long-term assets").

Securities held for sale are valued at their fair value at each close. The fair value is determined by reference to the last quoted share price for listed securities. In the absence of an active market, they are kept in the statement of financial position at the amount which the Group believes represents their fair value, which is determined based on criteria such as equity share, the net asset value and/or forecasts.

Changes in fair value of these securities are entered either in net income (for the non-consolidated shares of companies created, not exceeding the consolidation thresholds established by the Group) or in other items of comprehensive income without the possibility of recycling through profit or loss (for the other categories of shares). This choice of accounting is irrevocably determined by line of security.

Deposits and guarantees and other long-term assets are valued at amortised cost.

	Book value according to IFRS 9					Hierarchy of the fair value of financial assets at 31/12/2021		
(in thousands of euros)	Amortised cost	FV by comprehensive income	FV by income	31/12/2021	31/12/2020	Level 1	Level 2	Level 3
Securities held for sale		18,847	1,583	20,430	61,117	17,400		3,030
Deposits and guarantees	13,625			13,625	14,555			
Other long-term assets (loans and receivables)[1]	23,422			23,422	24,590			
TOTAL	**37,047**	**18,847**	**1,583**	**57,477**	**100,262**	**17,400**	**-**	**3,030**

(1) Other long-term assets consist in particular of a loan to a company in which the Group has an equity interest.

Securities held for sale include the following interests:

Entity	% interest	Fair value at opening	Acquisition, disposal, reclassification	Variation in FV through comprehensive income	Variation in FV through income	Fair value at closing	Fair value hierarchical level
PHINERGY LTD	12.83%	22,800		(5,400)		17,400	1
CONSOFT	15.00%	1,320	(1,320)			0	3
IT SECTOR	100.00%	34,384	(34,384)			0	3
OTHER		2,613	260		158	3,030	3
TOTAL		**61,117**	**(35,444)**	**(5,400)**	**158**	**20,430**	

The decrease in securities held for sale stems mainly from IT Sector, acquired at the end of December 2020, consolidated as of 1 January 2021, and from the consolidation of Consoft after the acquisition in January 2021 of the remaining 85% of its capital (see Note 2.1 "Acquisitions during the period"). Note also the downward revaluation of the shares of Phinergy (listed on the Tel Aviv Stock Exchange).

NOTE 6 SHARE CAPITAL AND EARNINGS PER SHARE

6.1 Share capital

All treasury shares held by the Group are deducted at acquisition cost from equity.

Any gains on the disposal of treasury shares directly increase equity and therefore, any gains/losses on disposals do not affect year-end earnings.

Number of shares (nominal value €1.05)	Shares issued	Treasury shares	Outstanding shares
AT 31 DECEMBER 2020	34,240,711	(463,965)	33,776,746
Capital increases (free share and preferred share plans)	138,772		138,772
Liquidity contract transactions		3,825	3,825
AT 31 DECEMBER 2021	**34,379,483**	**(460,140)**	**33,919,343**

Within the framework of a treasury-share buyback programme, the Group proceeded, during the financial year, with the various purchase and sale operations, indicated below:

	31/12/2021	31/12/2020
Unallocated shares		
Shares held at start of year	460,022	460,022
Shares held at closing	460,022	460,022
Liquidity contract		
Shares held at start of year	3,943	0
Shares purchased	28,717	169,940
Shares sold	(32,542)	(165,998)
Shares held at closing	118	3,942
TOTAL	**460,140**	**463,964**

6.2 Earnings per share

Earnings per share is obtained from the ratio of the net income (attributable to) owners of the parent to the annual weighted average number of ordinary shares outstanding during the period, excluding treasury shares.

Diluted earnings per share is obtained from the ratio of net earnings to the potential weighted average number of shares, adjusted for the effect of any potentially dilutive shares (stock options, free shares). The dilution effect is obtained by the number of potential shares that would result from the diluted instruments, less the number of shares that could be bought back at market rates using the funds gained from exercising the instruments concerned, including services to be rendered by employees. The market price retained is that of the average share price during the financial year. The dilutive effect of the equity instrument is taken into account when the exercise price is less than the average market price of the ordinary shares, adjusted for services to be rendered by employees.

(in thousands of euros)	2021	2020
Net income, Group share	**207,837**	**98,011**
Weighted average number of shares	33,853,876	33,723,333
Earnings per share	**6.14**	**2.91**

(in thousands of euros)	2021	2020
Net income, Group share	**207,837**	**98,011**
Weighted average number of shares	33,853,876	33,723,333
Effect of dilutions	599,987	590,310
Weighted average number of shares after potential dilution	34,453,863	34,313,643
Diluted earnings per share	**6.03**	**2.86**

6.3 Dividends per share

	2022	2021	2020
Date of the General Meeting deciding on the dividend distribution proposal	22 June 2022	28 May 2021	18 June 2020
Date of payment of dividend		4 June 2021	None
Dividend per share *(in euros and per share)**		1.00	None
Total amount of distribution *(in thousands of euros)*		33,875	None

* *Subject to approval at the next General Meeting on 22 June 2022.*

NOTE 7 NET CASH POSITION

The Group's net cash position breaks down as follows:

(in thousands of euros)		31/12/2021	31/12/2020
Cash at end period	**7.1**	**312,311**	**283,424**
+ Bank borrowings and related debt		(87,222)	(83,954)
+ Bank overdrafts	**7.2**	(5,279)	(3,887)
= Net cash position/(Net debt)		**219,809**	**195,583**

7.1 Cash and cash equivalents

Cash includes bank balances, investments in money market funds and marketable, short-term debt securities (initial maturity of less than three months) and presenting no material risk in terms of loss of value should interest rates fluctuate. In accordance with IAS 7, bank borrowings are treated like financing items.

(In thousands of euros)	31/12/2021	31/12/2020
Marketable securities	699	238
Cash and equivalents	311,612	283,186
TOTAL	**312,311**	**283,424**

Marketable securities are given at their fair value. They comprise money market funds (SICAV) and negotiable securities with maturity of less than three months.

Restrictions: the Group operates in countries subject to regulatory exchange controls, which could temporarily render cash unavailable for the Group. The table below shows the cash position at 31 December 2021 in these countries:

Country	*(In thousands of euros)*
Azerbaijan	2,879
China	26,592
Congo	518
India	8,214
Morocco	4,265
Nigeria	446
Ukraine	491
TOTAL	**43,404**

7.2 Current and non-current financial liabilities

Financial liabilities concern borrowings, long-term financial debt and bank overdrafts. Such financial liabilities are initially assessed at fair value, and then at the amortised cost.

Current and non-current financial liabilities are broken down based on whether the items constituting these Sections mature in under one year or over one year.

(in thousands of euros)	31/12/2020	Inc	Repayment	Change in scope	Other (translations adjustments, reclas-sification)	31/12/2021	Current	Non-current
Bank borrowings and related debt	**83,955**	**80,493**	**(81,870)**	**6,111**	**(1,523)**	**87,166**	**80,932**	**6,233**
Bank borrowings	*82,797*		*(81,515)*	*5,800*	*(1,036)*	*6,046*	*936*	*5,109*
Market financing		*80,000*				*80,000*	*80,000*	
Other loans and related debt	*1,158*	*493*	*(355)*	*311*	*(487)*	*1,120*	*(4)*	*1,124*
Bank overdrafts	**3,887**	**968**		**31**	**393**	**5,279**	**5,279**	
Deposits and guarantees received	**12**	**131**	**(5)**	**22**		**160**	**131**	**29**
Other financial liabilities	**113**	**13**			**144**	**270**	**270**	**0**
TOTAL	**87,967**	**81,605**	**(81,875)**	**6,164**	**(986)**	**92,875**	**86,612**	**6,262**
		a	b					
Change in statement of cash flows financial liabilities (a + b)		**(270)**					**6,351**	**(6,622)**

Bank borrowings

Bank borrowings amounted to €6,0 million at 31 December 2021.

(in thousands of euros)	31/12/2021	EUR	USD	JPY	Fixed rate	Variable rate
Bank borrowings	6,046	1,006	2,996	2,044	6,041	4

At 31 December 2021, this item comprised:

- "PPP Loan" in the USA (financial support for companies in the United States in the context of the health crisis) for €3.0 million;
- other medium- and long-term denominated loans for €3.0 million (€1.0 million) and foreign currencies (€2.0 million).

Note the absence of a drawdown on the "Club Deal" at 31 December 2021 (short-term variable-rate financing) on an open line of €160 million.

Market financing

The Group has entered into an issuance programme of short-term negotiable debt securities (NeuCP) for an amount of €250 million set up in January 2021 in order to optimise and diversify its sources of financing. The financial documentation for the programme is available on the website https://eucpmtn.banquefrance.fr/public/#/liste-des-emetteurs. The debt amounted to €80 million at 31 December 2021.

Commitments received from banking institutions

In addition, the Group has unused credit facilities amounting to €225 million at 31 December 2021 (€123.1 million at 31 December 2020).

7.3 Financial income

Financial income comprises net debt costs and other financial income and expenses.

Net borrowing costs

This includes:

- income from cash and cash equivalents (interest income from cash and cash equivalents, income from the disposal of cash equivalents);
- borrowing costs (interest charges on financing transactions).

Net borrowing costs and financial costs of leases

This is the net borrowing costs minus interest charges relating to leases.

Other financial income and expenses

Other financial income and expenses includes financial income and expenses not included in net borrowing costs:

- financial income (dividends, profits on the disposal of unconsolidated shares, interest income and income from the disposal of other financial assets [excluding cash and cash equivalents], translation gains, discounted financial income, increase in the fair value of financial assets and liabilities measured at fair value through profit or loss, other financial income);
- financial expenses (impairment of unconsolidated securities, losses on disposals of unconsolidated securities, impairment and losses on the disposal of other financial assets [excluding cash and cash equivalents], translation losses, discounted financial expenses, decrease in the fair value of financial assets and liabilities measured at fair value through profit or loss, other financial expenses).

(in thousands of euros)	2021	2020
GROSS BORROWING COSTS	**(1,072)**	**(940)**
Income from receivables and investments	380	468
NET BORROWING COSTS	**(692)**	**(471)**
Interest on leases (IFRS 16)	(2,260)	(1,895)
Net borrowing costs and financial costs of leases	**(2,952)**	**(2,367)**
Foreign exchange losses	(10,368)	(12,261)
Other financial expenses	(910)	(1,232)
Discounted financial expenses	(537)	(335)
Financial provisions	(646)	(2,345)
Other financial expenses	**(12,460)**	**(16,173)**
Foreign exchange gains	11,134	7,674
Other financial income	1,989	23,875
Financial income as a result of discount	0	0
Reversal of financial provisions	595	1,052
Other financial income	**13,718**	**32,601**
OTHER NET FINANCIAL INCOME AND EXPENSES	**1,258**	**16,428**
NET FINANCIAL INCOME	**(1,694)**	**14,061**

As of 31 December 2020, net financial income consisted of capital gains on the French companies and the Horex investment sold.

7.4 Financial risk factors

Liquidity risk

Identification of the risk

A prudent liquidity management plan involves keeping a sufficient level of liquid assets and having financial resources through appropriate credit facilities. The Group ensures that it always has sufficient liquidity to meet its commitments, in particular to realise investment opportunities.

Managing risk/Exposure

The Group has:

- centralised cash management when local legislation permits;
- internal procedures to optimise debt recovery;
- a new syndicated credit line of €350 million until 2027 to replace the €160 million "Club Deal" syndicated credit line, which was terminated early and voluntarily on 24 January 2022, *i.e.* two months before maturity;
- €65 million in short-term bilateral credit lines and overdraft facilities;
- a short-term negotiable debt securities programme (NeuCP) for €250 million was set up in January 2021 as part of the optimisation and diversification of funding sources. The dealers are BNP Paribas, BRED, CACIB, CIC and Société Générale. The financial documentation for the programme is available on the website: https://eucpmtn.banque-france.fr/public/#/liste-desemetteurs[1].

The syndicated credit line, which was terminated early on 24 January 2022, required compliance with the following financial ratios on a semi-annual and annual basis as long as the agreement remained in force and an advance was outstanding:

- ratio R1 – "Consolidated net financial debt/Consolidated operating profit on activity". This ratio should be less than 2.5;
- ratio R2 – "Consolidated net financial debt/Consolidated equity". This ratio should be less than 0.7.

At 31 December 2021, these ratios were met.

This Club Deal requires the following ratios to be met for each 6-month and 12-month period while the contract is in force and an advance is outstanding:

- ratio R – "Consolidated net financial debt/Consolidated operating profit on activity". This ratio should generally be less than 3 and exceptionally less than 3.5.

The Company performed a specific review of its liquidity risk and considers that it is in a position to meet its future commitments and development.

Interest rate risk

Identification of the risk

The interest rate risk to which the Group is exposed arises in particular from the new syndicated "club deal" credit line put in place at the beginning of the 2022 financial year, which is indexed to the Euribor for the interest period in question. It therefore incurs an interest rate risk based on changes in the reference index.

Managing risk/Exposure

Due to low debt levels, the Group did not consider it necessary to arrange interest rate hedging, especially since its financing is short term. The Group's exposure remains limited.

Client credit risk

Identification of the risk

Credit risk represents the risk of financial loss in the event that a client does not fulfil its contractual obligations.

Managing risk/Exposure

The Group's clients are mainly large accounts, thus limiting the risk of insolvency (see Note 4.2 Duration of client relationships). The average collection period for trade receivables is 86 days (84 days in 2020).

The Group has established internal procedures to assess the risk of client insolvency during the pre-sales process and subsequently to efficiently collect these receivables.

The ALTEN Group derives 26.0% (28.0% in 2020) of its revenue from its ten main clients, with its largest client representing 9.3% (10.1% in 2020) of Group revenue, within various legal entities in several countries. There is no identified risk of dependency with regard to a specific client.

Foreign exchange risk

Identification of the risk

Operational foreign exchange risk: Although the Group has a broad international presence, the currency flows linked to its activity, with a few exceptions, are limited to each subsidiary's internal market and primarily converted into local currencies.

Foreign exchange risk: The financing needs of subsidiaries outside the euro zone and some of the Group's financing transactions expose certain entities to a foreign exchange risk (risk linked to the change in value of debts or receivables in currencies other than the operating currency of the lending or borrowing entity). The financing of these foreign currency transactions is generally done through spot purchases or *short*-term currency swaps in the markets. These transactions represent a small volume in relation to the Group's activity. In general, the Group's external financing is denominated in euros.

Translation foreign exchange risk: Some Group subsidiaries are outside the euro zone, notably in the United States, Sweden, China and the United Kingdom. The financial statements of these subsidiaries, when translated into the consolidation currency, are subject to changes in exchange rates.

(1) *The information on the website https://eucpmtn.banque-france.fr/public/#/liste-des-emetteurs does not form part of the Universal registration document. As such, this information has not been reviewed or approved by the AMF.*

Managing risk/Exposure

The Group's exposure to operational and financial foreign exchange risk is limited. Translation risk constitutes the Group's main exposure to foreign exchange risk:

Statement of financial position exposure

	2021								
(in millions of euros)	USD	SEK	GBP	CAD	CHF	INR	CNY	PLN	Other currencies
Trade receivables	94.8	34.9	39.6	17.3	8.4	10.5	21.6	8.0	31.1
Trade payables	8.0	6.5	6.1	2.8	0.3	1.0	0.7	2.5	6.8
Cash and cash equivalents	43.4	0.1	12.7	6.2	1.0	8.2	26.6	2.8	42.9
Bank overdrafts	3.3	0.0	0.0	0.0	0.0	0.0	1.6	0.0	0.0
Bank borrowings	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1

Revenue exposure

	2021	
(in millions of euros)	Amount	% of revenue
Revenue denominated in USD	299.6	10.2%
Revenue denominated in SEK	125.2	4.3%
Revenue denominated in GBP	136.0	4.6%
Revenue denominated in CAD	72.4	2.5%
Revenue denominated in CHF	63.3	2.2%
Revenue denominated in INR	36.5	1.2%
Revenue denominated in CNY	36.0	1.2%
Revenue denominated in PLN	35.8	1.2%
Revenue denominated in other currencies	139.5	4.8%
REVENUE EXPOSURE	**944.4**	**32.3%**
TOTAL CONSOLIDATED REVENUE	**2,925.2**	**100.0%**

NOTE 8 PROVISIONS AND CONTINGENT LIABILITIES

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", a provision is recognised whenever the Group has an obligation towards a third party and it is probable or certain to result in an outflow of resources for the benefit of such a third party. The Group is supported by its external advisers to assess the probability of realisation of the risk and the estimation of the accrual related to disputes and other litigations.

Provisions are discounted when their maturity is estimated to be over one year and when their amount represents a significant factor for the Group.

A restructuring provision is recognised when the Group has approved a formal restructuring plan and has either begun to put it into effect or made it public.

A provision for loss-making contracts is recognised whenever the economic benefits expected to flow from a contract are less than the direct costs of meeting the contracted commitments.

8.1 Provisions

(in thousands of euros)	Labour disputes[1]	Commercial disputes	Other risks[2]	TOTAL
AT 31/12/2020	**4,308**	**1,027**	**11,715**	**17,051**
Reclassification	287	(8)	0	278
Exchange rate variations	1	3	(1)	3
Change in scope	110		15	125
Provisions for the financial year	2,443	207	2,139	4,789
Reversals (provisions used)	(605)		(753)	(1,358)
Reversals (provisions not used)	(646)	(489)	(130)	(1,265)
AT 31/12/2021	**5,898**	**740**	**12,986**	**19,624**
Of which current provisions	*3,801*	*390*	*6,585*	*10,776*
Of which non-currents provisions	*2,097*	*350*	*6,401*	*8,848*

(1) Labour disputes involve sums that taken individually are insignificant.
(2) Miscellaneous risks pertain to provisions primarily covering social security and tax risks.

8.2 Contingent liabilities

In the context of two audits of the accounts of a French subsidiary concerning in particular the transfer prices between this subsidiary and an English subsidiary over the period 2013-2014 and 2015-2017, the Auditing Department sent proposals for rectification in terms of corporation tax, withholding tax and CVAE for a total amount of €3.4 million. After analysing the claims with its specialist advisers, considering that the department's position is questionable, the risk has been provisioned for €0.8 million.

In the context of an audit procedure concerning the same English subsidiary for the period 2009-2015, the Auditing Department considered this time that the activity of this English subsidiary was that of a permanent establishment of the same French subsidiary. The Auditing Department sent a proposed adjustment dated 23 December 2019 for corporate income tax and additional contributions, minimum business tax and CVAE in respect of this presumed income for a total amount of €52.9 million. This amount includes duties for an amount of €26 million, late payment interest and increases of 80% according to the provisions of article 1728-1 of the CGI for €21 million.

After having thoroughly studied the arguments of the French tax authority with its specialist advisers and considering that the position of the Audit Department is contradictory due to the very nature of the two procedures implemented and questionable in terms of the factual and legal elements that can be invoked, the Group has every right to pursue its challenges of the proposed adjustments and has a good chance of success in this procedure. Furthermore, at this stage, the Group does not have sufficient information to allow it to assess and recognise a specific provision corresponding to a reliable estimate of the residual adjustment risk incurred. As a result, no provision has been made in the financial statements in connection with this tax audit.

NOTE 9 INCOME TAXES

9.1 Breakdown of income tax expense

Operating subsidies and tax credits similar to subsidies are recorded as deductions under the expenses they are intended to offset (mainly employee benefits expense for research tax credits).

The Company value-added contribution (CVAE) in France is recognised under income tax expense.

