UNIVERSAL REGISTRATION DOCUMENT
ANNUAL FINANCIAL REPORT
2020

CONTENTS

COMPONENTS OF THE ANNUAL FINANCIAL REPORT ARE IDENTIFIED IN THIS TABLE OF CONTENTS WITH THE SIGN AFR

UNIVERSAL REGISTRATION DOCUMENT 2020

Including the annual financial report

As the independent European leader in multi-technical services in the areas of **energy and communications**, SPIE supports its customers to design, build, operate and maintain energy-efficient and environmentally-friendly facilities.

SPIE SA, a "société anonyme" (joint stock company) incorporated under French law with a share capital of €75,265,694.72, registered at 10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France under company no. 532 712 825 (Pontoise Trade and Company Registry), is referred to as the "Company" in this Universal Registration Document. Unless otherwise stated, the "Group" and the "SPIE group" refer to the Company and its subsidiaries and holdings.

This Universal Registration Document contains forward-looking statements regarding the growth, prospects and strategies of the Group. These forward-looking statements are sometimes identified by the use of the future and conditional tenses and by terms such as "consider", "envisage", "think", "aim", "expect", "intend", "should", "anticipate", "estimate", "believe", "wish" and "might" or, if applicable, their negative forms and other similar words, terminology and phrases. Such information has no historically factual basis and should not be interpreted as a guarantee of future performance. It is based on data, assumptions and estimates from which the Group deems it reasonable to draw inferences. Such information may change or be modified due to uncertainties in the economic, financial, competitive or regulatory environments. In addition, the occurrence of one or more of the risks described in Chapter 2 "Risk factors" of this Universal Registration Document may affect the Group's businesses, position and financial results as well as its ability to reach its objectives.

Investors should carefully consider the risk factors described in Chapter 2 "Risk factors" of this Universal Registration Document. The occurrence of all or any of these risks could have a negative effect on the Group's businesses, position or financial results. Moreover, other risks as yet unidentified or deemed insignificant by the Group could have the same negative effect.

This Universal Registration Document contains information about the Group's markets and competitive positions, including information about the size of such markets. The facts on which the Group bases its statements mostly come from estimates made by the Group, studies and statistics from independent third parties and professional organisations, and figures published by the Group's competitors, suppliers and customers (in particular, the Group's rankings in relation to its main competitors are based on revenues disclosed by them during the financial year ended December 31, 2020). Certain information contained in this Universal Registration Document is publicly available information which the Company considers reliable but which has not been verified by an independent expert. The Company cannot guarantee that a third party using different methods to collect, analyse or calculate data on business segments would obtain the same results. The Company makes no undertaking and provides no warranty as to the accuracy of this information. It is possible that such information proves to be incorrect or out of date. The Group makes no undertaking to publish updates to such information, except in connection with any applicable legal or regulatory obligations.

Certain figures (including figures expressed in thousands or millions) and percentages in this Universal Registration Document have been rounded. The totals presented in this Universal Registration Document may differ slightly from those obtained by adding together the exact (decimal) values of those figures.

SPIE SA
Joint stock company (*société anonyme*) with a share capital of €75,265,694.72
Registered office: 10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France
Registered with the Pontoise Trade and Companies Registry under company number 532 172 825

AUTORITÉ DES MARCHÉS FINANCIERS AMF

This Universal Registration Document was filed on 12/04/2021 with the **AMF**, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation.
The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.
Copies of this Universal Registration Document are available free of charge from SPIE, 10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France, and on the websites of SPIE (www.spie.com) and the AMF (www.amf-france.org).

A resilient and agile business model in an exceptional context

WHAT CAN YOU SAY ABOUT THIS YEAR AND THE IMPACT OF A MAJOR HEALTH CRISIS?

Gauthier Louette : I will take away three things from this extraordinary year. Firstly, the Group's remarkable resilience and agility during the unprecedented crisis. Naturally, we were affected by Covid-19 and the consequences that ensued, but we were able to react quickly and get our business back up and running as soon as the first lockdowns were lifted. We even finished the year with revenue similar to that of 2019, which is a real achievement given the current economic environment! I also believe that this crisis has shown the mission-critical nature of our services keeping essential infrastructure for society and the economy running. Maintaining and increasing the capacity of hospitals and IT infrastructures – needed now more than ever for remote work – and rolling out energy and communication networks are just some of the indispensable "invisible jobs" performed by SPIE.

I would like to thank all of our employees for their incredible commitment throughout the year. We introduced strict sanitary procedures right from the start of the crisis, hand in hand with our customers and bolstered by our deeply rooted safety culture. This meant that our on-site employees could continue to work safely. Certain teams were also placed on short-time working. But everyone demonstrated a remarkable sense of solidarity despite the difficult situation, for which I would like to thank them.

"SPIE's teams have shown a great sense of solidarity and commitment during this unprecedented health crisis, providing our customers with the services necessary for essential facilities to continue running"

Gauthier Louette,
Chairman & CEO of SPIE

IS THIS RESILIENCE REFLECTED IN SPIE'S 2020 FINANCIAL RESULTS?

G. L. : Yes, definitely. We saw a sharp upturn in business from the third quarter onwards, boosting our revenue to €6.6 billion, only 4.7% lower than in 2019. EBITA totalled €339.2 million, for a margin of 5.1%, down 18.9% on 2019, when the margin came in at 6%. SPIE also generated exceptional cash flow, posting free cash flow of €323.3 million – a record high despite lower EBITDA. Leverage continued to decline, returning to a pre-SAG acquisition level.

HOW WOULD YOU EXPLAIN SPIE'S RESILIENCE DURING THE CRISIS?

G. L. : Firstly, the geographical mix of the Group's business in Europe. With activity levels in the Netherlands, Germany and Poland standing up well, the decline in France, the United Kingdom and Belgium had a less of an impact. Secondly, SPIE operates in all business sectors and our diverse portfolio of long-standing customers is a major advantage. So even though certain sectors, such as aerospace, were hit hard by the crisis, none of them actually represents more than 1% of SPIE's revenue.

SPIE HAS POSITIONED ITSELF AS A KEY PLAYER IN THE ENERGY TRANSITION AND DIGITAL TRANSFORMATION. WHAT IS YOUR TAKE ON THESE TOPICS?

G. L : Addressing the energy challenges of our society is central to our business. We have been delivering services to energy companies for many years, and we help all our customers to reduce their energy consumption and find alternative solutions. SPIE is making a great contribution to the fight against climate change, as demonstrated by the green share of our 2020 revenue: 41%, according to the strict new EU Taxonomy. As we actively seek to boost the proportion of renewable energies in the energy mix and promote electric mobility solutions, we're exploring new methods for the future, such as the use of hydrogen. I'm thinking in particular of the programmes we've rolled out in each of our businesses to reduce our own environmental impact. SPIE is constantly improving itself and plans on continuing to play a key role in the energy transition – one of the biggest challenges of our times.

For SPIE, digital technology is first and foremost a tool – a very powerful one! What's important though is how it makes things possible or easier to use. And thanks to our array of digital expertise and inside knowledge of our customers' businesses, we can stand out in these highly dynamic markets.

TO FINISH UP, HOW DO YOU FEEL ABOUT THE COMING MONTHS?

G. L. : SPIE ended 2020 with solid fundamentals, a stronger balance sheet and closer customer relationships. We must remain cautious, however, as SPIE naturally depends on the macroeconomic environment. Having said that, the Group can count on high demand in most of its businesses, and European economic stimulus packages are going to create momentum in a number of key areas, particularly those related to the energy transition and the digital transition. We're also lucky to have a very solid financial position, which should help us pursue our acquisition strategy. We picked up where we left off in this area at the end of 2020 with the acquisition of a company positionned on the data center market in Germany. Another strong asset is our ability to build the future hand in hand with our stakeholders, as demonstrated by the materiality assessment performed in 2020 and presented in this report. For all these reasons, I am confident about the months ahead because I believe that SPIE has all the tools it needs to return to its growth trajectory.