(in thousands of euros)	2021	2020
Net overall earnings	207,892	97,786
Earnings of equity-accounted companies	(62)	(1,420)
Impairment of goodwill	0	0
Share-based payments	17,494	6,983
Income tax expense	78,635	36,936
PRE-TAX EARNINGS	**303,960**	**140,285**
Tax rate of the consolidating company	28.41%	32.02%
Theoretical income tax expense	86,355	44,919
Difference in tax rate *versus* foreign companies	(10,195)	(9,903)
Difference in tax rate *versus* French companies	799	623
Tax credits	(7,375)	(8,028)
Inactivated deferred tax assets	579	2,278
CVAE (value-added tax) reclassification	4,667	7,613
Other permanent differences	3,804	(568)
TAX EXPENSE RECOGNISED	**78,635**	**36,936**
EFFECTIVE INCOME TAX RATE	**25.87%**	**26.33%**
Income tax distribution:		
Deferred tax	(1,574)	505
Income tax payable	80,210	36,431
TOTAL	**78,635**	**36,936**

The Group's effective tax rate was 25.87% in 2021, down from 2020 due to the gradual reduction in tax rates in a number of countries including France.

9.2 Deferred tax

In accordance with IAS 12 "Income Taxes", deferred tax are recognised whenever there is a temporary difference between the book value of assets and liabilities and their taxation values, and on any recoverable tax losses, according to the liability method.

Tax loss carry-forwards are the object of a deferred tax asset in the statement of financial position when they are likely to be recovered. Recoverability of these taxes is calculated according to the entity's budgets and the applicable tax regulations in the country.

Deferred tax are measured at the rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the rates adopted or substantively adopted at the reporting date.

In accordance with IAS 12, deferred tax assets and liabilities are not discounted.

Deferred tax receivables and liabilities consist of:

(in thousands of euros)	31/12/2021	31/12/2020
Employee profit-sharing	1,596	508
Retirement benefits	3,584	3,784
Restatement for IFRS 16	(66)	(160)
Other timing differences	3,930	2,669
Tax loss carry-forwards	2,978	3,856
TOTAL DEFERRED TAX	**12,022**	**10,657**
Including:		
Deferred tax assets	*14,877*	*11,648*
Deferred tax liabilities	*(2,855)*	*(991)*

The change in deferred tax assets and liabilities breaks down as follows:

(in thousands of euros)	31/12/2021	31/12/2020
Deferred tax at start of year	**10,657**	**9,906**
Impact on comprehensive income IAS 19/IFRIC 21	(107)	205
Change in scope	1,558	(545)
Exchange rate variations	(1,661)	1,595
Expenses (or income) for the period	1,574	(505)
DEFERRED TAX AT YEAR-END	**12,022**	**10,657**

The amount of non-capitalised deferred tax relating to tax loss carry forwards amounted to €12.1 million (€46 million in base) at 31 December 2021.

NOTE 10 ADDITIONAL INFORMATION

10.1 Audit fees

The table below shows Statutory Auditors' fees for ALTEN SA (KPMG and Grant Thornton) in relation to the Group:

	KPMG				GRANT THORNTON			
	Amount		%		Amount		%	
	2021	2020	2021	2020	2021	2020	2021	2020
AUDIT								
Statutory audit, certification, review of financial statements:								
• Issuer	252	213	21%	31%	252	213	19%	21%
• Fully consolidated subsidiaries	405	231	33%	34%	822	720	60%	70%
SUBTOTAL	**657**	**444**	**54%**	**65%**	**1,074**	**933**	**79%**	**91%**
SERVICES OTHER THAN CERTIFICATION OF ACCOUNTS								
• Issuer	0	0	0%	0%	0	0	0%	0%
• Fully consolidated subsidiaries	560	242	46%	35%	285	97	21%	9%
including legal, tax, corporate	11	23	1%	3%	95	36	7%	3%
SUBTOTAL	**560**	**242**	**46%**	**35%**	**285**	**97**	**21%**	**9%**
TOTAL	**1,217**	**686**	**100%**	**100%**	**1,359**	**1,030**	**100%**	**100%**

10.2 Related-party transactions

Remuneration and benefits granted to Executive Corporate Officers[1]

	2021		2020	
Simon AZOULAY	**Amount paid**	**Amount due**	**Amount paid**	**Amount due**
• fixed remuneration	€336,000	€350,000	€337,092	€350,000
• variable remuneration	None	None	None	None
• extraordinary remuneration	None	None	None	None
• Directors' fees[2]	€450,000	€450,000	€525,000	€450,000
• benefits in kind	€3,955	€6,000	€3,983	€6,000
TOTAL	**€789,955**	**€806,000**	**€866,075**	**€806,000**

	2021		2020	
Gérald ATTIA	**Amount paid**	**Amount due**	**Amount paid**	**Amount due**
• fixed remuneration	€252,000	€260,000	€181,104	€205,000
• variable remuneration	None	None	None	None
• extraordinary remuneration	None	None	None	None
• Directors' fees	€94,000	€84,000	€84,000	€84,000
• benefits in kind	€3,705	€5,000	€3,733	€5,000
TOTAL	**€349,705**	**€349,000**	**€268,837**	**€294,000**

	2021		2020	
Pierre MARCEL	**Amount paid**	**Amount due**	**Amount paid**	**Amount due**
• fixed remuneration	€259,362	€259,362	€226,224	€226,224
• variable remuneration	None	None	None	None
• extraordinary remuneration	None	None	None	None
• Directors' fees	None	None	€72,000	€72,000
• benefits in kind	None	None	€4,583	€4,583
TOTAL	**€259,362**	**€259,362**	**€302,807**	**€302,807**

(1) The amounts are expressed in gross values.
(2) Directors' fees received through the SGTI company, of which Mr AZOULAY is Chairman and sole partner.

Remuneration and benefits granted to non-Executive Corporate Officers

The Board of Directors has awarded Directors' fees to non-executive Board members for the 2021 financial year.

	2021		2020	
	Amount paid	**Amount due**	**Amount paid**	**Amount due**
Aliette MARDYKS				
Directors' fees	€24,000	€21,000	€21,000	€24,000
Other remuneration	None	None	None	None
Evelyne FELDMAN				
Directors' fees	€16,500	None	€22,500	€16,500
Other remuneration	None	None	None	None
Philippe TRIBAUDEAU				
Directors' fees	€24,000	€21,000	€24,000	€24,000
Other remuneration	None	None	None	None
Marc EISENBERG				
Directors' fees	€18,000	€15,000	€9,000	€18,000
Other remuneration	None	None	None	None
Jane SEROUSSI				
Directors' fees	€12,000	€10,000	€12,000	€12,000
Other remuneration	None	None	None	None
Emily AZOULAY				
Directors' fees	€16,500	€14,500	€16,500	€16,500
Other remuneration	None	None	None	None
Maryvonne LABEILLE				
Directors' fees	None	€18,000	None	None
Other remuneration	None	None	None	None
TOTAL	**€111,000**	**€99,500**	**€105,000**	**€111,000**

Information concerning defined-contribution schemes for Corporate Officers

Social security contributions recorded for the financial year 2021 for executives amounted to €354,000 (€329,000 in 2020).

Related-party transactions

Non-consolidated subsidiaries, Group associates or companies controlled directly by the Group's Directors.

On the income statement

	31/12/2021	31/12/2020
Revenue	15	30
Other operating income (expenses)	(1,783)	(1,756)
Financial income (expenses)	914	582
TOTAL	**(854)**	**(1,144)**

On the statement of financial position

	31/12/2021	31/12/2020
Long-term financial assets	20,608	20,159
Trade receivables	18	18
Other receivables	3,470	2,798
ASSETS	**24,095**	**22,975**
Trade payables	1	0
Other debt	0	0
LIABILITIES	**1**	**(0)**

10.3 Information on the statement of cash flows

Changes in depreciation, provisions and other calculated income/expenses	31/12/2021	31/12/2020
Amortisation of intangible assets	3,634	3,276
Depreciation of property, plant and equipment	11,715	12,608
Depreciation/amortisation of right-of-use assets	57,243	51,336
Impairment of goodwill	0	0
Provisions for risks and expenses	2,857	(2,228)
Other income and calculated expenses	1,413	853
TOTAL	**76,862**	**65,845**

Breakdown of taxes paid	31/12/2021	31/12/2020
Repayments received	24,280	7,309
Payments made	(68,212)	(57,442)
TOTAL	**(43,933)**	**(50,133)**

Impact of changes in scope and earn outs	31/12/2021	31/12/2020
Acquisitions of consolidated subsidiaries	(141,061)	(197,125)
Cash from new consolidated subsidiaries	59,092	42,159
Payment of earn-outs	(22,358)	(8,972)
Disposals of shares of consolidated subsidiaries	0	51,135
Cash from deconsolidated subsidiaries	(220)	(3,779)
TOTAL	**(104,548)**	**(116,582)**

6.1.7 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of ALTEN S.A.,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting, we have audited the accompanying consolidated financial statements of Alten S.A. for the year ended December 31, 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of December 31, 2021 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2021, to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (*Code de déontologie*) for statutory auditors.

Emphasis of Matter

We draw your attention to the following point mentioned in note 1.1 "Applicable accounting standards" to the consolidated financial statements concerning the IFRS IC decision of May 2021 relating to the methodology used to calculate employees benefits and the vesting period.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole approved in the context described above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Goodwill valuation

- ***Key Audit Matter***

As of December 31, 2021, the balance sheet shows Goodwill for a net book value of €888.7 million, representing 33.8% of total assets.

Goodwill is allocated to Cash-Generating Units (CGU) or to groups of cash-generating units that can benefit from business combinations that resulted in Goodwill. These assets are not amortized and are subject to an impairment test at least once a year, as disclosed in note 5.1 of the consolidated financial statements.

CGUs correspond to the legal entities or to relevant business combinations of legal entities.

The annual impairment tests are based on the value in use of each CGU, determined on the basis of estimated discounted future net cash flows. When value in use falls below the net book value of the CGU, the difference is recorded as an impairment loss in operating income; it is first allocated to Goodwill.

The CGU flows are determined using projections based on the following assumptions (note 5.1 of the consolidated financial statements):

- a 4-year financial budget plan established by the entity and validated by the Group's Finance Division, updated when the year-end budget is prepared;

- cash flow beyond the four–year period is extrapolated to calculate terminal value, taking into account a perpetual growth rate, and;
- discount rates based on the weighted average cost of capital, resulting from risk-free rates, market and country risk premiums, beta coefficient and the cost of debt (net of corporate tax).

We considered the valuation of goodwill as a key audit matter, given the weight of these assets in the consolidated balance sheet, the importance of management's judgment in determining cash flow assumptions, discount rates and long-term average growth rate, as well as the sensitivity of the valuation of their value-in-use to these assumptions.

- ***Our audit approach***

As part of our audit, we examined the process implemented by the Company regarding the performance of impairment tests.

We performed procedures on the CGUs that we considered he most risky, and controlled:

- The consistency and the reasonableness of assumptions used to forecast revenue and margin compared with the performance history of the Group and the economic and financial environment in which the Group operates;
- The reasonableness of the discount and perpetual growth rates applied to the estimated cash flows by assessing, with the support of our valuation specialists, the parameters used with external references;
- Management's analysis of the sensitivity calculations to variance in the main assumptions used;
- The calculation of value in use.

We also verified that the notes to the consolidated financial statements provided appropriate information.

Revenue Recognition for fixed price services rendered

- ***Key Audit Matter***

Alten Group operates in the engineering and technology consulting market and provides various services to clients under three types of contract as mentioned in note 4.2 to the consolidated financial statements:

- cost-plus contracts under which revenue is recognized based on the time required multiplied by an hourly, daily or monthly rate;
- workpackage service contacts, under which revenue recognition differs according to the nature of the resources: global cost-plus scheme, outsourced service, part of a service commitment package (workpackage);
- fixed price contracts under which revenue is recognized according to the percentage of completion method, proportionately to the expenses incurred. Loss-making contracts give rise to recognition of a contract loss provision.

For fixed price services, the amount of revenue and costs recognized in the financial year and the potential contract loss provision at year end, depend on the Group's ability to:

- measure costs incurred for fixed price services;
- estimate the remaining costs to be incurred until the end of the contract.

Given the judgements and estimates required by Management to determine revenue and the associated costs, we considered fixed price revenue recognition a key audit matter.

- ***Our audit approach***

We obtained an understanding of the revenue recognition process for fixed price contracts.

With the help of our IT experts, we took into account in our audit approach the IT systems involved in revenue recognition and the recording of associated costs, by testing the efficiency of automated system controls affecting revenue recognition.

We performed the following procedures:

- we identified the main manual and automated controls, relevant to our audit and tested their design and operational efficiency;
- we performed analytical audit procedures and interviews with Financial and administrative managers, especially on significant and/or atypical revenue and margin variances;
- we selected fixed price projects on a multi-criteria basis. For the selected projects, we reconciled revenue at completion with contracts and order forms, corroborated the costs used to calculate the percentage of completion with the actual costs incurred; and we verified the figures used to calculate the percentage of completion, so as to confirm the recognized revenue for the financial year;
- we assessed the appropriateness of the information included in the notes to the consolidated financial statements.

Tax inspection

- ***Key Audit Matter***

The ALTEN Group operates in a large number of different fiscal jurisdictions. Its positions are regularly subject to questions from tax authorities in countries in which the entities of the Group operate, on matters related to their current activities.

Some tax audits can lead to tax adjustments and litigation with the tax authorities. Provisions for risks and expenses are recorded at year-end whenever the Group has an obligation towards a third party which is likely or certain to result in an outflow of resources for the benefit of such third party. The Group is supported by its external advisors to assess the probability of the risk occurring and to estimate the accruals related to disputes and other litigation. For contingent liabilities, information is provided in note 8-2 to the consolidated financial statements.

We considered the risks relating to tax audits as a key audit matter due to:

- the Group's exposure to tax issues relating to its international operations, the possible questioning by the tax authorities of the concept of permanent establishment in certain countries and the significant nature of tax credit for research and development (CIR) claims filed each year, as the CIR is frequently questioned in the context of tax audits;
- the fact that the assessment of these risks and the amounts recorded in this respect depends on management's judgment.

- ***Our audit approach***

We obtained an understanding of the procedures implemented by the Group to evaluate and provide for the fiscal risks resulting from tax adjustment notifications.

In addition, we assessed, with the assistance of our tax specialists, the judgments made by Management and the reasonableness of the estimates taken into account to determine the provisions for tax adjustments.

In order to assess whether fiscal litigation has been correctly apprehended, we performed the following procedures:

- we performed interviews with the Group's Management and local management to assess the current state of investigations carried out and notified tax adjustments by tax authorities and follow developments of contestations and ongoing litigation or pre litigation procedures;
- we consulted recent decisions and correspondence from the Group's entities with the local fiscal authorities, and read the correspondence between the local entities and their legal advisors when necessary;
- we carried out a critical review of the estimates and positions taken by Management and of the opinions of its external advisors;
- we analyzed the responses of the external advisors to our confirmation queries;
- we verified that the lastest developments had been considered in the estimate of risks and accruals recorded in the balance sheet.

We then verified the appropriateness of the information disclosed in note 8-2 to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the Group's management report, it being specified that, in accordance with article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on our work performed, we conclude that the presentation of the financial statements for inclusion in the annual financial report complies, in all material respects, with the single European electronic reporting format.

We are not responsible to verify that the financial statements which will be included by your company in the annual financial report filed on the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Alten by your General annual meetings held on June 18, 2015 for KPMG Audit IS and June 25, 2003 for Grant Thornton.

As at December 31, 2021, KPMG Audit IS was in its 7th year of total uninterrupted engagement, and Grant Thornton was in its 19th year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

French original signed by

Paris la Défense, on April 28th 2022

KPMG Audit IS

Jean-Marc Discours
Partner

Xavier Niffle
Partner

Neuilly-Sur-Seine, on April 28th 2022

Grant Thornton

Jean-François Baloteaud
Partner

6.2 SEPARATE FINANCIAL STATEMENTS

6.2.1 STATEMENT OF FINANCIAL POSITION

6.2.1.1 Statement of financial position assets

(in thousands of euros)	Gross	Depreciation and amortisation	31/12/2021	31/12/2020
Intangible assets	53,807	18,032	35,775	36,867
Property, plant and equipment	32,750	25,098	7,652	8,651
Financial assets	290,585	18	290,568	278,959
FIXED ASSETS	**377,142**	**43,148**	**333,994**	**324,477**
Trade receivables	168,311	1,260	167,051	145,064
Other receivables	325,699	178	325,521	243,143
Marketable securities	25		25	366
Cash and equivalents	2,243		2,243	10,647
Prepaid expenses	9,210		9,210	3,496
CURRENT ASSETS	**505,488**	**1,437**	**504,050**	**402,716**
Unrealised foreign exchange losses	2		2	36
TOTAL	**882,632**	**44,586**	**838,047**	**727,228**

6.2.1.2 Statement of financial position liabilities

(in thousands of euros)	31/12/2021	31/12/2020
Capital	36,098	35,953
Paid-in capital	60,250	60,250
Reserves and retained earnings	338,180	340,589
Profit for the year	96,836	31,611
SHAREHOLDERS' EQUITY	**531,365**	**468,403**
PROVISIONS FOR RISKS AND EXPENSES	**8,526**	**7,921**
Loans and related debt	80,015	166
Miscellaneous borrowings and financial liabilities	31,112	85,824
Trade payables	59,923	46,149
Taxes and social security charges payable	85,914	81,860
Other debt	33,563	30,350
Deferred income	7,616	6,466
DEBT	**298,143**	**250,814**
Unrealised foreign exchange gains	12	90
TOTAL	**838,047**	**727,228**

6.2.2 INCOME STATEMENT

(in thousands of euros)	2021	2020
NET REVENUE	**542,173**	**510,177**
Reversal of depreciation, amortisation and provisions, transfers of expenses	4,858	15,197
Other income	12,352	13,260
Operating revenue	**559,382**	**538,634**
Other external purchases and costs	221,090	200,810
Taxes other than on income	16,039	18,265
Employee benefits expense	300,751	324,154
Depreciation, amortisation and provisions charges	7,590	9,376
Other operating expenses	6,695	2,124
Operating expenses	**552,166**	**554,729**
OPERATING PROFIT	**7,216**	**(16,094)**
FINANCIAL INCOME	**81,749**	**19,752**
CURRENT PROFIT BEFORE TAX	**88,965**	**3,658**
NON-RECURRING PROFIT	**52**	**13,133**
Employee profit-sharing		
Income tax	(7,819)	(14,820)
PROFIT FOR THE YEAR	**96,836**	**31,611**

6.2.3 APPENDIX

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6.2.3.1 General information about ALTEN SA

Founded in 1988, ALTEN is the European leader in the Engineering and Technology Consulting (ETC) market.

ALTEN SA carries out design and research projects for the Technical and Information Systems Divisions of major clients in the industrial, telecommunications and service sectors.

ALTEN SA works with its clients through various types of contracts:

- consulting;
- in Work Packages or "global platforms". These services are generally provided by committing resources and billed on a time-spent basis, or in work units;
- fixed-price projects under which ALTEN is bound by an obligation to achieve results at a fixed price. This business represents less than 10% of activity.

The scope of ALTEN SA's business covers all outsourced Engineering and Technology Consulting services.

The ALTEN Group's consolidated financial statements are available at: www.alten.com(1), in the "Investors" Section.

6.2.3.2 Key events

6.2.3.2.1 Activity

After a year 2020 marked by the impact of the health crisis, activity rebounded in 2021. All business sectors are growing. The Aeronautics and Automotive/HGV sectors, which were heavily impacted by the crisis in 2020, remain below their pre-crisis levels but have rebounded more quickly than expected. Activity continues to rise in early 2022.

6.2.3.2.2 Other information

In the first half of 2021, €33,874 thousand in dividends were paid to shareholders in respect of the 2020 financial year.

A tax audit for the years 2019 and 2020 started in the year 2021 and was still ongoing at the end of the year.

In January 2021, ALTEN SA set up a short-term negotiable debt securities programme called NEU CP (Negotiable European Commercial Paper) for €250 million as part of a diversification of its financing sources.

(1) *The information on the website www.alten.com is not part of the Universal registration document. As such, this information has not been reviewed or approved by the AMF.*

6.2.3.3 Events after the reporting period

ALTEN SA entered into a syndicated credit agreement in the amount of €350,000 thousand effective from 11 March 2022 until 2027 to replace a syndicated credit line in the amount of €160,000 thousand, which was terminated early and voluntarily on 24 January 2022, two months before maturity.

ALTEN's exposure to the immediately foreseeable consequences of the crisis in Ukraine remains relatively low.

6.2.3.4 Accounting principles and policies

The accounting principles and methods applied by ALTEN SA are compliant with the generally accepted accounting standards in France (*Plan Comptable Général*) pursuant to ANC (*Autorité des Normes Comptables*) regulation 2014-03 of 5 June 2014 as amended by ANC regulations 2015-05, 2015-06, 2016-07 and 2018-07.

General accounting conventions have been applied, in accordance with the principle of prudence and the fundamental accounting concepts of:

- service continuity;
- permanent nature of accounting policies from one financial year to the next;
- independence between financial years; and
- these accounting conventions are also applied in accordance with the general rules for preparing and presenting annual financial statements.

The main accounting policies used are as follows:

6.2.3.4.1 Change in accounting policies

On 5 November 2021, the French accounting standards authority (*Autorité des Normes Comptables*) amended its recommendation no. 2013-02 concerning the methods for estimating pension commitments. This change follows the publication of an IFRIC decision in May 2021 on the same subject.

The application of this recommendation has no impact on the calculation of the Company's pension commitments.

6.2.3.4.2 Non-current assets

Tangible and intangible assets are valued at acquisition or production cost.

Depreciation and amortisation are calculated on a straight-line basis over the following estimated useful lives:

• development costs	five to ten years;
• concessions, patents, IT licenses	one to three years;
• transport equipment	five years;
• office and IT equipment	one to five years;
• office furniture	five to ten years;
• fixtures, fittings	three to ten years;
• technical facilities, equipment and tools	one to ten years.

Development costs are capitalised as intangible assets and all expenses directly attributable to the creation, production and preparation of the asset in view of its planned use are capitalised.

Information Systems are amortised over five to ten years.

Residual values and expected lifespans are reviewed at least once a year and are modified if expectations differ significantly from previous estimates.

All depreciation and amortisation charges are recognised under operating expenses.

6.2.3.4.3 Business assets

Business assets are valued at their acquisition cost. These are not amortised but are tested for impairment. The recoverable value is based on the discounted future cash flow generated by the continued use of the assets tested. The discounting is applied at a rate corresponding to the weighted average cost of capital.

The main criteria chosen for the application of the valuation method using Discounted Cash Flow are described under the heading "Investment securities".

6.2.3.4.4 Investment securities

The gross value of investment securities is recorded on the statement of financial position at acquisition cost. The acquisition cost of investment securities comprises a fixed portion paid at the time an interest is acquired and any variable earn-outs based on the acquired entity's activity and future revenues. These earn-outs are recognised under investment securities against debt on non-current assets. They are carried in the statement of financial position under other debt.

When the value in use of the securities is less than the net book value, a provision for impairment is recorded for the difference.

Value in use is assessed by reference to:

- either at the discounted value of cash flows (Discounted Cash Flow), adjusted for net debt. Value in use is determined through:
  - a four-year financial budget prepared by the entity and validated by the Group's Financial Department, updated when the year-end budget is prepared. The cash flow beyond the four-year period is extrapolated, taking into account a perpetual growth rate,
  - perpetual growth rate: this growth rate does not exceed the long-term average growth rate for the business sector,
  - discount rate: this rate corresponds to the weighted average cost of capital, derived from risk-free interest rates, country and market risk premium, beta coefficient and the cost of debt,
  - net debt (except for business assets);
- the share of net assets revalued for holding companies.

The growth rate and discount rate assumptions used in the valuation of all investment securities have been reviewed in line with changes in global market data.

6.2.3.4.5 Treasury shares

Treasury shares are recorded in the following accounts:

- financial assets when they are held for the purpose of covering stock options or other employee shareholding systems;
- marketable securities:
  - when they are allocated to a "liquidity contract" entrusted to an agent to promote liquidity of securities and share price liquidity, or
  - when they are held for delivery to employees of the Company or its subsidiaries.

They appear on the statement of financial position at their acquisition cost. The FIFO method is used to determine the gross value of treasury shares sold. If the value of treasury shares allocated to the liquidity contract is less than their acquisition value, the shares are subject to impairment testing. Treasury shares held for delivery to its own employees are subject to provisioning calculated pro rata for the vesting period just ended. Treasury shares held for delivery to its subsidiaries' employees are not subject to impairment testing, to the extent the cost of such treasury shares equals the increased cost price, if applicable management fees will be rebilled when they are delivered to employees of its subsidiaries.

6.2.3.4.6 Trade receivables

Trade receivables are valued at nominal value. They are individually valued and, where applicable, impaired to account for any difficulties in collecting certain amounts.

Any such impairment is recognised once there is an indication of the inability to recover the full amount, such as bankruptcy procedures or non-payment by the due date. The amount of the impairment or reversal is recognised as operating profit.

For any trade receivables that are not subject to individual impairment, the impairment method applied is a statistical one.

6.2.3.4.7 Marketable securities

Marketable securities other than treasury shares (see 3.4.5) are mutual funds and are valued at their historical cost or at their inventory value if this is lower.

6.2.3.4.8 Provisions for risks and expenses

Provisions for risks and expenses are recorded at year-end whenever the Company has an obligation towards a third party which is likely or certain to result in an outflow of resources for the benefit of such a third party, with no anticipated consideration of at least equal value.

The estimate of the amount recorded under the provisions is the expense the Company is likely to incur to discharge the obligation.

Among these provisions are retirement benefits as estimated by an independent actuarial firm, in compliance with ANC Recommendation 2013-02.

Benefits payable to retiring employees are calculated on the basis of the current headcount at reporting date. It is based on the following items:

PRESENTATION OF ACTUARIAL ASSUMPTIONS	31/12/2021	31/12/2020
Discount rate	**1.00%**	**0.40%**
Revaluation rate for employees		
Managerial staff	1.50%	1.50%
Non-managerial staff	2.00%	2.00%
Employer contribution rate		
Managerial staff	40.00%	40.00%
Non-managerial staff	40.00%	40.00%
Mortality table		
For women	INSEE TF 15/17	INSEE TF 13/15
For men	INSEE TH 15/17	INSEE TH 13/15
Retirement age		
Managerial staff	65 years	65 years
Non-managerial staff	60 to 62 years	60 to 62 years

The proposed discount rate corresponds to the yield on AA-rated corporate bonds in the euro zone, adjusted for the duration of ALTEN SA's commitments.

ALTEN SA relies on its external advisers to assess the probability of occurrence of the risks and the estimation of the provisions for disputes and other litigations.

6.2.3.4.9 Translation differences on assets and liabilities denominated in foreign currencies

Income and expenses in foreign currencies are recorded at their exchange value on the transaction date.

Receivables and debts in foreign currency are recorded in the statement of financial position at their exchange value on the year-end date. The difference resulting from the discounting of debts and receivables in foreign currency at this latest rate is recognised in unrealised foreign exchange gains or losses with a provision recorded for exchange rate risk.

Translation differences resulting from the remeasurement of cash and equivalents are taken to profit and loss, unless the cash and equivalents are part of a hedge relationship. In this case, the translation differences are entered in the statement of financial position and the principles of hedge accounting are applied.

Our Company does not have hedging instruments.

Translation differences for operating debts and receivables (actual or provisioned) are recognised in operating profit or loss. Translation differences for liabilities and financial receivables (actual or provisioned) are recognised in financial income.

6.2.3.4.10 Income recognition

Revenues are recognised over the period in which services are rendered. They are recognised according to the type of service, as follows:

- on a time-worked basis: revenues are recognised on the time spent multiplied by an hourly, daily or monthly rate;
- fixed-price project: revenues are recognised according to the percentage of completion method, proportionally to the expenses incurred. Loss-making contracts give rise to recognition of a contract loss provision corresponding to the total expected loss less any losses already recorded in advance. Fixed-price transactions represent less than 10% of revenue;
- for the Work Packages method: income recognition varies according to the nature of the commitment of providing resources. When the Work Packages is part of a global cost-based scheme, income is equal to time spent multiplied by an hourly, daily or monthly sales rate; when it is part of an outsourced platform for which billing is on a monthly or quarterly fixed-price basis, income is recognised on a monthly basis according to the amount of the agreement, independent of the actual time spent by the consultants; lastly, when it is part of a service commitment package (Work Packages), revenue is recognised as and when deliverables and/or performance indicators (work units) are received/validated by the client and for which the price has been fixed in the Work Packages contract.

6.2.3.4.11 Tax consolidation

ALTEN SA follows a tax consolidation regime in which it is the Group's holding company.

Under this agreement, ALTEN SA is solely liable for payment of corporation tax on behalf of subsidiaries, which are responsible for indemnifying ALTEN SA for this expense. In the event a subsidiary records a loss, this is also transferred to ALTEN SA. This loss is not repaid to the subsidiary in the event of exclusion from the tax consolidation scope.

6.2.3.5 Tables and Notes to the statement of financial position

6.2.3.5.1 Gross non-current assets

(in thousands of euros)	31/12/2020	Increases	Decreases	31/12/2021
Intangible assets	54,236	680	1,109	53,807[1]
Property, plant and equipment	33,945	3,535	4,729	32,750
Financial assets	281,657	49,646	40,717	290,585[2]
TOTAL	**369,837**	**53,861**	**46,556**	**377,142**

(1) At 31/12/2021, intangible assets comprise business assets mainly from universal asset and liability transfers for €33,506 thousand and IT projects and licences for €20,301 thousand.

(2) The increases in financial assets mainly concern the granting of loans to subsidiaries in the context of acquisitions for a total amount of €45,130 thousand, the repayment of interest on loans for €1,939 thousand, the recapitalisation of three subsidiaries for €1,619 thousand and the payment of guarantee deposits for €933 thousand. The decreases relate to refunds of guarantee deposits paid for €912 thousand and repayments of loans granted to subsidiaries for €39,805 thousand including interest.

6.2.3.5.2 Depreciation and impairment

(in thousands of euros)	31/12/2020	Increases	Decreases	31/12/2021
Intangible assets	17,163	1,730	1,067	17,827[1]
Property, plant and equipment	25,294	4,182	4,377	25,098
Financial assets	2,698		2,680	18[2]
TOTAL	**45,155**	**5,911**	**8,124**	**42,925**

(1) No impairment was recorded for business assets during the year.

(2) The decreases mainly relate to the reversal of impairment of investment securities of a subsidiary.

6.2.3.5.3 Breakdown of financial assets

(in thousands of euros)	31/12/2020	Increases	Decreases	31/12/2021
Investment securities	202,868	1,646	2	204,512[1]
Related receivables	64,419	47,069	39,805	71,683[2]
Other equity interests	8,713			8,713
Loans	13			13
Other financial assets	5,645	933	913	5,665[3]
TOTAL	**281,657**	**49,648**	**40,719**	**290,585**

(1) The increases mainly concern the recapitalisation of three subsidiaries for €1,619 thousand.
(2) The increases mainly concern the granting of loans to subsidiaries in the context of acquisitions for a total amount of €45,130 thousand and the corresponding interest for €1,939 thousand. The decreases correspond exclusively to repayments of loans granted to subsidiaries, including interest.
(3) Other financial assets relate exclusively to security deposits paid.

6.2.3.5.4 Provisions and impairment

(in thousands of euros)	31/12/2020	Increases	Decreases	31/12/2021
Provisions for risks				
Provisions for litigation	1,458	602	631	1,429
Other provisions for risks	36	1	35	2
Provisions for charges				
Provisions for retirement benefits	6,166	160	64	6,262
Other provisions for charges	261	800	228	833
TOTAL PROVISIONS	**7,921**	**1,563**	**958**	**8,526**
Impairments				
For intangible assets	206			206
For financial assets	2,698		2,680	18
For accounts receivable	1,848	47	635	1,260
Other	192	70	85	178
TOTAL IMPAIRMENTS	**4,944**	**117**	**3,400**	**1,661**

(1) Reversals relate exclusively to impairments on investment securities.

IMPACT		Reversals	
(in thousands of euros)	Provisions	Prov. Used	Prov. not used
Operating profit	1,679	1,025	617
Financial income	1		2,715
TOTAL	**1,680**	**1,025**	**3,333**

The table below presents the main actuarial assumptions and structural operating assumptions used for impairment tests on investment securities.

The growth rate and discount rate assumptions used in the valuation of all Cash-Generating Units were revised in light of general market data.

COUNTRY	Average annual revenue growth rate 2021-2026	Perpetual growth rate	Weighted average cost of capital (WACC)
France	6%	2%	7.7%
North America	11%	2%	7.3%
UK	11%	2%	7.9%

6.2.3.5.5 Maturity of receivables and payables

RECEIVABLES BY ITEM *(in thousands of euros)*	Gross amounts	Within one year	More than a year away
Receivables, fixed assets			
Receivables from companies in which an equity interest is held	71,683	2,184	69,500
Loans	13	13	
Other financial assets	5,665	2,527	3,138
Receivables, current assets			
Trade receivables	168,311	168,311	
Personnel and social security receivables	434	434	
State, income tax	61,462	15,480	45,982[1]
State, value-added tax	11,994	11,994	
Groups and associates	247,542	247,542	
Other receivables	4,159	4,159	
Prepaid expenses	9,210	9,210	[2]
TOTAL RECEIVABLES	**580,580**	**461,961**	**118,620**

(1) Corresponds mainly to receivables from the CIR, CICE and the sponsorship tax reduction not deducted from corporation tax.
(2) Of which €3,663 thousand relates to maintenance and €4,416 thousand to rent and service charges.

LIABILITIES BY ITEM *(in thousands of euros)*	Gross amounts	Within one year	More than a year and less than five years	More than five years
Loans and debts with credit establishments	80,015	80,015		
Miscellaneous borrowings and financial liabilities	14	14		
Trade payables	59,923	59,923		
Personnel and social security debts	49,395	49,395		
Tax liabilities	36,519	36,519		
Groups and associates	31,098	31,098		
Other debt	33,563	25,935	5,481	2,147
Deferred income	7,616	7,616		
TOTAL DEBTS	**298,143**	**290,516**	**5,481**	**2,147**

6.2.3.5.6 Outstanding charges

OUTSTANDING CHARGES BY ITEM *(in thousands of euros)*	31/12/2021
Loans and debts with credit establishments	9
Miscellaneous borrowings and financial liabilities	6
Trade payables	13,401
Taxes and social security charges payable	44,999
Other debt	21,479
TOTAL	**79,894**

6.2.3.5.7 Revenue accruals

REVENUE ACCRUALS BY ITEM *(in thousands of euros)*	31/12/2021
Receivables from companies in which an equity interest is held	1,684
Trade receivables	28,965
State and other public authorities	5,606
Other receivables	3,485
TOTAL	**39,741**

6.2.3.5.8 Cash and cash equivalents and marketable securities

These mainly consist of money market funds whose underlying surplus was immaterial at 31 December 2021.

6.2.3.5.9 Prepaid expenses

PREPAID EXPENSES BY NATURE *(in thousands of euros)*	31/12/2021
Operating expenses	9,181[1]
Financial expenses	29
Exceptional expenses	
TOTAL	**9,210**

(1) Of which €3,663 thousand relates to maintenance and €4,416 thousand to rent and service charges.

6.2.3.5.10 Deferred income

DEFERRED INCOME BY NATURE *(in thousands of euros)*	31/12/2021
Operating revenue	7,616
TOTAL	**7,616**

6.2.3.5.11 Change in shareholders' equity

DATES/VALUES *(in thousands of euros)*	Number of shares	Capital	Additional paid-in capital	Capital reserve	Other reserves	RAN	Earnings	Equity
AT 31 DECEMBER 2020	**34,240,711**	**35,953**	**60,250**	**3,586**	**337,003**		**31,611**	**468,403**
2020 allocation of earnings				9	31,602		(31,611)	
Dividends paid in 2021					(33,874)			(33,874)
Capital increases	138,772	146			(146)			(1)
Earnings at 31 December 2021							96,836	96,836
AT 31 DECEMBER 2021	**34,379,483**	**36,098**	**60,250**	**3,595**	**334,585**		**96,836**	**531,365**

(1) The number of shares issued in 2021 corresponds to the definitive allocation of free shares, the allocation of free Preferred B shares and the conversion of free Preferred B shares. Capital increases relating to these allocations and conversions were carried out by incorporation of existing reserves.

At 31 December 2021, the nominal value of one share was €1.05.

6.2.3.5.12 Information on share capital

At 31 December 2021, 1,021,172 ordinary shares could be issued following the allocation of free and Preferred Shares.

6.2.3.5.13 Share-based payments

ALTEN SA's Board of Directors allocated free shares during the financial year under the authorisations granted by the General Meeting of 18 June 2020. This allocation was the subject of four separate plans, the main terms of which are presented, along with those of the plans of previous years, in the table below:

PLANS

Date awarded by the Board of Directors	2017	24/10/2018	18/06/2019	18/06/2019	15/11/2019	27/10/2020	27/10/2020	27/10/2020	23/02/2021	23/02/2021	27/10/2021	27/10/2021
Class of financial instruments awarded	Preferred B share (four plans)	Ordinary share	Preferred B share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share	Ordinary share
Number of financial instruments awarded		100,450	814	49,550	150,000	157,170	164,500	10,000	109,450	13,500	105,850	116,825
of which number awarded to employees		*100,450*	*391*	*49,550*	*150,000*	*157,170*	*54,500*	*10,000*	*109,450*	*13,500*	*105,850*	*116,825*
of which number awarded to Corporate Officers		*0*	*423*	*0*	*0*	*0*	*110,000*	*0*	*0*	*0*	*0*	*0*
Number of instruments voided over the period		4,600	0	7,400	6,500	42,207	15,000	0	600	3,500	0	0
Number of instruments subscribed for over the period		400	0	0	400		0	0	0	0	0	0
Number of instruments outstanding at 31/12/2021		85,250	814	40,950	142,400	114,963	149,500	10,000	108,850	10,000	105,850	116,825
Fair value of the financial instruments (in euros)		73.7	4,899.9	92.5	96.4	76.7	75.7	76.7	84.9	85.9	132.5	130.6
Final award date	2019	24/10/2022	18/06/2021	18/06/2023	15/11/2023	27/10/2022	27/10/2023	27/10/2022	23/02/2024	23/10/2023	23/10/2023	23/10/2023
Final award conditions	Presence and performance	Presence and performance	Presence	Presence and performance	Presence and performance	Presence	Presence and performance	Presence	Presence and performance	Presence	Presence	Presence and performance
End of lock-up/ non-transferability period	2021	None	18/06/2023	None	None	None	None	None	None	None	None	None

For plans awarded in 2019, at the end of the lock-up period, the Preferred B shares may be converted into ordinary shares provided that the performance and presence criteria are met over four years.