SPIE, committed to the energy transition and the digital transformation

PROFILE

As the independent European leader in multi-technical services in the areas of energy and communications, SPIE supports its customers to design, build, operate and maintain energy-efficient and environmentally friendly facilities.

Our 45,500 employees are committed to providing our customers with essential services and supporting them through the energy transition and the digital transformation.

In the fight against climate change, SPIE is part of the solution!

SPIE, sharing a vision for the future

SPIE, READY FOR THE NEXT 120 YEARS!

1900 / Creation of the Parisian Society for the Railway and Electric Tramway Industry

1946 / The Parisian Company for the Railway and Electric Tramway Industry is renamed the Parisian Company for the Electric Industry (SPIE)

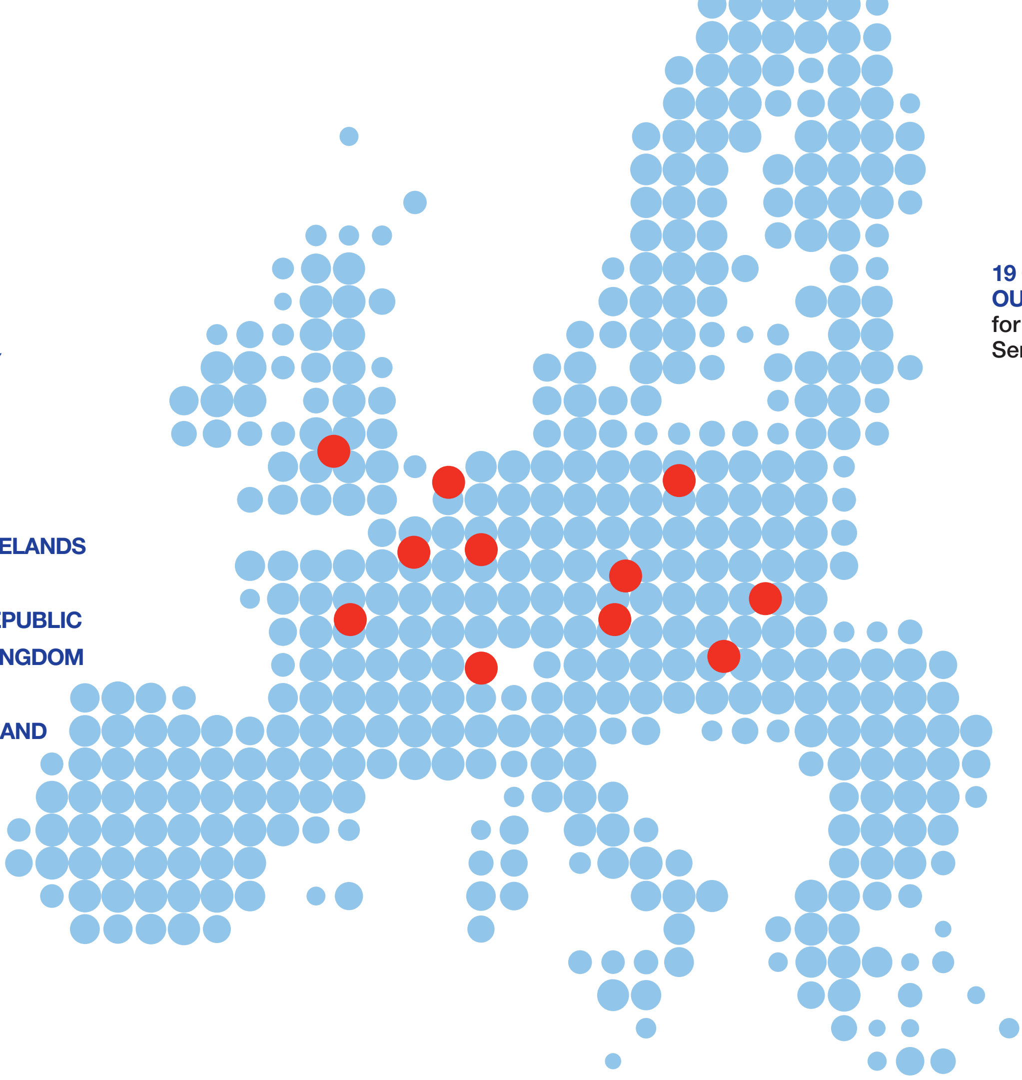
1968 / SPIE merges with the Batignolles Construction Company to form Spie Batignolles