The conversion parity is: 1 preferred share = (100 x M x Revenue Coef) x 20% + (100 x M x OPA Coef) x 80%.

Growth in relation to revenue	Translation coefficient linked to revenue growth (Rev Coef)	Growth in OPA	Translation coefficient linked to OPA growth (OPA Coef)	Presence-based multiplying coefficient (M)
> or = 26%	100%	> or = 20.0%	100%	
22.0%	80%	17.4%	80%	Default = 0.01
18.0%	60%	15.0%	60%	
14.0%	40%	12.1%	40%	Presence on third anniversary of award = 0.1
10.0%	20%	10.0%	20%	
<10.0%	0%	<10.0%	0%	Presence on fourth anniversary of award = 1

For the free share plans awarded in 2018, 2019, 2020 and 2021:

- the shares of the democratic plan dated 27/10/2020, the final grant date of which is set for 27/10/2022, are subject to a single presence condition and shall be freely transferable at the end of this date;
- the shares of performance plans will be definitively awarded after the vesting period pending the effective presence of the beneficiary; the final number of shares depends on the attainment of performance criteria in line with the following formula:

Number of shares definitively awarded = Number of shares initially awarded x (CO coef + OMA coef + FC coef + QCSR coef)/4.
With:

cCO	cOMA	cFC	cQCSR
Based on the weighted annual organic growth rate.	Based on the annual weighted rate of activity operating margin	Based on the annual weighted rate Normative free cash flow/revenue	Based on the annual average of the ALTEN composite CSR index
("CO")	**("OMA")**	**("FC")**	**("mIA")**

6.2.3.5.14 Information on financial liabilities

ALTEN SA and its subsidiary ALTEN CASH MANAGEMENT are responsible for Group financing by holding non-confirmed, short-term lines of credit, renewable annually, and open lines of credit in the amount of €160,000 thousands for a maximum of seven years (from 2015). At year-end 2021, this credit line had not been used. This "Club Deal" requires the following ratios to be met for each six-month and 12-month period while the contract is in force and an advance is outstanding:

- ratio 1 – "Consolidated net financial debt/Consolidated operating profit on activity". This ratio must be less than 2.5;
- ratio 2 – "Consolidated net financial debt/Increased equity". This ratio must be less than 0.7.

At 31 December 2021, these ratios were met.

On 11 March 2022, ALTEN SA entered into a syndicated loan agreement for €350,000 thousand, the information of which is provided in Section 3.3: "Events after the reporting period".

6.2.3.6 Tables and Notes to the income statement

6.2.3.6.1 Revenue by geographical area

HEADINGS *(in thousands of euros)*	2021	2020
France	521,865	494,230
Export	20,307	15,947
TOTAL	**542,173**	**510,177**[1]

(1) Of which 2021 revenue from operations (excluding ongoing management income) of €420,571 thousand compared with €404,721 thousand in 2020.
(1) Revenue management fees of €51,025 thousand in 2021 compared with €49,397 thousand in 2020.

6.2.3.6.2 Transfer of expenses

The balance of the transfer of expenses account was €3,215 thousand. It mainly consists of re-invoicing and the transfer of employee benefits expense.

6.2.3.6.3 Financial income

ITEMS BY NATURE *(in thousands of euros)*	2021	2020
Dividends of subsidiaries	77,159	15,630
Provisions (net of reversals) on financial assets	2,714	3,910[1]
Other	1,876	213
TOTAL	**81,749**	**19,752**

(1) Mainly concerns the reversal of impairment of investment securities.

6.2.3.6.4 Non-recurring profit

ITEMS BY NATURE *(in thousands of euros)*	2021	2020
Gains and losses on assets sold	179	7,985[1]
Exceptional provisions (net of reversals)		5,517[2]
Other	(127)	(369)
TOTAL	**52**	**13,133**

(1) In 2020, mainly concerns the disposal of securities in the APTECH and Elitys Consulting subsidiaries.
(2) In 2020, concerns reversals of provisions made for tax audits for the years 2013-2014 and for the years 2015-2016-2017.

6.2.3.6.5 Corporation tax

6.2.3.6.5.1 Breakdown of tax between current profit and non-recurring profit

		Taxes			
(in thousands of euros)	Pre-tax earnings	Theoretical	Loss carry-forwards to allocate	Due	Net income
Current profit	88,965	4,315	(2,202)	2,113	98,298
Tax credits				(11,446)	(1)
Non-recurring profit (and profit-sharing)	52	(148)		(148)	200
Tax saving linked to tax consolidation				1,661	(1,661)
Miscellaneous					
TOTAL	**89,017**			**(7,819)**	**96,836**

(1) Mainly concerns the research tax credit for €10,194 thousand and the sponsorship tax credit for €1,180 thousand.

6.2.3.6.5.2 Information on deferred or unrealized tax status

BASES BY NATURE *(in thousands of euros)*	2021	2020
Reduction bases of future tax liabilities		
Provisions for retirement benefits	6,262	6,166
Other provisions for risks and expenses	1,803	3,904
Outstanding charges	763	807
Unrealised foreign exchange gains	12	90
Other income taxed in advance		
Tax loss carry-forwards	4,395	12,402
Non-deductible financial expenses carry-forwards		
Tax loss carry-forwards		7,323
Deductible tax sponsorship carry-forwards		
REDUCTION BASES OF FUTURE TAX LIABILITIES, TOTAL	**13,235**	**30,693**
FUTURE TAX ASSETS, TOTAL	**3,418**	**8,719**(1)
Increase bases of future tax liabilities		
Regulated provisions		
Unrealised foreign exchange losses	2	36
Other expenses deducted in advance		
Return of losses to consolidated subsidiaries	30,672	41,741
INCREASE BASES OF FUTURE TAX LIABILITIES, TOTAL	**30,674**	**41,777**
FUTURE TAX LIABILITIES, TOTAL	**7,921**	**11,868**(1)
DEFERRED NET FISCAL POSITION	**(4,503)**	**(3,149)**(1)
(1) Tax rate used	*25.83%*	*28.41%*
Of which normal corporate tax rate:	*25.00%*	*27.50%*
Social contribution on tax:	*3.30%*	*3.30%*

6.2.3.7 Other information

6.2.3.7.1 Headcount

AVERAGE HEADCOUNT BY CATEGORY	2021	2020
Managerial staff	4,855	5,507
Non-managerial staff	166	444
TOTAL	**5,021**	**5,952**

6.2.3.7.2 Remuneration of Corporate Officers

As at 31/12/2021 the Board of Directors was composed of nine Directors, including the Founding Chairman. ALTEN SA has a Deputy CEO.

No ALTEN SA Corporate Officer receives remuneration under an employment contract concluded with ALTEN SA.

In accordance with the legislation in force, no advances or credits were granted to the Company executives and Corporate Officers.

The Board of Directors has awarded remuneration of €99.50 thousand to non-executive Directors for the 2021 financial year. The provision was recorded in the 2021 financial statements for €96.50 thousand.

6.2.3.7.3 Tax consolidation

ALTEN SA is the head Company of the tax consolidation Group, which includes several subsidiaries.

The amount of tax due in respect of the tax group is €17,238 thousand. The net tax increase, in respect of the tax consolidation, borne by ALTEN SA, amounts to €1,661 thousand.

Excluding the impact of the tax consolidation, ALTEN SA generated tax income of €9,481 thousand.

6.2.3.7.4 Contingent liabilities

None.

6.2.3.7.5 Off-statement of financial position commitments

COMMITMENTS BY CATEGORY *(in thousands of euros)*	Total	Executives	Related companies	Other
Commitments given				
Endorsements, sureties and guarantees	8,725			8,725
Letters of intent	3,884		3,884	
TOTAL COMMITMENTS GIVEN	**12,609**		**3,884**	**8,725**
Commitments received				
TOTAL COMMITMENTS RECEIVED				
Mutual commitments				
TOTAL MUTUAL COMMITMENTS				

Moreover, the commitments relating to leases amount to €77,978 thousands.

6.2.3.7.6 Treasury shares

Within the framework of the share buyback programme adopted by the Combined General Meetings of 27 June 2008 and 23 June 2009, the Company purchased and sold the following shares under its liquidity contract during the past financial year.

No acquisition of treasury shares to be awarded to employees took place during the 2021 financial year.

Treasury shares are recognised under financial assets in the amount of €8,713 thousands for a total of 460,022 shares purchased.

Treasury shares are not revalued in the annual financial statements. Based on the average from the last 20 days of the trading month, treasury shares are estimated at €69,792 thousand.

	31/12/2021	31/12/2020
Unallocated shares		
Shares held at start of year	460,022	460,022
Shares held at closing	460,022	460,022
Liquidity contract		
Shares held at start of year	3,943	1
Shares purchased	28,717	169,940
Shares sold	(32,542)	(165,998)
Shares held at closing	118	3,943
TOTAL	**460,140**	**463,965**

6.2.3.7.7 Subsidiaries and associates

Subsidiaries and associates	Capital	Reserves and retained earnings before allocation of earnings	Share of capital held (%)	Book value of securities held		Loans and advances made by the Company and not yet repaid	Guarantees and bonds given by the Company	Revenue excl. tax for last financial year	Net income (profit or loss for the last financial year)	Dividends received by the Company during the financial year
				Gross	Net					
Subsidiaries more than 50% held *(in thousands of euros)*										
ALTEN SIR	20,003	18,391	100%	26,221	26,221			107,070	3,780	9,000
ALTEN CASH MANAGEMENT	850	9,218	100%	3,623	3,623	247,099			7,503	5,000
ALTEN EUROPE	57,120	187,475	100%	58,072	58,072				96,439	
ALTEN SUD-OUEST	15,061	9,770	100%	15,939	15,939			150,177	13,347	15,000
MI-GSO SAS	10,000	11,928	100%	11,941	11,941			87,266	3,989	5,000
ALTEN AEROSPACE	37	3,927	100%	37	37			19,772	2,996	2,000
ANOTECH ENERGY FRANCE	100	13,374	100%	621	621			57,268	821	3,000
AVENIR CONSEIL FORMATION	50	9,656	99.96%	533	533			15,564	693	1,000
ATEXIS France	500	(2,632)	100%	12,215	12,215			23,712	467	
HPTI	40	20,351	100%	40	40				344	20,000
PROGRAM PLANNING PROFESSIONALS LTD	0	9,918	100%	14,082	14,082			34,975	3,278	
PROGRAM PLANNING PROFESSIONALS INC	3	4,873	100%	29,830	29,830			22,980	1,701	3,371
AIXIAL DEVELOPMENT SASU	200	(132)	100%	204	204			2,345	301	
DAVTEN	1	(5)	100%	6	5				(1)	
HPA	100	21	100%	100	100	11,606			(294)	
ALTEN LIFE SCIENCES HOLDING	1	2,293	100%	1	1				4,639	
ALTEN TECHNOLOGIES	500	9,566	100%	588	588			53,413	3,466	
HUBSAN	100	2,085	100%	100	100			6,286	(40)	
LINCOLN SAS	561	5,307	100%	11,989	11,989			31,987	3,697	5,000
AIXIAL	6,102	23,053	87.19%	15,420	15,420			59,609	8,258	8,741
ALTENWARE	1	0	100%	1,612	1,611	59,577			(1,655)	
EQUITECH	10	(2,045)	90%	10	9				(366)	
ALT 09	1		100%	1	1				0	
ALT 10	1	(1)	100%	1	1				(1)	
ALT 12	1		100%	1	1				0	
ALT 13	1		100%	1	1				(1)	
ALT 14	1		100%	1	1				(1)	
General information on other subsidiaries and equity investments *(in thousands of euros)*										
French subsidiaries										
Foreign subsidiaries										
Interests in French companies										
Interests in foreign companies				1,295	1,294	500				47

6.2.4 STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

For the year ended December 31, 2021

This is a free translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of ALTEN S.A.,

Opinion

In compliance with the engagement entrusted to us by the Annual General Meeting, we have audited the accompanying financial statements of ALTEN S.A. for the year ended December 31, 2021.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2021 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2021, to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (*Code de déontologie*) for statutory auditors.

Emphasis of Matter

We draw your attention to the following point mentioned in the note 3.4.1 « Change in accounting policies » to the financial statements regarding the change in accounting policy related to the modification of November 5th, 2021, of the ANC n°2013-02 recommendation, with regards to the methods of estimating pension obligations.

Justification of Assessments - Key Audit Matters

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, approved in the context described above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Measurement of investment securities

- ***Key Audit Matter***

As at December 31, 2021, investment securities were recorded in the balance sheet at a net value of €204.5 million, or 24.5% of total assets. The gross value of investment securities is recorded on the balance sheet at acquisition cost.

As disclosed in note 3.4.4 to the financial statements, an impairment loss is recognized when the value in use of investment securities falls below their net book value.

Value in use is determined either using the ownership interest of revalued net equity for holding companies, or the Discounted Cash Flow method adjusted for net debt for operating companies.

We considered the measurement of investment securities as a key audit matter presenting a risk of material misstatement, given the significant amount of investment securities in the balance sheet as well as uncertainties inherent to certain items, including the realization of forecasts used in the value-in-use estimate.

- ***Our audit approach***

As part of our audit, we examined the impairment testing process implemented by ALTEN's Management to estimate the value in use of investment securities.

Our audit work mainly consisted in verifying, for each investment security and on the basis of information communicated to us, that the estimation of value in use by Management is based on the appropriate valuation model and data, according to the investment securities concerned:

- when value in use is measured based on the ownership interest of net equity, our work entailed verifying the consistency of the ownership interest of net equity used by Management with the companies' financial statements;
- when value in use is assessed using the discounted cash flow method; our work entailed:
  - analysing the consistency and reasonableness of assumptions of sales and margin forecasts, in comparison with past performance and considering the economic and financial environment in which the Company operates;
  - assessing the discount rates applied to estimated future cash flows, with the support of our valuation specialists, by comparing the parameters used with external references;
  - verifiying the calculation of value in use, taking into account net debt.

In addition to our audit procedures on the value in use of investment securities, we verified that the notes to the financial statements provided appropriate information.

Revenue Recognition for fixed price services rendered

- ***Key Audit Matter***

ALTEN operates in the engineering and technology consulting market and provides various services to clients, under three types of contract as indicated in notes 3.4.10 "Revenue Recognition" and 3.6.1 "Revenue by geographical area" to the financial statements:

- cost-plus contracts under which revenue is recognized based on the time required multiplied by an hourly, daily or monthly rate;
- workpackage service contracts under which revenue recognition differs according to the nature of resources: global cost-plus scheme, outsourced service, part of a service commitment package (workpackage) as described in note 3.4.10 of the financial statements;
- fixed price contracts under which revenue is recognized according to the percentage of completion method, proportionatey to the expenses incurred. Loss-making contracts give rise to recognition of a contract loss provision.

For fixed price services, the amount of revenue and costs recognized in the financial year and the potential contract loss provision at year end, depend on the firm's ability:

- to measure incurred costs; and
- to estimate the remaining costs to be incurred until the end of the contract.

Given the judgements and estimates required by Management to determine revenue and the associated costs, we considered fixed price revenue recognition as a key audit matter.

- ***Our audit approach***

We obtained an understanding of the revenue recognition process for fixed price contracts.

With the help of our IT experts, we took into account in our audit approach the IT systems involved in revenue recognition and the recording of associated costs, by testing the efficiency of automated system controls affecting revenue recognition.

We performed the following procedures:

- we identified the main manual and automated controls relevant to our audit and tested their design and operational efficiency;
- we performed analytical audit procedures and interviews with Financial and administrative managers, especially on significant and/or atypical revenue and margin variances;
- we selected fixed price projects on a multi-criteria basis. For the selected projects, we reconciled revenue at completion with contracts and order forms, corroborated the costs incurred for calculating the percentage of completion with the actual costs incurred; and verified the figures used to calculate percentage of completion, so as to confirm the recognized revenue for the financial year;
- we assessed the appropriateness of the information included in the notes to the statutory financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to the Shareholders with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code (*Code de commerce*).

Information relating to corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (*Code de commerce*) relating to remuneration and benefits received or allocated by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from companies controlled by it that are included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Alten S.A. by your Annual general meetings held on June 18, 2015 for KPMG Audit IS and June 25, 2003 for Grant Thornton.

As at December 31, 2021, KPMG Audit IS was in its 7th year of total uninterrupted engagement, and Grant Thornton was in its 19th year.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics *(Code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

French original signed by

Paris la Défense, on April 28th 2022

KPMG Audit IS

Jean-Marc Discours
Partner

Xavier Niffle
Partner

Neuilly-Sur-Seine, on April 28th 2022

Grant Thornton

Jean-François Baloteaud
Partner

6 FINANCIAL STATEMENTS

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CAPITAL AND SHAREHOLDING STRUCTURE

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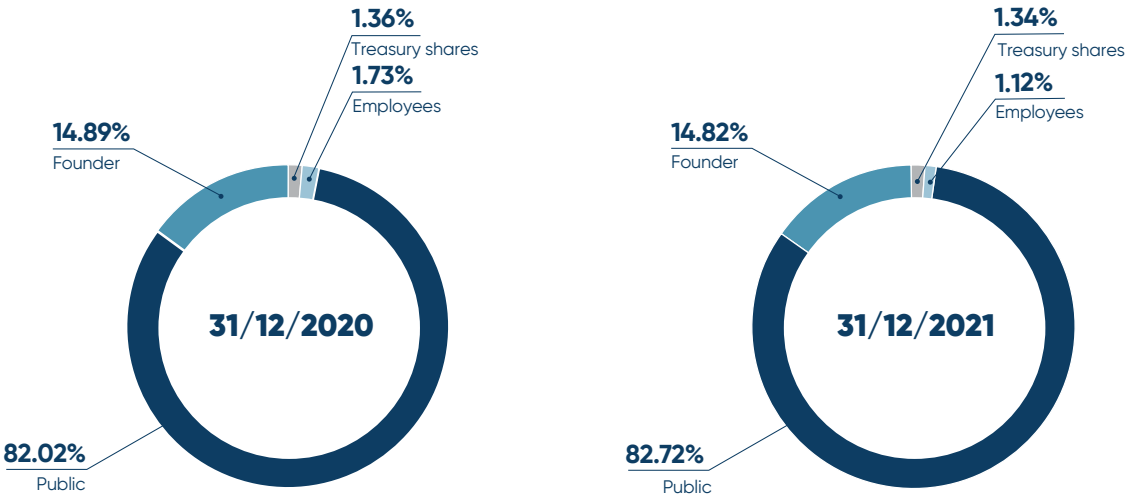
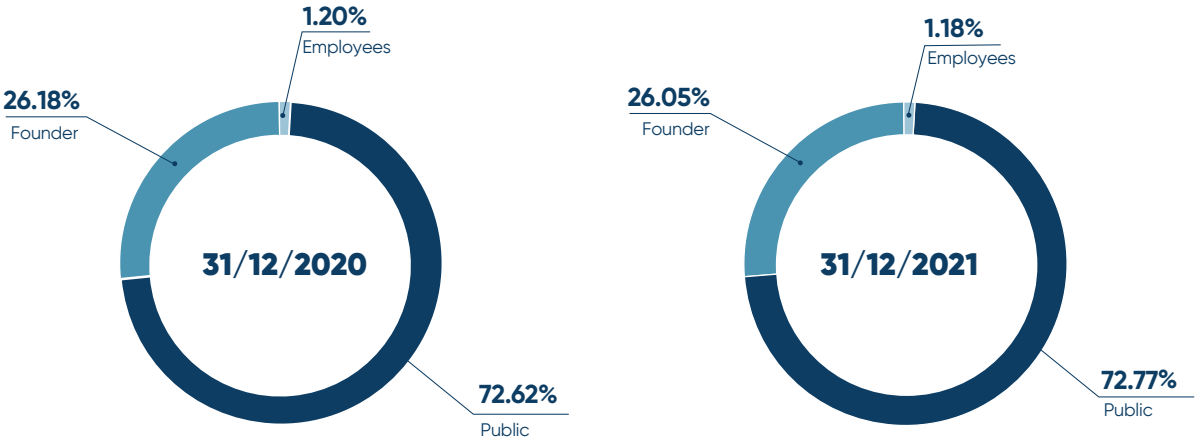
7.1 SHAREHOLDING STRUCTURE

7.1.1 BREAKDOWN OF SHAREHOLDING

DISTRIBUTION OF CAPITAL



DISTRIBUTION OF VOTING RIGHTS



Position at 31 March 2022

	Number of ordinary shares	% of capital	Theoretical voting rights	% theoretical voting rights	Voting rights in GM	% of voting rights in GM
PUBLIC[5]	**28,461,669**	**82.69%**	**28,566,737**	**72.09%**	**29,026,765**	**73.25%**
SGTI[1]	3,498,962	10.16%	6,997,924	17.66%	6,997,924	17.66%
Simon AZOULAY and related parties[2]	1,599,051	4.65%	3,198,102	8.07%	3,198,102	8.07%
SUBTOTAL (SIMON AZOULAY AND RELATED PARTIES)	**5,098,013**	**14.81%**	**10,196,026**	**25.73%**	**10,196,026**	**25.73%**
FMR LLC	2,394,743	6.96%	2,394,743	6.04%	2,394,743	6.04%
Black Rock	1,168,057	3.39%	1,168,057	2.95%	1,168,057	2.95%
FIL	1,365,781	3.97%	1,365,781	3.45%	1,365,781	3.45%
Capital Group company	1,979,500	5.75%	1,979,500	5%	1,979,500	5%
Treasury shares	460,028	1.34%	460,028	1.16%	-	-
Employees[4]	402,190	1.17%	402,190	1.02%	402,190	1.02%
Gérald ATTIA[3]	198,966	0.58%	198,966	0.50%	198,966	0.50%
Pierre MARCEL	36,880	0.11%	36,880	0.09%	36,880	0.09%
Emily AZOULAY	1,500	0.01%	3,000	0.01%	3,000	0.01%
TOTAL (INCLUDING 1,185 PREFERRED B SHARES WITHOUT VOTING RIGHTS)	**34,421,900**	**100.00%**	**39,624,981**	**100.00%**	**39,624,981**	**100.00%**

(1) Company controlled at the highest level by Simon AZOULAY.
(2) Including 301,500 ALTEN shares held in bare ownership by Simon AZOULAY and related parties under Chapter 6 Section I of Article L. 233-9 of the French Commercial Code and whose usufruct was temporarily given by Simon AZOULAY to the ARBRE endowment fund, with a return date of 30 June 2019, extended until 30 June 2022.
(3) Including 117,082 ALTEN securities held by GMA, a company which is controlled at the highest level by Gérald ATTIA.
(4) Participation calculated in accordance with Article L. 225-102 of the French Commercial Code, including the collective participation of employees via the ALTEN FCPE, shares held by employees, registered in the name of the holder, from definitive allocations of free shares by virtue of the authorisations of the General Meeting of 24 May 2016, as well as the Preferred B shares (stripped of voting rights) held by employees, registered in the name of the holder at 31 March 2022.
(5) Not including Simon AZOULAY and related parties, SGTI, treasury shares, and employees.

There have been no significant changes in the position of capital and voting rights since 31 March 2022.

To the Company's knowledge, none of the shareholders, other than those mentioned in the above table or its references, hold directly or indirectly, individually or in concert, more than 3% (the threshold defined in ALTEN's Articles of Association) of the Company's capital or voting rights.

Treasury shares

As of 31 December 2021, no ALTEN subsidiary held any ALTEN shares.

Situation at 31 December 2021

Persons who, as of 31 December 2021, directly or indirectly held more than 3%, 5%, 10%, 15%, 20%, 25%, 30%, 33.33%, 50%, 66.66%, 90% or 95% of the Company's share capital or voting rights at General Meetings are named below.

	Number of ordinary shares	% of capital	Theoretical voting rights	% theoretical voting rights	Voting rights in GM	% of voting rights in GM
PUBLIC[5]	**28,453,518**	**82.72%**	**28,481,329**	**71.92%**	**28,481,329**	**72.77%**
SGTI[1]	3,498,962	10.17%	6,997,924	17.67%	6,997,924	17.88%
Simon AZOULAY and related parties[2]	1,599,051	4.65%	3,198,102	8.08%	3,198,102	8.171%
SUBTOTAL (SIMON AZOULAY AND RELATED PARTIES)	**5,098,013**	**14.82%**	**10,196,026**	**25.75%**	**10,196,026**	**26.051%**
FMR LLC	2,370,492	6.89%	2,370,492	5.99%	2,370,492	6.06%
Black Rock	1,168,057	3.40%	1,168,057	2.95%	1,168,057	2.98%
FIL	1,365,781	3.97%	1,365,781	3.45%	1,365,781	3.49%
Financière de l'échiquier	1,034,898	3.01%	1,034,898	2.61%	1,034,898	2.64%
Capital Group company	1,979,500	5.76%	1,979,500	4.99%	1,979,500	5.06%
Treasury shares	460,140	1.34%	460,140	1.16%	-	-
Employees[3]	384,021	1.12%	461,576	1.17%	461,576	1.18%
Gérald ATTIA[4]	199,466	0.58%	199,466	0.50%	199,466	0.51%
Pierre MARCEL	41,880	0.12%	41,880	0.11%	41,880	0.11%
Emily AZOULAY	1,700	0.01%	3,400	0.01%	3,400	0.01%
TOTAL (INCLUDING 1,494 PREFERRED B SHARES WITHOUT VOTING RIGHTS)	**34,395,692**	**100.00%**	**39,599,071**	**100.00%**	**39,138,931**	**100.00%**

(1) Company controlled at the highest level by Simon AZOULAY.
(2) Including 301,500 ALTEN shares held in bare ownership by Simon AZOULAY and related parties under Chapter 6 Section I of Article L. 233-9 of the French Commercial Code and whose usufruct was temporarily given by Simon AZOULAY to the ARBRE endowment fund, with a return date of 30 June 2019, extended until 30 June 2022.
(3) Participation calculated in accordance with Article L. 225-102 of the French Commercial Code, including the collective participation of employees via the ALTEN FCPE, shares held by employees, registered in the name of the holder, from definitive allocations of free shares by virtue of the authorisations of the General Meeting of 24 May 2016, as well as the Preferred B Shares (stripped of voting rights) held by employees, registered in the name of the holder at 31 December 2021.
(4) Including 117,082 ALTEN securities held by GMA, a company which is controlled at the highest level by Gérald ATTIA.
(5) Not including Simon AZOULAY and related parties, SGTI, treasury shares, and employees.

Direct or indirect control

The Company is not controlled.

7.1.2 ADDITIONAL INFORMATION ON SHAREHOLDING

7.1.2.1 Change in shareholding structure

Changes to the capital structure over the past three years:

	Situation at 31 December 2021			Situation at 31 December 2020			Situation at 31 December 2019		
	Number of shares	% of capital	% of actual voting rights	Number of shares	% of capital	% of actual voting rights	Number of shares	% of capital	% of actual voting rights
Public[6]	28,453,518	82.72%	72.92%	28,179,487	82.30%	72.62%	28,231,003	82.46%	72.82%
Simon AZOULAY	5,098,013[1]	14.82%	26.05%	5,098,013 [1bis]	14.89%	26.18%	5,098,013	14.93%	26.24%
FMR LLC	2,370,492	6.89%	6.06%	2,248,258	6.57%	5.77%	2,248,258	6.58%	5.79%
Black Rock	1,168,057	3.40%	2.98%	1,678,546	4.90%	4.31%	1,679,762	4.92%	4.32%
FIL	1,365,781	3.97%	3.49%	-	-	-	-	-	-
Financière de l'échiquier	1,034,898	3.01%	2.64%	-	-	-	-	-	-
Capital Group company	1,979,500	5.76%	5.06%	-	-	-	-	-	-
Treasury shares	460,140	1.34%	-	463,965	1.36%	-	460,023	1.35%	-
Employees[2]	384,021	1.12%	5.18%	499,246	1.46%	1.20%	367,131	1.07%	0.94%
Gérald ATTIA[3]	199,466	0.58%	0.51%	210,466	0.61%	0.54%	219,466	0.64%	0.56%
Pierre MARCEL	41,880	0.12%	0.11%	56,000	0.16%	0.14%	67,000	0.20%	0.17%
Emily AZOULAY	1,700	0.01%	0.01%	1,900	0.01%	0.01%	1,900	0.01%	0.01%
TOTAL	**34,395,692**	**100%**	**100%**	**34,240,711[4]**	**100%**	**100%**	**34,156,170[5]**	**100%**	**100%**

(1) Simon AZOULAY and similar (including the company SGTI which he controls as well as the shares whose usufruct has been given on a temporary basis to the ARBRE endowment fund since 17 May 2016).

(1bis) Simon AZOULAY and related parties (including SGTI which he controls and the shares whose usufruct was temporarily given to ENIO and the ARBRE endowment fund).

(2) Participation calculated in accordance with Article L. 225-102 of the French Commercial Code, including the collective participation of employees via the ALTEN FCPE, shares held by employees, registered in the name of the holder, from definitive allocations of free shares by virtue of the authorisations of the General Meeting of 24 May 2016, as well as the Preferred A and B Shares (stripped of voting rights) held by employees.

(3) Including ALTEN shares held by GMA, a company controlled at the highest level by Gérald ATTIA.

(4) Including Preferred B Shares allocated definitively and without voting rights.

(5) Including the Preferred A and Preferred B shares allocated definitively and without voting rights.

(6) Not including Simon AZOULAY and related parties, SGTI, treasury shares, and employees.

Public tender or exchange offer

No public tender or exchange offers were launched by third parties on the Company's shares.

In addition, the Company has launched no public exchange offer on the shares of another company on a regulated market.

Shareholders' agreements

To the best of the Company's knowledge, there are currently no shareholders' agreements in effect.

7.1.2.2 Threshold crossing

To the Company's knowledge, the only reporting thresholds breached during the 2021 financial year were the following:

Declarant's name	Date of operations	AMF Reference	Type of threshold breach
FIL Limited	15/01/2021		Crossing of the 3% threshold of the share capital and voting rights
FMR LLC	06/04/2021		Crossing of the 5% threshold of the capital and voting rights
BlackRock Inc	28/05/2021		Falling below threshold of 5% of the share capital and voting rights
FMR LLC	25/06/2021		Crossing of the 5% threshold of the capital and voting rights
FMR LLC	28/06/2021		Falling below threshold of 5% of the share capital and voting rights
La financière de l'Échiquier	28/06/2021		Crossing of the 3% threshold of the capital
Simon AZOULAY	31/07/2021	221C1984	Crossing of the 5% threshold of voting rights at Ordinary General Meetings
The Capital Group Company Inc	27/08/2021	221C2231	Crossing of the 5% threshold of the capital
Simon AZOULAY and related parties	01/09/2021	221C2272	Falling below the threshold of 5% of voting rights at Ordinary General Meetings
SGTI	01/09/2021	221C2272	Falling below the threshold of 20% of voting rights at Ordinary General Meetings
Les Institutions Or Raphael	01/09/2021	221C2273	Crossing of the 5% threshold of voting rights
BlackRock Inc	08/09/2021		Crossing of the 3% threshold of the share capital and voting rights
BlackRock Inc	10/09/2021		Falling below threshold of 3% of the share capital and voting rights
BlackRock Inc	14/09/2021		Crossing of the 3% threshold of the share capital and voting rights
BlackRock Inc	21/09/2021		Falling below threshold of 3% of the share capital and voting rights
BlackRock Inc	22/09/2021		Falling below threshold of 3% of the share capital and voting rights
BlackRock Inc	27/09/2021		Crossing of the 3% threshold of the share capital and voting rights
BlackRock Inc	29/09/2021		Falling below threshold of 3% of the share capital and voting rights
BlackRock Inc	04/10/2021		Crossing of the 3% threshold of the share capital and voting rights
BlackRock Inc	05/10/2021		Falling below threshold of 3% of the share capital and voting rights
BlackRock Inc	12/10/2021		Crossing of the 3% threshold of the share capital and voting rights
BlackRock Inc	13/10/2021		Falling below threshold of 3% of the share capital and voting rights
FMR LLC	14/10/2021	221C2767	Crossing of the 5% threshold of voting rights
La financière de l'Échiquier	15/10/2021		Falling below threshold of 3% of the share capital and voting rights
BlackRock Inc	15/10/2021		Crossing of the 3% threshold of the share capital and voting rights
The Capital Group Company Inc	22/10/2021	221C2862	Crossing of the 5% threshold of voting rights
BlackRock Inc	22/10/2021		Falling below threshold of 3% of the share capital and voting rights
BlackRock Inc	25/10/2021		Crossing of the 3% threshold of the share capital and voting rights
BlackRock Inc	26/10/2021		Falling below threshold of 3% of the share capital and voting rights

Since the close of the financial year, the following thresholds have been crossed to the knowledge of the Company:

Declarant's name	Date of operations	AMF Reference	Type of threshold breach
La financière de l'Échiquier	15/02/2022		Falling below threshold of 3% of the share capital and voting rights
FMR LLC	31/03/2022	222C0788	Crossing of the 5% threshold of the capital and voting rights

7.1.2.3 Employee shareholding

Profit-sharing and stock options

See Chapter 3 of this Document.

Agreement on employee profit sharing

Discretionary profit-sharing plan

ALTEN has not implemented any discretionary employee profit-sharing plans.

Mandatory profit-sharing plan

With regard to mandatory employee profit-sharing plans, Group companies with more than 50 employees and which record a profit have implemented profit-sharing plans as required by law.

Companies	Date of agreement	Date of most recent amendment
ALTEN SA	27/05/1992	Amendment no. 15 of 06/04/2021
ALTEN SIR	12/02/2009	Amendment no. 2 of 25/10/2011
ALTEN SUD-OUEST	15/12/2001	Amendment no. 3 of 07/12/2009
ANOTECH ENERGY	06/12/2007	Amendment no. 1 of 01/04/2010
MI-GSO	15/11/2006	Amendment no. 4 of 19/11/2014
AVENIR CONSEIL FORMATION	20/01/2009	Amendment no. 1 of 18/03/2010
ATEXIS FRANCE	14/12/2009	
ALTEN TECHNOLOGIES	24/05/2017	
AIXIAL	07/06/2013	
CADUCEUM	30/06/2017	Amendment no. 1 of 27/04/2018
LINCOLN	28/06/2011	Amendment no. 1 of 17/10/2019
UNIWARE	30/11/2014	Amendment no. 2 of 12/04/2016
NEXEO	20/01/2009	

In addition, all companies benefit from the "*FCP Sécurité*" and "*FCP Solidaire*" mutual funds.

Employee profit sharing can be allocated to a company savings plan (PEE) and used to acquire FCPE shares.

For a majority of Group companies, the FCPEs available under the Company savings plan (PEE) are:

- FCP ALTEN;
- FCPE *Multipar Monétaire Euro*;
- FCPE *Multipar Diversifié Modéré* – Part I;
- FCPE *Multipar Équilibre Socialement Responsable* – Part C;
- FCPE *Multipar Solidaire Dynamique Socialement Responsable* – Part C.

All of these funds have been approved by the AMF.

Amounts allocated to staff in respect of profit sharing for each of the last three years

ALTEN SA	2021	2020	2019
Employee profit sharing *(In thousands of euros)*	0	0	1,550

7.1.2.4 Agreements which, when implemented, could cause a change in control

None.

7.1.3 TRANSACTIONS CARRIED OUT BY EXECUTIVES, AND PERSONS CLOSELY RELATED TO THEM, ON THE COMPANY'S SECURITIES

Consolidated summary statement of transactions referred to under Article L. 621-18-2 of the French Monetary and Financial Code conducted during the past financial year:

Name of Executive Officer and/or the person cited in Article L. 621-18-2 of the French Monetary and Financial Code	**Duties performed at ALTEN**	**Type of transaction**	**Total number of instruments**	**Total amount of transactions** *(in euros)*
Stéphane OUGIER	Executive Vice President	Donation	11,400	0
		Disposal	7,600	1,090,480
		Conversion	27,300	0
Pierre BONHOMME	Executive Vice President	Disposal	15,900	1,928,176.01
		Conversion	27,300	0
Pierre MARCEL	Chief Operating Officer in charge of Germany	Disposal	14,000	1,444,660.80
		Donation	120	0
Fabrice PECQUEUR	Director of External Development	Disposal	14,706	2,004,754.58
		Conversion	17,700	2,391,270.00
GMA Société Civile	Legal entity linked to Gérald ATTIA, Deputy CEO	Disposal	9,500	1,408,109.05

7.2 STOCK MARKET DATA

7.2.1 MATERIAL SAFETY DATA SHEET GRI 102-5

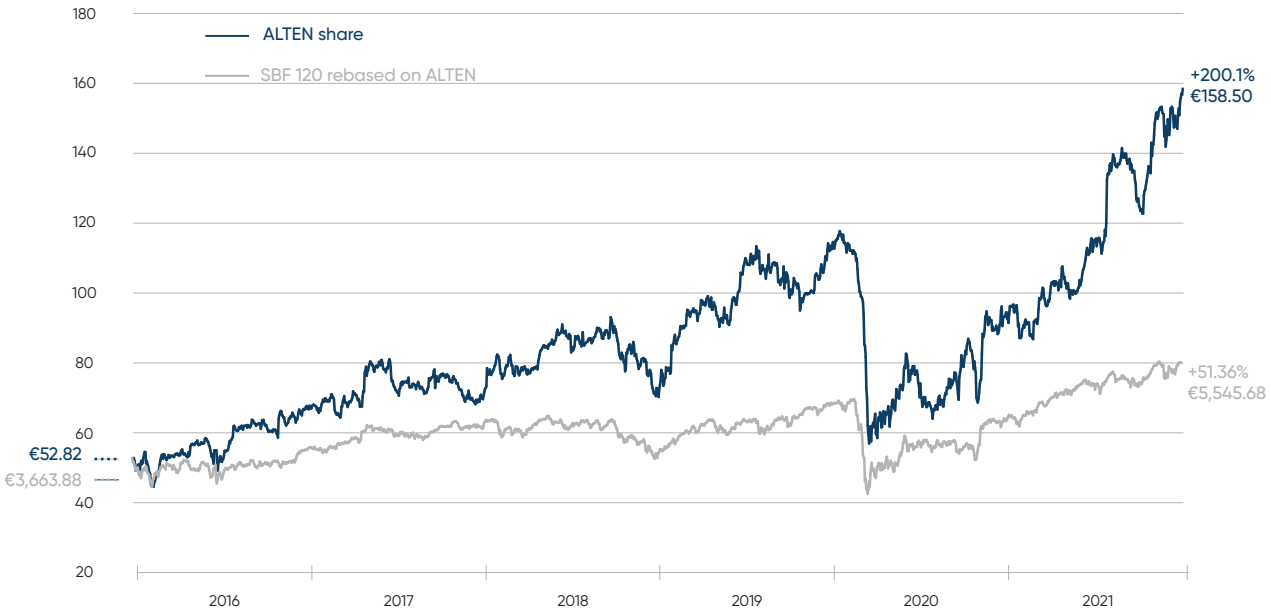
Company name	ALTEN
Activity	Engineering and Technology Consulting
APE Code	6202A
Trade and Companies Register number	348 607 417 Nanterre
Registered office address	40, avenue André Morizet 92 513 Boulogne-Billancourt Cedex
Founding date	1988
Nationality	French
Share capital	€36,141,227.85 at 28 January 2022
Number of shares representing ALTEN's capital	34,419,005 ordinary shares and 1,212 Preferred B Shares at 28 January 2022
Legal form	A French public limited company with a Board of Directors
Financial year	1 January to 31 December
Trading Market	ALTEN is listed in Compartment A of Euronext Paris
Stock market indices, including ALTEN shares	SBF 120, SBF 250, IT CAC 50, CACMID 100
ISIN Code	FR 0000071946

7.2.2 ALTEN SHARE

7.2.2.1 Share performance

(In euros)	2021	2020	2019	2018	2017	2016
Net income attributable to owners of the parent per share after dilution	6.03	2.86	4.84	4.65	4.36	3.34
Gross dividend	1.00	None	1.00	1.00	1.00	1.00
Highest price (close)	158.5	117.70	114.20	93.10	81.07	67.67
Lowest price (close)	86.8	56.95	70.25	70.50	64.36	44.56
Last price of the year (close)	158.5	92.65	112.50	72.70	69.61	66.72
Change compared with the previous year	71.1%	-17.6%	54.7%	4.4%	4.3%	24.9%
Weighted average of the last 30 prices (close)	149.32	91.85	107.83	76.73	69.75	63.90
Average transaction volume per session (number of shares)	40,570	70,531	58,051	52,862	34,956	37,046

7.2.2.2 Performance of the share in relation to the SBF 120 over the last five financial years



7.2.3 ANNUAL RATE OF RETURN OF THE SHAREHOLDER

€1,000 invested in ALTEN shares by a natural person living in France, assuming that the dividends are re-invested in ALTEN shares, would have generated the following yields at 31 December 2021 (excluding tax):

Investment duration	Annual rate of return of the shareholder	Value of €1,000 invested at 31/12/2021
One year	71.1%	1,711
Three years	29.7%	2,180
Five years	18.9%	2,376

7.2.4 FINANCIAL ANALYSTS

- Berenberg;
- Gilbert Dupont;
- Bryan Garnier;
- Kepler Chevreux;
- Exane BNP Paribas;
- Oddo;
- Société Générale.