1982 / Acquisition of Trindel and creation of the Electricity and Nuclear Division

1997 / Purchase of SPIE Batignolles, renamed SPIE, by its staff associated with the AMEC minority group

EUROPE

GERMANY
AUSTRIA
BELGIUM
FRANCE
HUNGARY
THE NETHELANDS
POLAND
CZECH REPUBLIC
UNITED KINGDOM
SLOVAKIA
SWITZERLAND



19 COUNTRIES OUTSIDE EUROPE
for the Oil & Gas Services activities

2020 GEOGRAPHIC FOOTPRINT

2003 / AMEC takes control of SPIE, which becomes AMEC SPIE

2003 / Sale of its construction subsidiary, Spie Batignolles, to its executives

2006 / AMEC sells SPIE to the PAI investment fund, with the company changing its name to SPIE

2007 / SPIE acquires AMEC's electrical engineering division, renamed SPIE Matthew Hall

2011 / Takeover of AMEC SPIE by a consortium composed of Clayton, Dubilier & Rice, LLC, AXA Private Equity and Caisse de Dépôt et Placement du Québec

2015 / SPIE's initial public offering

2017 / SPIE acquires the SAG Group, Germany's leading provider of services and systems for electricity, gas, water and telecommunications networks

2020 / SPIE, ready for the next 120 years!

Our financial performance in 2020

2020 key figures

€6.6
billion
in revenue

€323
million
free cash flow generated

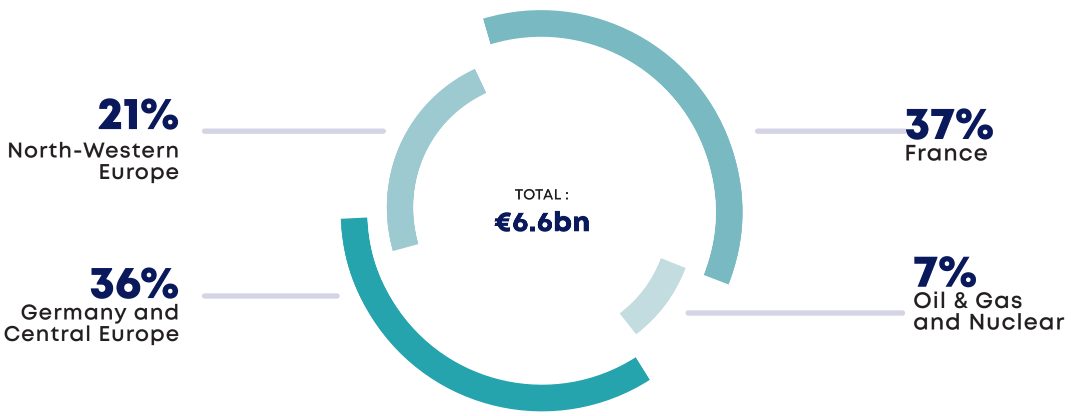
2
Employees are the Group's
2nd shareholder
(at 31 December 2020)

€339
million
in EBITA

~41%
Green share of 2020
revenue per EU taxonomy
for sustainable activities.