7.3 COMMUNICATION WITH SHAREHOLDERS

7.3.1 DISCUSSIONS BETWEEN ALTEN AND ITS SHAREHOLDERS

For several years now, ALTEN has been actively involved in gaining a better understanding of its shareholders.

In this context, ALTEN has been carrying out procedures for several years to identify its shareholding structure (approximately 90%). The last procedure of this type was carried out on 31 March 2022.

Thus, ALTEN wants to establish with its main shareholders a sustained dialogue. This dialogue allows ALTEN to be aware of their expectations, especially regarding the preparation of draft resolutions submitted to ALTEN's General Meetings.

On ALTEN's website, under the "investors" tab, shareholders are given access to various materials including the documentation provided during General Meetings.

A contact email relation.actionnaires@ALTEN.com is also available to answer any questions.

7.3.2 FINANCIAL COMMUNICATION

Bruno Benoliel, Chief Operating Officer, is in charge of financial publications.

All financial documentation including press releases are submitted to ALTEN's Board of Directors before publication. On account of their insider information, press releases are published as soon as Euronext Paris market closes and are communicated at the same time to the AMF (*Autorité des Marchés Financiers*) and the financial community.

At the beginning of the year, the financial calendar listing all financial publications for the coming year is published on ALTEN's website.

Regular meetings take place between the Chairman and Chief Executive Officer, Simon AZOULAY, and the Chief Operating Officer, Bruno BENOLIEL, and the financial community.

Audio webcasts and all materials for those meetings are available on ALTEN's website.

7.3.3 LIST OF MAIN REGULATED INFORMATION PUBLISHED DURING THE FINANCIAL YEAR

Universal registration document – Annual Financial Report – Annual Financial Results	
23/02/2021	• Press release on the full-year results for 2020
28/04/2021	• Availability of the 2020 Universal registration document
Half-year Financial Report	
22/09/2021	• Press release on the half-year results for 2021
22/09/2021	• Half-year financial report
Quarterly financial information	
29/01/2021	• Press release on the 2020 fourth quarter results
26/04/2021	• Press release on the 2021 first quarter results
28/07/2021	• Press release on the 2021 first quarter results
27/10/2021	• Press release on the 2021 third quarter results
Total number of voting rights and shares declared	
12 declarations published each month	
Press releases providing or consulting information relating to Shareholders' Meetings	
13/04/2021	• Press release on the proposed appropriation of the 2020 net income
07/05/2021	• Press release announcing the availability of preparatory documents for the General Meeting of 28 May 2021

7.4 DIVIDENDS

The table below summarises the amount of dividends distributed, which are entirely eligible for the allowance provided for by Article 158–3-2° of the French General Tax Code, for the three previous financial years:

	2021 (for the 2020 financial year)	2020 (for the 2019 financial year)	2019 (for the 2018 financial year)
Gross dividend per ordinary share *(in euros)*	1.00	0	1.00
Gross dividend per Preferred Share *(in euros)*	0.50	0	0.50

Future gross dividends will depend on the Company's ability to generate profits, its financial position, its development strategy and all other factors that the Board of Directors considers relevant.

7.5 INFORMATION ON SHARE CAPITAL

7.5.1 AMOUNT OF ISSUED AND AUTHORISED SHARE CAPITAL

As of 31 December 2021, the subscribed share capital amounted to €36,115,476.60, divided into 34,394,198 ordinary shares and 1,494 Preferred B shares. These shares represent 39,599,071 theoretical voting rights.

As of 31 March 2022, the share capital amounted to €36,142,995.00, divided into 34,420,715 ordinary shares, and 1,185 Preferred B Shares. The discrepancy between the number of shares and voting rights is due to a double voting right and the fact that Preferred B Shares do not have voting rights.

The discrepancy between the number of theoretical voting rights and the actual number of voting rights corresponds to the number of treasury shares and the number of Preferred B Shares definitively awarded.

The ordinary shares are freely transferable, they are either registered shares or bearer shares as decided by the shareholder.

7.5.2 SHARES NOT REPRESENTING CAPITAL

The Articles of Association set out the issuance of Preferred Shares.

See Chapter 3 of this Universal registration document for details of the allocations of Preferred Shares made at 31 December 2021.

7.5.3 SHARE BUYBACKS AND TREASURY SHARES

7.5.3.1 Review of the share buyback programme

The Combined General Meeting of 28 May 2021 authorised the Board of Directors, for a period of 18 months from that General Meeting, in accordance with Articles L. 22-10-62 *et seq.* and L. 225-210 *et seq.* of the French Commercial Code, to proceed with the purchase, in one or more tranches, at the times of its choice, of the Company's shares subject to a maximum of 5% the number of shares comprising the share capital, adjusted where necessary for any capital increase or decrease that might take place during the term of the programme. This authorisation replaces the one granted by the General Meeting of 18 June 2020.

ALTEN entrusted the implementation of a liquidity contract, in accordance with the practice allowed by the regulations, to KEPLER CAPITAL MARKET (Paris).

TRANSACTIONS CARRIED OUT DURING THE 2021 FINANCIAL YEAR AS PART OF THE SHARE BUYBACK PROGRAMME

	Purchasing				Sales			
Purpose	**Number of shares**	**Average price of purchases**	**Total amount of purchases**	**Trading fees**	**Number of shares**	**Average price of sales**	**Total amount of sales**	**Trading fees**
Cancellation	0	-	-	-	0	-	-	-
Acquisitions	0	-	-	-	0	-	-	-
Allocation to employees	0	-	-	-	0	-	-	-
Coverage of securities that give a right to the allocation of shares	0	-	-	-	0	-	-	-
Liquidity contract	28,717	€102.79	€2,951,704.90	-	32,542	€106.31	€3,459,475.82	-
TOTAL	**28,717**	**€102.79**	**€2,951,704.90**	**-**	**32,542**	**€106.31**	**€3,459,475.82**	**-**

POSITION AT THE CLOSE OF THE FINANCIAL YEAR

Total number of shares held in portfolio	**460,140 (1.34% of the share capital)**
Including:	
Number of shares held with a view to supporting the share price by way of an AMAFI (French Financial Markets Association) liquidity contract	118 (0.00034% of the share capital)
Number of shares held with a view to acquisitions	0
Number of shares held with a view to covering stock options or other employee shareholding systems	460,022 (1.34% of the share capital)
Number of shares held with a view to covering securities	0
Number of shares held with a view to cancellation	0
Overall nominal value of shares held in portfolio	€483,147
Value calculated at purchase price of shares held in portfolio	€8,728,069.39

7.5.3.2 Description of the share buyback programme

In accordance with the provisions of Article 241-2 of the AMF General Regulation, Regulation (EU) 596/2014 of 16 April 2014, and Delegated Regulation (EU) 2016/1052 of 8 March 2016, the purpose of this description is to describe the purposes and terms of the Company's share buyback programme. This programme will be submitted for the approval of the General Meeting on 22 June 2022.

Securities concerned: ordinary shares.

Maximum share of capital whose buyback is authorised: 5% of the capital (1,721,095 shares based on capital at 31 March 2022); this limit is assessed on the date of the buyback so that any capital increases or decreases during the term of the programme may be taken into consideration. The number of shares taken into consideration in calculating this limit corresponds to the number of shares bought, after deduction of the number of shares resold for liquidity purposes during the term of the programme.

Maximum purchase price: €180.

Maximum programme amount: €309,797,100.

Buyback terms: purchases, sales and transfers may be carried out by all available means on the market or through a private sale, including transactions on blocks of shares; the resolution put to shareholders does not limit the proportion of the programme which may be fulfilled by the purchase of blocks of shares. This programme may not be used during the period of a public offer on the Company's shares initiated by a third party, until the offer period has expired.

Purpose:

- cancel any shares acquired in accordance with the authorisation granted or to be granted by this Extraordinary General Meeting;
- to ensure a secondary market or the liquidity of ALTEN shares through a securities service provider *via* a liquidity contract in compliance with the regulations, it being specified that in this respect, the number of shares taken into account for the calculation of the above limit corresponds to the number of shares bought, less the number of shares sold;
- to retain the shares purchased and subsequently use them in exchange or as payment in the event of potential mergers, spin-offs, contributions or external growth;
- to cover share option plans and/or free share allocation plans (or similar plans) to Group employees and/or Corporate Officers, including Economic Interest Groups and related companies, as well as all allocations of shares under a company or Group savings plan (or similar plan), under the Company's profit-sharing scheme and/or all other forms of share allocation to employees and/or Corporate Officers of the Group, including Economic Interest Groups and related companies;
- to cover securities which give a right to shares in the Company within the scope of regulations currently in effect.

Programme term: 18 months from the General Meeting of 22 June 2022 until 21 December 2023, inclusive.

7.5.4 SECURITIES GIVING ACCESS TO THE SHARE CAPITAL

Potential dilution (on a fully diluted basis)

On the basis of 34,395,692 shares (including 1,494 Preferred B Shares) issued at 31 December 2021, the share capital may potentially increase by a maximum of 1,004,963 new shares, equivalent to 2.84% of the fully diluted capital.

This dilution would occur through the issue of ordinary shares as a result of free allocations of shares and Preferred Shares.

(number)	31/12/2021	% Dilution	31/12/2020	% Dilution
Number of shares	34,379,483 shares recognised and 16,209 shares converted but not resulting in a capital increase at 31/12/2021		34,240,711	
Awards of free shares and of free Preferred A or B Shares (awarded but not yet issued as at 31/12/2021, excluding lapsed or voided shares)	1,004,963	2.84	922,041	2.62
Potential dilution (on a fully diluted basis)	1,004,963	2.84	922,041	2.62
TOTAL POTENTIAL CAPITAL	**35,400,655**		**35,162,752**	

7.5.5 CONDITIONS GOVERNING ANY RIGHT OF ACQUISITION AND/OR ANY OBLIGATION ATTACHED TO THE AUTHORISED BUT NOT ISSUED CAPITAL, OR ON ANY UNDERTAKING TO INCREASE THE CAPITAL

None.

7.5.6 OPTIONS OR AGREEMENTS

None.

7.5.7 HISTORY OF SHARE CAPITAL

Information relating to the period covered in the historical financial information

Date	Transaction	Capital	Cumulative premiums	Number of shares (including Preferred Shares)
26/04/2019	Definitive allocation of free shares	€35,601,066.90	€55,270,055.26	33,905,778
29/04/2019	Definitive awarding of Preferred B Shares	€35,601,085.80	€55,270,055.26	33,905,796
29/07/2019	Definitive awarding of Preferred B Shares	€35,601,261.15	€55,270,055.26	33,905,963
19/09/2019	Conversion of Preferred A Shares into ordinary shares	€35,688,579.15	€55,270,055.26	33,989,123
20/09/2019	Definitive awarding of Preferred B Shares	€35,689,269.00	€55,270,055.26	33,989,780
30/09/2019	Conversion of Preferred A Shares into ordinary shares	€35,863,905.00	€55,270,055.26	34,156,100
28/10/2019	Definitive awarding of Preferred B Shares	€35,863,978.50	€55,270,055.26	34,156,170
30/01/2020	Conversion of Preferred A Shares into ordinary shares	€35,887,887.00	€55,270,055.26	34,178,940
02/03/2020	Definitive awarding of Preferred B Shares	€35,887,891.20	€55,270,055.26	34,178,944
04/09/2020	Conversion of Preferred B Shares into ordinary shares	€35,913,349.50	€55,270,055.26	34,203,190
30/09/2020	Conversion of Preferred B Shares into ordinary shares	€35,916,156.15	€55,270,055.26	34,205,863
31/12/2020	Conversion of Preferred B Shares into ordinary shares	€35,952,746.55	€55,270,055.26	34,240,711
01/02/2021	Conversion of Preferred B Shares into ordinary shares	€35,973,640.50	€55,270,055.26	34,260,610
31/03/2021	Conversion of Preferred B Shares into ordinary shares	€35,975,312.10	€55,270,055.26	34,262,202
21/06/2021	Conversion of Preferred B Shares into ordinary shares and Definitive awarding of Preferred B Shares	€36,059,043.30	€55,270,055.26	34,341,946
02/08/2021	Conversion of Preferred B Shares into ordinary shares	€36,080,577.75	€55,270,055.26	34,362,455
01/10/2021	Conversion of Preferred B Shares into ordinary shares	€36,098,457.15	€55,270,055.26	34,379,483
28/01/2022	Conversion of Preferred B Shares into ordinary shares	€36,141,227.85	€55,270,055.26	34,420,217

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8.1 COMPANY INFORMATION

8.1.1 LEGAL INFORMATION

Company name	ALTEN
Trade name	ALTEN
Date of incorporation	28 October 1988
Date of registration	16 November 1988
Place of registration	Nanterre Trade and Companies Register
Registration number	348 607 417 R.C.S. Nanterre
Legal entity identifier (LEI)	969500Y7G9TY7Y24GN07
Term	99 years as from its registration in the Trade and Companies Register, except in the case of premature winding up or extension of such duration.
Registered office	40, avenue André Morizet 92513 Boulogne-Billancourt Cedex The telephone number of the registered office is +33 (0)1 46 08 72 00
Sales Department	65 avenue Edouard Vaillant 92100 Boulogne-Billancourt, France The telephone number of the Sales Department is +33 (0)1 46 08 70 00
Website	www.alten.com(1)
Legal form	French public limited company (*Société Anonyme*) with a Board of Directors
Applicable legislation	French law

8.1.2 STATUTORY INFORMATION

8.1.2.1 Corporate purpose (Article 2 of the Articles of Association)

ALTEN supports its clients' development strategies in the areas of innovation, Research & Development, and Information Systems. ALTEN's detailed corporate purpose may be found in Article 2 of the Articles of Association of the Company available on the website ALTEN.com in the shareholders' area.

8.1.2.2 Financial year (Article 25 of the Articles of Association)

The Company's financial year is twelve (12) months. It starts on 1 January and ends on 31 December of each year.

8.1.2.3 Rights attached to shares

8.1.2.3.1 Statutory distribution of profits (Article 27 of the Articles of Association)

Distributable profit is profit for the year after deducting prior year losses, if any, and the sums to be allocated to reserves, as required by law or the Articles of Association, and adding retained earnings.

The General Meeting may appropriate any sums it deems necessary to any non-mandatory reserves, whether ordinary or non-recurring, or allocate such sums to retained earnings.

The General Meeting may also decide to distribute any sums drawn from the available reserves, specifying the reserve account from which the deduction is made. However, dividends must initially be drawn from the profits for the financial year. Following approval of the accounts by the General Meeting, any losses must be carried forward as accumulated losses and offset against future profits until eliminated.

8.1.2.3.2 Dividend payment terms (Article 28 of the Articles of Association)

The Ordinary General Meeting held to approve the year-end financial statements may grant each shareholder, for all or a portion of the dividends paid, or an advance on the dividends, the option of receiving some or all of the interim or final dividends in cash or in shares.

8.1.2.3.3 Indivisibility of shares – Bare ownership – Usufruct (Article 13 of the Articles of Association)

Shares are indivisible with regard to the Company. The co-owners of undivided shares are represented at General Meetings by one of the owners or by a common agent. If there is disagreement, the agent shall be appointed by the courts at the request of the first co-owner to act.

Voting rights attaching to shares belong to the beneficial owner at Ordinary General Meetings and to the bare owner at Extraordinary General Meetings.

(1) *The information on the website www.alten.com with the exception of that incorporated by reference does not form part of the Universal registration document. As such, this information has not been reviewed or approved by the AMF.*

8.1.2.3.4 Double voting rights (Article 14 of the Articles of Association)

Since the Combined General Meeting of 7 January 1999, a double voting right exists which is subject to the following provisions:

Once shares are registered in the bearer's name, the shareholder is authorised to benefit from a double voting right based on the time frame in effect at the time of registration. Any subsequent change to this time frame is not enforceable against such shareholder.

Notwithstanding the above, all fully paid-up shares which have been registered in the same name for a continuous period of at least four years are assigned double voting rights.

A merger or demerger of the Company shall have no effect on the double voting rights, which may be exercised by the beneficiary company(ies) if the Articles of Association of such company(ies) so provide.

Any share converted to bearer form or transferred into ownership loses its double voting rights except in the cases provided for by law.

8.1.2.3.5 Share capital – Preferred B Shares (Article 6 of the Articles of Association)

Preferred B Shares and the rights of their holders are governed by the relevant provisions of the French Commercial Code, and specifically Articles L. 228-11 *et seq*.

Preferred B Shares are subject to all provisions of the Articles of Association, and to decisions taken at General Meetings by holders of ordinary shares.

From the date of their final award as defined by Article L. 225-197-1 of the French Commercial Code, Preferred B Shares entitle their holders to dividends for all dividend distributions decided on for each ordinary share, at half of the amount to be distributed for each ordinary share. The dividend may not be paid in shares as set out under Article 28. Preferred B Shares do not carry any pre-emptive subscription rights for any capital increase or transactions with rights to ordinary shares. However, the conversion ratio will be adjusted in order to uphold the rights of Preferred B shareholders, under the relevant legal and regulatory conditions. As regards the ownership of corporate assets, in the event of a liquidation surplus, each Preferred B Share provides access to a proportion of the share capital that it represents.