45,500
employees
(Workforce at 31 December 2020)

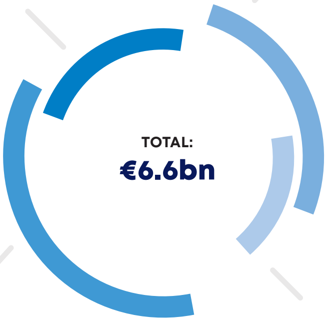
2020 Revenue
per reporting segment



4 fields of expertise

22%
Information & Communications Technology Services (ICT)

25%
Technical Facility Management (Tech FM)



37%
Mechanical & Electrical Services (M&E)

16%
Transmission & Distribution Services (T&D)

Supporting our customers' assets throughout their lifecycle

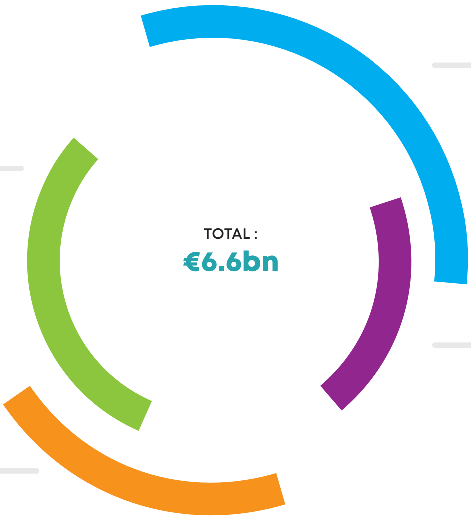
80%
Asset support
- Engineering and supply
- Installation
- Consulting and design

20%
New facilities
- Replacement
- Upgrading and modifications
- Maintenance and services

4 markets

28%
Energies
Facilitate the energy transition

38%
Smart city
Contribute to a sustainable model of urban and regional development



15%
Industry services
Support the development of each industrial sector

19%
e-fficient buildings
Optimise long-term building performance

2020 non-financial performance

Preparing the energy future

Our objective for 2025:

-25%

Commitment to reducing SPIE's direct carbon footprint by 25% by 2025 (in comparison to 2019) to limit global warming to 1.5°C, as set out in the 2018 IPCC.

Greenhouse gas annual emissions

<100 kt

Electrifying the vehicle fleet

>1/3

Our 2020 footprint:

Energy efficiency of buildings

80 kWh/m²

Carbon Intensity (scopes 1 & 2)

18 gCO_2/€CA

Share of low-carbon vehicles in the fleet

3%

Our 2020 contribution:

41%

Green share of 2020 revenue per EU taxonomy for sustainable activities

450 M€

SPIE's revenue from renewable energy projects

Supporting new utilisation through innovation

Our 2020 footprint:

2,656

Contracts with SMART FM 360°

Our 2020 contribution:

€1,292m

Revenue generated by new facilities

Revenue generated in the following sectors:

>€30m	€176m	€420m
e-mobility	Healthcare	Fibre optics

Promoting inclusion by employment

Our 2020 footprint:

Equal pay index in France

89 /100

Number of training hours

+ 450,000

Reduction of serious accidents compared to 2019

-25%

Our 2020 contribution:

6.1%

Shares of the capital held by employees through employee shareholding (at 31 December 2020)

Corporate governance

The Board of Directors is composed of 11 members:

Gauthier Louette
Chairman of the Board of Directors

Sir Peter Mason
Senior Independant Director
Chairman of the Audit Committee
Member of the CSR and Governance Committee

Regine Stachelhaus
Independant Director
Chairman of the CSR and Governance Committee
Member of the Nominations and Compensation Committee

Michel Bleitrach
Independant Director
Chairman of the Nominations and Compensation Committee

Elisabeth Van Damme
Director
Member of the Audit Committee
Member of the CSR and Governance Committee

Peugeot Invest Assets (formerly FFP Invest)
Représentée par Bertrand Finet
Independant Director
Member of the Audit Committee
Member of the Nominations and Compensation Committee

Tanja Rueckert
Independant Director
Member of the CSR and Governance Committee

Sandrine Téran
Independant Director
Member of the Audit Committee

Jérôme Nier
Director representing employees
Member of the Nominations and Compensation Committee

Michael Kessler
Director representing employees
Member of the CSR and Governance Committee

Gabrielle Van Klaveren-Hessel
Director representing shareholder employees
Member of the Audit Committee

SPIE received the “Board Composition” prize (SBF 80 category) awarded as part of the 17th "Grands Prix du Gouvernement d’Entreprise" organised by the AGEFI.