Preferred B Shares do not have voting rights at ordinary and extraordinary meetings of holders of ordinary shares, but they do have voting rights at Special Meetings of holders of Preferred B Shares. The holders of Preferred B Shares shall be convened to a Special Meeting for any proposed modification of the rights attached to the Preferred B Shares. In addition, in accordance with the provisions of Article L. 228-17 of the French Commercial Code, any proposed merger or demerger of the Company in which the Preferred B Shares cannot be exchanged for shares with equivalent special rights shall be submitted to any relevant Special Meeting for approval.

Deliberations of Special Meetings shall only be valid if the shareholders present or represented hold a minimum of one third of the Preferred B Shares with voting rights attached upon first being called to a meeting, and one fifth upon the second notice of meeting. In the event of a change to or depreciation of the capital, the rights of Preferred B shareholders shall be adjusted in order to uphold their rights, pursuant to Article L. 228-99 of the French Commercial Code.

The performance conditions that must be reached as part of the conversion of Preferred B Shares into ordinary shares are detailed in Chapter 3 of this Document.

8.1.2.3.6 Identification of shareholders (Article 10 of the Articles of Association)

The Company is authorised to request at any time, under the conditions provided for by all applicable legal and regulatory provisions, information concerning the holders of its shares and securities conferring immediate or future voting rights at its own Shareholders' Meetings.

8.1.2.4 General Meetings (Article 23 of the Articles of Association)

General Meetings are convened and deliberate according to the terms stipulated by law. General Meetings take place at the registered office or at any other place designated in the convocation.

Article 23 of the Articles of Association states that *"The right to take part in General Meetings is granted by registration of shares in the books under the shareholder's or agent's name (in application of paragraph 7 of Article L. 228-1 of the French Commercial Code) by no later than midnight, Paris time, on the second banking day preceding the General Meeting, either in registered accounts managed by the Company or in bearer accounts managed by an authorised agent".*

8.1.2.5 Statutory provisions on a change of control

None.

8.1.2.6 Additional information

Terms of participation of shareholders at the General Meeting

The Company's Articles of Association define the procedures governing shareholders' participation in General Meetings.

Under the terms of Article 23 of the Articles of Association, the right to take part in General Meetings is granted by registration of shares in the books under the shareholder's or agent's name (in application of paragraph 7 of Article L. 228-1 of the French Commercial Code) by no later than zero hours, Paris time, on the second banking day preceding the General Meeting, either in registered accounts managed by the Company or in bearer accounts managed by an authorised agent.

Registration of bearer shares is recorded through a shareholding certificate issued by the authorised agent.

If unable to attend the meeting in person, shareholders may select one of the following three options: (i) give a proxy to a natural person or legal entity of his/her choice in accordance with the conditions of Article L. 225-106 and L. 22-10-39 of the French Commercial Code; (ii) send a proxy to the Company without identifying an agent; (iii) vote by post.

Requests by shareholders to submit draft resolutions or items for the agenda must be sent to the registered office by registered letter with acknowledgement of receipt or by electronic telecommunication and be received no later than 25 days before the General Meeting. They may not be sent more than 20 days after the publication of the convening notice in the BALO.

8.1.2.7 Collective agreements

Below is a summary of the collective agreements signed in 2021 by ALTEN and its French subsidiaries:

Company concerned	Agreement theme	Agreement	Date of conclusion
ALTEN	Employee profit sharing	Amendment no. 15 to the mandatory profit-sharing plan	06/04/2021
ALTEN SIR	Gender equality	Agreement on gender equality in the workplace	28/05/2021
AIXIAL	Wages	Salary agreement	02/03/2021
AIXIAL	Right to disconnect	Agreement on the use of professional digital tools and the right to disconnect	31/08/2021
AIXIAL	Teleworking	Amendment revising the 2018 teleworking agreement	31/08/2021
ALTEN SUD-OUEST	Wages	Salary agreement	25/06/2021

8.2 MAJOR CONTRACTS

On 11 March 2022, ALTEN set up a syndicated loan agreement for a maximum total amount of €350,000,000 for a maximum term of 7 years. This syndicated loan is designed to fund the ALTEN Group's operating needs as well as its investment's and external growth operations.

ALTEN also made several acquisition agreements in the last two financial years providing for targeted external growth transactions of limited size in respect of the Group's overall size.

To date, the Company has made no other significant agreements, other than in the normal course of its business, that bind the Group as a whole to any significant obligation or commitment.

No member of the Group has entered into any agreement outside the normal course of business that contains provisions binding on any Group member to a significant obligation or commitment for the Group as a whole at the publication date of this Universal registration document.

8.3 RELATED-PARTY TRANSACTIONS

8.3.1 AGREEMENTS REFERRED TO IN ARTICLE L. 225-38 OF THE FRENCH COMMERCIAL CODE

Summary table of related-party agreements

Agreement concerned	Status	Date of conclusion	Date of approval by the General Meeting of shareholders	Purpose	Financial conditions in 2020	Interest for ALTEN and its shareholders
Service agreement concluded between ALTEN and SGTI and its amendment No. 1	Ongoing	Agreement: 03/07/2009 Amendment: 26/02/2020	Agreement: 19/06/2012 Amendment: 18/06/2020	ALTEN provides administrative services to SGTI	Lump sum of €15,000 excl. tax	Financial gain
Commercial lease between ALTEN and SIMALEP	Ongoing	23/06/2021	General Meeting 2022	SIMALEP subleases to ALTEN 444 m^2 of office space in Sèvres	€111,896.10 excluding tax for rent and €56,638.67 excluding tax for expenses	ALTEN occupies three other floors of this building under leases entered into with third parties and the rental conditions are similar and in line with those applied by third-party lessors.
Sub-letting of premises between ALTEN and SEV 56	Ongoing	18/01/2017	22/06/2017	SEV 56 subleases premises of 2,947 m^2 and 106 parking spaces in Boulogne-Billancourt	€1,122,517.72 excluding tax for rent and €226,362.69 excluding tax for expenses	ALTEN and its subsidiaries have a large rental area within a restricted scope. The rental conditions are similar and in line with those applied by third-party lessors.
Commercial lease between ALTEN and SEV 56	Ongoing	23/06/2021	General Meeting 2022	SEV 56 leases 1,012 m^2 of office space in Sèvres to ALTEN	€168,651.79 excluding tax for rent and €96,682.11 excluding tax for expenses	ALTEN occupies three other floors of this building under leases entered into with third parties and the rental conditions are similar and in line with those applied by third-party lessors.

8.3.1.1 New agreements entered into during the past financial year

Renewal of the lease of premises in Sèvres

The renewal of the commercial lease dated 28 July 2011 was concluded on 23 June 2021 between ALTEN and SIMALEP, a non-trading company (*Société Civile*) with capital of €1,524.49, whose registered office is located at 221 Bis Boulevard Jean Jaurès, Boulogne-Billancourt (92130), registered in the Nanterre Trade and Companies Register under number 329 341 101 with effect from 1 May 2021. This lease covers 444 m^2 of office space on the first floor of a building located at 119-121 Grande Rue, in Sèvres (92310), for a total annual rent of €112,439.07 excluding tax, which may be revised each year in accordance with the change in the tertiary sector rental index.

SIMALEP is 75% owned by Mr. AZOULAY, who is also manager of the latter. Emily AZOULAY, a Director of ALTEN SA, also holds a 25% stake in SIMALEP.

The conclusion of this lease was authorised by the Board of Directors on 27 October 2020 and will have to be approved by the 2022 General Meeting.

In 2021, the amount billed to ALTEN SA for rents came to €111,896.10 excluding tax and for expenses €56,638.67 excluding tax.

ALTEN's interest

ALTEN occupies three other floors of this building under leases entered into with third parties. This agreement allows ALTEN to house its teams while benefiting from rental conditions similar to those practised by third-party lessors for this type of premises.

Lease of new premises in Sèvres

A commercial lease was entered into on 23 June 2021 between ALTEN and SEV 56, a non-trading company (*Société Civile*) with capital of €5,882.00, whose registered office is located at 40 avenue André Morizet, Boulogne-Billancourt (92130), registered in the Nanterre Trade and Companies Register under number 792 946 782, with effect from 1 May 2021. This lease covers 1,012 m^2 of office space on the fifth and eighth floors of a building located at 119-121 Grande Rue, in Sèvres (92 310), for a total annual rent of €226,448.44 excluding tax, which may be revised each year in accordance with the change in the tertiary sector rental index.

SEV 56 is managed and partly owned by Simon AZOULAY.

The conclusion of this commercial lease was authorised by the Board of Directors on 27 October 2020 and will have to be approved by the 2022 General Meeting.

In 2021, the amount invoiced to ALTEN was €110,954.47 excluding tax for the fifth floor and €57,697.32 excluding tax for the eighth floor for rent and €63,561.38 excluding tax for the fifth floor and €33,120.73 excluding tax for the eighth floor for expenses.

ALTEN's interest

ALTEN occupies three other floors of this building under leases entered into with third parties. This agreement allows ALTEN to house its teams while benefiting from rental conditions similar to those practised by third-party lessors for this type of premises.

8.3.1.2 Agreements entered into during a previous financial year whose effects continued during the financial year

These agreements concluded and authorised during previous financial years, the execution of which continued during the past financial year, were examined by the Board of Directors on 22 February 2022, which noted their continuation in 2022.

Service provision

SGTI and ALTEN entered into a service provision agreement on 3 July 2009. Under this agreement, ALTEN performs administrative services for SGTI. This agreement was approved by the Combined General Meeting of 19 June 2012.

At 31 December 2021, SGTI, chaired by Simon AZOULAY, held 10.17% of the Company's share capital and 17.88% of the voting rights.

An amendment to this agreement was signed on 26 February 2020.

This amendment specifies, for the services delivered by ALTEN to SGTI, the use of ALTEN'S postal address located at 40 avenue André Morizet, 92100 Boulogne-Billancourt, France by SGTI. This amendment was submitted for authorisation to ALTEN's Board of Directors on 18 February 2020. The Board, considering that it was a service ancillary to the services already rendered by ALTEN and that the use of the address would facilitate the services rendered by ALTEN (receipt of mail at the same address), authorised the said rider.

This amendment dated 26 February 2020 was approved by the Ordinary General Meeting of 18 June 2020.

ALTEN invoiced a flat-fee sum of €15,000 excluding tax in respect of the 2021 financial year.

ALTEN's interest

Financial gain generated by ALTEN under this agreement.

Lease of premises in Boulogne-Billancourt

A sublease was agreed on 18 January 2017 between ALTEN and SEV 56, a non-trading company (*Société Civile*) with share capital of €5,882.00, whose registered office is located at 40, avenue André Morizet in Boulogne-Billancourt, registered in the Nanterre Trade and Companies Register under number 792 946 782, relating to 2,947 m^2 of property and 106 parking spaces, located at 77 to 83, avenue Edouard Vaillant (Boulogne-Billancourt), 80 to 84, rue Marcel Dassault, 4 to 18, rue Danjou in Boulogne-Billancourt, for an annual rental of €320 per square metre excluding tax and €1,050 per parking space, adjusted annually based on changes in the national commercial rent index.

SEV 56 is managed and owned by Simon AZOULAY.

The signing of this sub-lease agreement was approved by the Combined General Meeting of 22 June 2017.

In 2021, the amount billed to ALTEN SA for rents came to €1,122,517.72 excluding tax and for charges €226,362.69 excluding tax.

ALTEN's interest

ALTEN and its subsidiaries benefit from a large rental area made available within a confined area around its head office. The amount of rent invoiced to ALTEN by SEV 56 is in line with what is usually charged by third-party lessors for this type of premises.

8.3.1.3 Agreements entered into after the end of the financial year

None.

8.3.1.4 Agreements entered into between a Corporate Officer or a shareholder holding more than 10% of the voting rights and a controlled company in the meaning of Article L. 233-3 of the French Commercial Code

None.

8.3.2 VALUATION OF CURRENT AGREEMENTS CONCLUDED AT NORMAL CONDITIONS

Article L. 22-10-12 of the French Commercial Code requires companies whose shares are traded on a regulated market to put in place a "procedure to regularly evaluate whether the agreements bearing on current operations entered into in normal conditions meet these conditions".

ALTEN thus established a procedure whose aim is to evaluate all agreements entered into between ALTEN and a related party, whether they are considered as "regulated" or "free" in the meaning of Articles L. 225-38 and L.225-39 of the French Commercial Code.

Concerning "free" agreements bearing on current transactions entered into in normal conditions, this procedure aims to establish the criteria used to ensure the correct evaluation of the said agreements and to document an internal procedure for performing this evaluation.

In the terms of this procedure, the so-called "free" agreements:

- are reviewed each year by the Financial Department and the Legal Department for compliance with the criteria described in the procedure, as necessary, following consultation with the Statutory Auditors of the Company;
- the list of agreements concerned, as well as the conclusions of the review performed by the Financial Department and the Legal Department are provided to members of the Audit Committee for its comments;
- the Board of Directors is then informed by the Audit Committee of the implementation of the evaluation procedure, its results, and any comments.

This procedure was adopted by the Board of Directors on 18 February 2020, following consultation with the Audit Committee.

The Board of Directors meeting of 22 February 2022 took note of the information provided by the Audit Committee concerning the implementation of the procedure for the evaluation of agreements relating to ordinary operations and concluded under normal conditions, its results and any observations, and decided that it had no comments to make on them.

8.3.3 STATUTORY AUDITORS' REPORT ON RELATED PARTY AGREEMENTS

Annual General Meeting held to approve the financial statements for the year ended December 31, 2021

This is a free translation into English of the Statutory Auditors' Report on Related Party Agreements issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders of Alten S.A.,

As Statutory Auditors of your Company, we hereby present our report on related party agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the terms and conditions, the purpose and benefits to the Company of the agreements brought to our attention or which we encountered during our engagement. It is not our role to determine whether they are beneficial or appropriate or to ascertain whether any other agreements exist. It is your responsibility, under the terms of Article R.225-31 of the French Commercial Code, to assess the merit of these agreements with a view to approving them.

It is also our responsibility to provide you, where appropriate, with the information required by Article R.225-31 of the French Commercial Code relating to the execution, during financial year 2021, of the agreements already approved at the Shareholders' Meeting.

We conducted the work we deemed necessary in accordance with the professional standards issued by the French national institute of statutory auditors (CNCC) relating to this engagement. Our work entailed verifying that the information provided was consistent with the documents from which it was derived.

Agreements submitted for approval at the Annual General Meeting

In compliance with Article L.225-40 of the French Commercial Code, we were informed of the following agreements, which were entered into in the financial year, and were previously approved by your Board of Directors.

1. Renewal of a lease agreement with the company SIMALEP

- **Persons concerned:**

The directors and shareholders concerned are Mr Simon Azoulay, CEO of ALTEN S.A. and Mrs Emily Azoulay, director of Alten S.A., and SIMALEP, of which both are shareholders.

- **Nature:**

A commercial lease, initially entered into on July 28, 2011, was renewed on June 23, 2021 with SIMALEP. With effect as of May 1, 2021, this commercial lease covers 444 m^2 of office space on the first floor of a building located at 119-121 Grande Rue in Sèvres (92310), for a total annual rent of €112,439.07 excluding VAT, which may be revised every year according to changes in the tertiary activities rent index. The Board of Directors authorized the lease on October 27, 2020.

- **Terms and conditions:**

The expense recorded in your company's financial statements for financial year 2021 amounted to €168,534.77, excluding VAT.

- **Benefits to the Company:**

ALTEN occupies three other floors in this building under leases signed with third parties. This agreement provides ALTEN with office space for its teams while enabling it to benefit from the same lease conditions as those offered by third party lessors for similar premises.

2. Signing of a lease agreement with the company SEV 56

- **Persons concerned:**

The directors and shareholders concerned are Mr Simon Azoulay, CEO of ALTEN S.A. and SEV 56, of which Mr Simon Azoulay is General Manager and shareholder.

- **Nature:**

A lease agreement was entered into on June 23, 2021 with SEV 56, with effect as of May 1, 2021. Under this agreement, SEV 56 rents office space in a building located at 119-121 Grande Rue in Sèvres (92310), for a total annual rent of €226,448.44 excluding VAT, which may be revised every year according to changes in the tertiary activities rent index. The Board of Directors authorized this lease on October 27, 2020.

- **Terms and conditions:**

The expense recorded in your company's financial statements for financial year 2021 amounted to €265,333.90, including VAT.

- **Benefits to the Company:**

This agreement provides Alten and its subsidiaries with a large rental space close to their registered office, under the same lease conditions as those generally offered by third party lessors for similar premises.

Agreements already approved at the Annual General Meeting

In accordance with Article R.225-30 of the French Commercial Code, we have been informed of the following agreements, which were approved by shareholders at general meetings in previous years and continued to apply during financial year 2021.

1. Service agreement with SGTI S.A.S.

- **Persons concerned:**

The directors and shareholders concerned are Mr Azoulay, CEO of ALTEN S.A. and SGTI S.A.S., of which he is Chairman and shareholder.

- **Nature:**

Under the terms of an agreement signed on July 3, 2009, ALTEN S.A. provides administrative services to SGTI S.A.S.

By an amendment dated February 26, 2020, these services were extended to include the use, by SGTI S.A.S., of the postal address of ALTEN S.A., located at 40 avenue André Morizet 92100 Boulogne Billancourt, in order to establish its registered office there and to allow it to receive and store mail, without modifying the terms of remuneration set out in the initial agreement.

The agreement and its amendment were approved by the Shareholders at their general meetings of June 19, 2012 and June 18, 2020, respectively.

- **Terms and conditions:**

The amount charged for these services for financial 2021 was €15,000 excluding VAT.

2. Sublease agreement between Alten S.A. and the company SEV 56

- **Persons concerned:**

The directors and shareholders concerned are Mr Simon Azoulay, CEO of ALTEN S.A. and SEV 56.

- **Nature:**

A sublease agreement was entered into on January 18, 2017 with SEV 56, covering 2,947 m² of premises and 106 parking spaces located at 77 to 83 avenue Edouard Vaillant in Boulogne-Billancourt, 80 to 84 rue Marcel Dassault, and 4 to 18 rue Danjou in Boulogne Billancourt, for an annual rent of €320 per square meter excluding VAT and €1,050 per parking space, indexed every year according to changes in the national commercial rent index. This agreement was approved by the Shareholders at the Combined General Meeting held on June 22, 2017.

- **Terms and conditions:**

The expense recorded in your company's financial statements for financial year 2021 amounted to €1,348,880.41 excluding VAT.

The Statutory Auditors

French original signed by

Paris La Défense, April 28, 2022

KPMG Audit IS

Xavier NIFFLE
Partner

Jean-Marc Discours
Partner

Paris, April 28, 2022

Grant Thornton

Jean-François Baloteaud
Partner

8.4 STATUTORY AUDITORS

PRINCIPAL STATUTORY AUDITORS

KPMG AUDIT IS

Represented by Mr. Jean-Marc DISCOURS and Mr. Xavier NIFFLE, Tour EQHO, 2, avenue Gambetta, CS 60055, 92066 Paris La Défense Cedex.

Date of first appointment: 18 June 2015.

Date of renewal: 28 May 2021.

Term of office expires on: Ordinary General Meeting to be held in 2027 called to approve the financial statements for the financial year ending 31 December 2026.

GRANT THORNTON

Represented by Mr. Jean-François BALOTEAUD, 29, rue du Pont, 92220 Neuilly-sur-Seine, France.

Date of first appointment: 25 June 2003.

Reappointment dates: 23 June 2009, 18 June 2015 and 28 May 2021.

Term of office expires on: Ordinary General Meeting to be held in 2027 called to approve the financial statements for the financial year ending 31 December 2026.

ALTERNATE STATUTORY AUDITORS

None.

8.5 DOCUMENTS AVAILABLE

The documents listed below, or a copy of these documents, may be consulted, during the validity period of the Universal registration document, at the registered office of ALTEN (40 avenue André Morizet, 92100 Boulogne-Billancourt, France), and as necessary, on the Company's website (www.alten.com[1]), without prejudice to the documents provided at the registered office or on the Company's website pursuant to applicable laws and regulations:

- the Articles of Association of the Company;
- any and all reports, letters or other documents, historical financial information, evaluations and statements prepared by experts at the request of the Company, of which a portion is included or referred to in the Universal registration document;
- the historical financial information of the Group for each of the two financial years preceding the publication of this Universal registration document.

(1) The information on the website www.alten.com with the exception of that incorporated by reference does not form part of the Universal registration document. As such, this information has not been reviewed or approved by the AMF.

8.6 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL REPORT AND FINANCIAL INFORMATION

STATEMENT BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL REPORT

"I certify that the information contained in this Universal registration document is, to the best of my knowledge, true to the facts and does not contain any omission that would alter its scope.

I declare, to the best of my knowledge, that the financial statements have been prepared in accordance with the applicable accounting standards and provide an accurate picture of the assets, financial position and results of the Company and its subsidiaries, and that the management report (see cross-reference table on pages 266 to 271) gives a fair presentation of the business trends, the results and the financial position of the Company and its subsidiaries and describes the main risks and uncertainties that these companies currently face".

Signed in Boulogne-Billancourt on 29 April 2022.

Simon AZOULAY – Chairman and Chief Executive Officer

PERSON RESPONSIBLE FOR FINANCIAL INFORMATION

Bruno BENOLIEL

Chief Operating Officer

8.7 CROSS-REFERENCE TABLES

8.7.1 UNIVERSAL REGISTRATION DOCUMENT CROSS-REFERENCE TABLE

To facilitate the reading of this Universal registration document, the cross-reference table presented below can be used to identify the main information items required by the Appendices 1 and 2 of European Regulation 2019/980 of 14 March 2019.

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8.7.2 CROSS-REFERENCE TABLE FOR THE ANNUAL FINANCIAL REPORT AND THE MANAGEMENT REPORT

In accordance with Article 222-3 of the General Regulations of the French Financial Markets Authority (*Autorité des Marchés Financiers*), the Annual Financial report mentioned in Part I of Article L. 451-1-2 of the French Monetary and Financial Code, whose headings are identified under "AFR", is included in the Universal registration document.

It is also specified that the management report prepared in accordance with Article L. 232-1 of the French Commercial Code, is included in this Universal registration document.

Headings	Information for	Pages	Chapters of the Universal registration document
Statement by person responsible	**FRG**	**265**	**8.6**
Separate financial statements	**FRG**	**220**	**6.2**
Consolidated financial statements	**FRG**	**172**	**6.1**
Statutory Auditors' report on the separate financial statements	**FRG**	**234**	**6.2.4**
Statutory Auditors' report on the consolidated financial statements	**FRG**	**216**	**6.1.7**
Management report			
A. Report on activity of Company and Group		*161 and 166*	
Situation of the Company and Group during the past financial year, likely development and important events that have occurred since the end of the year		166 *et seq.*	5.1, 5.2, 5.3
Activity and results of Company and Group		45	1.5, 5.1, 5.2
Allocations of earnings for the financial year		169	5.5.1
Analysis of development of business, results and the financial position	**FRG**	161	5
Financial key performance indicators	**FRG**	160	5
Key indicators of a non-financial nature relating to the specific activity of the Company and the Group	**FRG**	116	4.1.4
Major risks and uncertainties of the Company and Group	**FRG**	57	2
Internal control and risk management procedures applied to the preparation and handling of accounting and financial information	**FRG**	65 *et seq.*	2.5.2
Hedging objective and policy of the Company and Group for transactions for which hedge accounting is used	**FRG**	-	-
Exposure of the Company and Group to price, credit, liquidity and cash flow risks	**FRG**	208	6, Note 7.4
Use of financial instruments by the Company and Group		-	-
Financial risks related to the impact of climate change and presentation of measures taken by the Company and Group to reduce them	**FRG**	140	4.4.1
Research and Development activity		39 *et seq.*	1.2
Branches		-	
B. Legal, financial and fiscal information on the Company			
1. Information concerning capital		*240*	7
Distribution and change in shareholding structure		240 et seq.	7.1.1
Name of controlled companies and their stake in the Company's capital		181-184	6.1.6 Note 3
Significant investments during the financial year in companies with registered offices in France		-	-
Reciprocal shareholdings		-	-
Statement of employee profit sharing in the Company		241 and 242	7.1.2.3
Acquisition and disposal by the Company of treasury shares	**FRG**	250-252	7.5.3
Adjustments of shares giving access to capital in the event of financial operations		-	-
Adjustments of shares giving access to capital and stock options in the event of buyback of shares		-	
Information on transactions by executives and related persons on the Company's shares		246	7.1.3

Headings	Information for	Pages	Chapters of the Universal registration document
2. Financial information			
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Due dates for trade payables and client receivables		168	5.4.2
Amount of inter-company loans		-	-
3. Tax information			
Sumptuary charges and expenses		168	5.4.3
4. Anti-corruption system		*56*	*2.1*
5. Duty of care plan		*136*	*4.3.5*
6. Other			
Injunctions or financial penalties for anti-competitive practices		-	-
Information on operation of a Seveso installation		-	-
Mandates of Statutory Auditors		264	8.4
C. CSR information: Statement of Non-Financial Performance table		*272*	*see concordance table 8.7.3*
Opinion of independent third-party body		157, 158	4.7
Documents attached to the management report			
Report on payments made to governments		-	-
Table of results of the Company over the last five financial years		167	5.4.1
Report on corporate governance			
Remuneration of Corporate Officers			
Policy on remuneration of Corporate Officers		94 *et seq.*	3.2.1
Information mentioned in Section I of Article L. 22-10-9 of the French Commercial Code.		99 *et seq.*	3.2.2
Remuneration and benefits of any kind paid during the financial year or awarded for the financial year to each Corporate Officer (22-10-9, I, 1°)		99, 100	3.2.2
Proportion relating to fixed and variable remuneration (22-10-9, I, 2°)		-	-
Use of the request for the return of variable remuneration (22-10-9, I, 3°)		-	-
Commitments of any kind made by the Company for the benefit of its Corporate Officers, corresponding to elements of remuneration, indemnities or benefits due or likely to be due as a result of the assumption, termination or change of their duties or after the exercise (22-10-9, I, 4°)		99-101	3.2.2
Remuneration paid or allocated by a company included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code (22-10-9, I, 5°).		100	3.2.2
Ratios between the level of remuneration of each Executive Corporate Officer and the average and median remuneration of the Company's employees (22-10-9, I, 6°).		101, 102	3.2.2
Annual change in remuneration, the Company's performance, the average remuneration of the Company's employees and the aforementioned ratios over the five most recent financial years (22-10-9, I, 7°).		103	3.2.2
Explanation of how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the Company and how the performance criteria were applied (22-10-9, I, 8°).		94 *et seq.*	3.2.1
The way in which the vote of the last Ordinary General Meeting provided for in II of Article L. 225-100 of the French Commercial Code (until 31 December 2020) and in I of Article L. 22-10-34 (from 1 January 2021) of the French Commercial Code (22-10-9, I, 9°)		-	-
Deviation from the procedure for implementing the remuneration policy and any deviations (22-10-9, I, 10°).		-	-
Application of the provisions of the second paragraph of Article L. 225-45 of the French Commercial Code (suspension of payment of Directors' remuneration in the event of non-compliance with gender balance on the Board of Directors) (22-10-9, I, 11°).		-	-

Headings	Information for	Pages	Chapters of the Universal registration document
Board's choice regarding holding terms and conditions for Corporate Officers of shares awarded free of charge and/or shares issued from the exercise of stock options		76	3.1.3
Information relating to the composition, functioning and powers of the Board			
Choice of one of the two methods of exercise of general management		70	3.1.2
List of all offices and positions held in any companies by each Corporate Officer during the financial year		76 *et seq.*	3.1.3
Agreements entered into between a Corporate Officer or a shareholder holding more than 10% of the voting rights and a company controlled in the meaning of Article L. 233-3 (excluding agreements bearing on current operations entered into in normal conditions)		261	8.3.1.4
Description of the procedure put in place by the Company used to regularly evaluate whether the agreements on current operations entered into in normal conditions truly meet these conditions and its implementation		261	8.3.2
Summary table of delegations that are currently valid		92, 93	3.1.6
Composition, conditions for preparing and organising the work of the Board of Directors		71 *et seq.*	3.1.3, 3.1.4
Description of the diversity policy applied to Board members in relation to criteria such as age, gender, or qualifications and professional experience, as well as a description of the objectives of this policy, the conditions of its implementation and the results obtained over the course of the last year		74	3.1.3
Information on the way in which the Company seeks to achieve a balanced representation of women and men on the committee set up by General Management to regularly assist it with its general duties and on the results, in terms of gender balance, in the top 10% of positions with the most responsibility		74	3.1.3
Limitation of the powers of General Management		71	3.1.2
Reference to a Corporate Governance Code and application of the "comply or explain" principle		70	3.1.1
Particular terms of participation of shareholders at the General Meeting		257, 258	8.1.2.6
Information on elements liable to influence a public offer			
Structure of the Company's capital		240 *et seq.*	7.1.1
Statutory restrictions to the exercise of voting rights and the transfer of shares or clauses of conventions which the Company has been made aware of in accordance with Article L. 233-11 of the French Commercial Code		256 *et seq.*	8.1.2.3
Knowledge of direct or indirect investments in the capital of the Company		240 *et seq.*	7.1
List of holders of any share granting special control rights		-	-
Control mechanisms planned for any staff share ownership system, when the control rights are not exercised by the latter		-	-
Agreements between shareholders, of which the Company is aware, which could lead to restrictions to the transfer of shares and the exercise of voting rights		243	7.1.2.1
Rules governing the appointment and replacement of members of the Board of Directors and the amendment of the Company's Articles of Association		71	3.1.3
Powers of the Board of Directors in particular in relation to the issue or purchase of shares		250 *et seq.*	7.5.3
Agreements concluded by the Company that are changed or terminate in the event of a change in control of the Company		245	7.1.2.4
Agreements stipulating the payment of remuneration to members of the Board of Directors or employees, if they resign or are made redundant without real or serious grounds or if their employment ends due to a public tender or exchange offer		101	3.2.2.1

8.7.3 CROSS-REFERENCE TABLE OF THE STATEMENT OF NON-FINANCIAL PERFORMANCE

Article L. 225-102-1 of the French Commercial Code	2021 Universal registration document	Pages
Presentation of the business model	Introduction – "The benefits of development"	14-15
Description of the main risks	4.1.4 – "Main nonfinancial risks"	116-117
Description of policies put in place to prevent, identify and mitigate the occurrence of risks	4.2 – "Career-accelerating employer", 4.3 – "Ethics and Human Rights" 4.4 – "Reducing our environmental footprint" and 4.4.4.7 – "Sustainable innovation". Taking into account the tertiary nature of ALTEN's Engineering and Technology Consulting activities, the Group has no activity that negatively impacts animal well-being or fair, responsible and sustainable food.	114-145
Key performance indicators	Non-financial performance indicators	150
Social information (employment, work organisation, health and safety, labour relations, training, equal treatment)	4.2 – "Career-accelerating employer"	119
Environmental information (general environmental policy, pollution, circular economy, climate change)	4.4 – "Reducing our environmental footprint"	140
Societal information (societal commitments in favour of sustainable development, subcontracting and suppliers, fair practices)	4.3 – "Ethics and Human Rights"	131
Anti-corruption information	4.3.2 – "Ethics and compliance – 1/ Preventing corruption risks"	131
Information on actions in favour of Human Rights	4.3.5 – "Duty of Care Plan"	136
Specific information: the Company's policy to prevent the risk of technological accidents; ability of the Company to cover its civil liability vis-à-vis property and persons due to the operation of such facilities; means provided by the Company to manage the remuneration of victims in the event of a technological accident incurring its liability.	-	-
Collective agreements concluded within the Company and their impact on the Company's economic performance as well as on the working conditions of employees	8.1.2.7 – "Collective agreements"	258
Statement of the independent third party on the information contained in the DPEF	4.7 – "Report of one of the Statutory Auditors, appointed as an independent third party, on the statement of non-financial performance included in the management report".	157

8.7.4 GRI INDEX

GRI Standards	Disclosure	Correspondence in the Universal registration document	Pages	Reason for omission
GRI 101 General principles 2016				
GRI 102 General Information 2016				
Organisation profile	**102-1**	**0.** Profile	14-15	
	102-2	**1.5** Presentation of the Group and its activities – Organisation chart	45	
	102-3	**6.1.6** Financial Statements – Note to the consolidated financial statements	176	
	102-4	**1.6** Presentation of the Group and its activities – Organisation chart	53	
	102-5	**7.2.1** Capital and Shareholding structure – Investor information	247	
	102-6	**1.5** Presentation of the Group and its activities – Organisation chart	45	
	102-7	**4.2.2** DPEF – ALTEN employees	119-120	
		6.1 Financial Statements – Consolidated financial statements	172-175	
	102-8	**4.2.2** DPEF – ALTEN employees	119-120	
		4.5.1 DPEF – Methodological Note	147-149	
		4.5.2 DPEF – Non-financial performance indicators	150-152	
	102-9	**4.3.4** DPEF – Maintaining a long-term relationship with suppliers	135-136	
	102-10	**5.1.1** Comments on the financial year and income statement – Activity and income statement	161-162	
	102-11	**2.3** Risk factors and internal control – Risk factors and risk management	58-64	
	102-12	**4.** DPEF – Origin of the Group's commitments	111	
	102-13	**4.** DPEF – Origin of the Group's commitments	111	
Strategy	**102-14**	**4.** DPEF – Message from the Chairman	110	
	102-15	**4.1.4** DPEF – Main nonfinancial risks	116-117	
Ethics and integrity	**102-16**	**4.3** DPEF – Ethics and Human Rights	131-139	
	102-17	**4.3.2** DPEF – Ethics and Compliance	131-139	
Governance	**102-18**	**4.1.1** DPEF – Governance of CSR	112	
Stakeholder involvement	**102-40**	**4.1.2** DPEF – Mapping of stakeholders	113-114	
	102-41	**4.5.2** DPEF – Non-financial performance indicators	150-152	
	102-42	**4.1.2** DPEF – Mapping of stakeholders	113-114	
	102-43	**4.1.2** DPEF – Mapping of stakeholders	113-114	
	102-44	**4.1.2** DPEF – Mapping of stakeholders	113-114	
		4.1.3 DPEF – Prioritisation of issues	115	
		4.1.4 DPEF – Main nonfinancial risks	116-117	

GRI Standards	Disclosure	Correspondence in the Universal registration document	Pages	Reason for omission
Reporting practice	**102-45**	**6.1.6** Financial Statements – Note 3 scope of consolidation	176	
	102-46	**4.1.3** DPEF – Prioritisation of issues	115	
		4.5.1 DPEF – Methodological Note	147-149	
	102-47	**4.1.3** DPEF – Prioritisation of issues	115	
	102-48	**4.5.1** DPEF – Methodological Note	147-149	
	102-49	**4.5.1** DPEF – Methodological Note	147-149	
	102-50	**4.5.1** DPEF – Methodological Note	147-149	
	102-51	**4.5.1** DPEF – Methodological Note	147-149	
	102-52	**4.5.1** DPEF – Methodological Note	147-149	
	102-53	**4.5.1** DPEF – Methodological Note	147-149	
	102-54	**8.** GRI content index	273-275	
	102-55	**8.** GRI content index	273-275	
	102-56	**4.6** DPEF: report of one of the Statutory Auditors, appointed as an independent third party, on the consolidated statement of non-financial performance included in the management report	157-158	
GRI 103-200-300-400 Management approach & Specific information elements				
Economic	**103-1**	**4.3.6** DPEF – Solidarity in the regions	139	
	103-2	**4.3.6** DPEF – Solidarity in the regions	139	
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	203-1	**4.3.6** DPEF – Solidarity in the regions	139	
	203-2	**4.3.6** DPEF – Solidarity in the regions	139	
Environment	**103-1**	**4.4.1** DPEF – Environmental issues	140	
	103-2	**4.4.2** DPEF – Group organisation for environmental management	140	
	103-3	**4.4** DPEF – Reducing the Group's environmental footprint	140-146	
	305-1	**4.4.4** DPEF – Reducing the Group's greenhouse gas emissions	141-145	Not applicable – some indicators not applicable (biogenic emissions)
	305-2	**4.4.4** DPEF – Reducing the Group's greenhouse gas emissions	141-145	Not applicable – some indicators not applicable (biogenic emissions)
	305-3	**4.4.4** DPEF – Reducing the Group's greenhouse gas emissions	141-145	Not applicable – some indicators not applicable (biogenic emissions)
	306-2	**4.4.5** DPEF – Using natural resources in a reasonable manner and reducing waste	145-146	Not applicable – ALTEN as a service company, the monitoring of waste with standard 306-2 is not relevant.
	308-1	**4.3.4** DPEF – Maintaining a lasting relationship with suppliers and subcontractors	135-136	

GRI Standards	Disclosure	Correspondence in the Universal registration document	Pages	Reason for omission
Social	**103-1**	**4.1.4** DPEF – Main non-financial risks	116-117	
		4.2 DPEF – Career-Accelerating Employer	119-130	
	103-2	**4.1.3** DPEF – Prioritisation of issues	115	
		4.1.4 DPEF – Main non-financial risks	116-117	
		4.2 DPEF – Career-Accelerating Employer	119-130	
	103-3	**4.1.5** DPEF – Ratings Awards	117-118	
		4.2 DPEF – Career-Accelerating Employer	119-130	
		4.2 DPEF – Career-Accelerating Employer	119-130	
		4.3.5 DPEF – Duty of care plan – FORCES policy	136-138	
		4.5.2 DPEF – Non-financial performance indicators	150-152	
	401-1	**4.2.2** DPEF – ALTEN employees	119-120	Confidential
		4.5.2 DPEF – Non-financial performance indicators	150-152	Some indicators cannot be communicated because these data are confidential.
	403-1	**4.2.7** DPEF – Occupational Health and Safety	128-129	
		4.5.2 DPEF – Non-financial performance indicators	150-152	
	403-5	**4.2.7** DPEF – Occupational Health and Safety	128-129	
		4.5.2 DPEF – Non-financial performance indicators	150-152	
	404-3	**4.2.5** DPEF – Career management, internal mobility and training	123-125	404-2 and 404-3: not applicable.
		4.5.2 DPEF – Non-financial performance indicators	150-152	ALTEN has a population mainly composed of managers. The indicators concerning CSP are not significant given the low diversity of CSPs within the Company.
	405-1	**4.2** DPEF – Career-Accelerating Employer	119-130	
		4.2 DPEF – Career-Accelerating Employer	119-130	
		4.5.2 DPEF – Non-financial performance indicators	150-152	
Responsible purchasing	**414-1**	**4.3.4** DPEF – Maintaining a lasting relationship with suppliers and subcontractors	135-136	

8 ADDITIONAL INFORMATION

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