Since it was first listed on the stock exchange in 2015, SPIE has carried out numerous initiatives aimed at improving its governance practices: equal number of men and women on the Board of Directors, importance given to independent directors, presence of a director representing employees on the compensation committee, or diversity of nationalities on the Board to reflect the Group’s strategic positioning within Europe.

Combining expertise and teams to support mission-critical sectors

From March 2020, SPIE mobilised to help fight COVID-19. We ensured everyone had access to essential services while respecting strict sanitary procedures and safety rules. This selection of projects demonstrates the Group's resilience, employees' engagement and customers' confidence.

Healthcare

NETHERLANDS **Time-critical projects in hospitals during the pandemic**

SPIE installed an emergy hospital in the Maastricht Exhibition & Conference Centre, where it is also carrying out a complete renovation of the buildings. The Group also designed and implemented the electrical installation of the new hybrid operating theatre at the Maasstad Hospital in Rotterdam.

Energy

FRANCE **Continuous and safe maintenance of French nuclear power plants**

From the beginnig of the pandemy, SPIE Nucléaire implemented in close collaboration with its customers strict measures to preserve the health and safety of its employees. The teams have demonstrated their responsiveness in maintaining nuclear fuel cycle installations, a major source of energy in France.

Working from home

GERMANY **Expanding a collaboration solution in just a few days for a federal authority**

Early in the Covid-19 crisis, a German federal authority commissioned SPIE to help it maintain its operations and enable its employees to keep working. In just one week, the Group tripled the solution's capacity, successfully meeting a new challenge for a customer SPIE has supported since 2016.

Telecoms

FRANCE **Keeping everyone in touch and in the loop**

During the first French lockdown, mobile networks and the internet played a critical role. SPIE CityNetworks worked tirelessly with leading access providers to maintain network uptime, especially in the Grand Ouest region. The Group responded more agilely than ever to resolve outages and keep citizens and corporates alike connected.

Education

SWITZERLAND **Cloud-secure solution to set up distance education**

From March 2020, SPIE Switzerland implementaed Cisco Webex, a fully cloud-secure solution for the canton of Vaud. This technology enabled 3,000 teachers to teach their classes remotely to 37,000 students.

Transport

BELGIUM **Agility and unfailing mobilisation for the Brussels metro**

As soon as the Covid-19 crisis emerged, SPIE Belgium helped the Brussels metro to keep the trains running. We did everything possible to ensure that our teams remained operational, including deploying strict precautionary measures, staggering work schedules, closing changing rooms, and adding new utility vehicles to avoid contact.

Selection of projects

Information & Communications Technology Services (ICT)

A high-performance, secure, scalable data network - Switzerland

The canton of Schwyz has awarded SPIE Switzerland a contract to maintain, monitor and administer its data networks. A long-standing partner to the canton, SPIE will ensure the network's performance, reliability and security.

Technical Facility Management (Tech FM)

Installation of an emergency pumping system - Netherlands

The IJmuiden pumping station on the North Sea Canal plays an essential role in managing water throughout northwestern Netherlands. When a critical malfunction occurred, SPIE Nederland immediately took action to install 31 emergency pumps.

Mechanical & Electrical Services (M&E)

5,000 new park & charge points in the Greater Paris region - France

SPIE CityNetworks, as part of a consortium, was selected by Metropole du Grand Paris to install and operate more than 5,000 charging points in 123 municipalities. Network deployment is already under way and scheduled to be completed by mid-2022.

Transmission & Distribution (T&D)

Upgrading the extra-high voltage power grid - Germany

SPIE, a long-standing partner to TenneT, has been awarded several new contracts covering nearly 64 kilometres of overhead extra-high voltage lines. These lines are designed to improve the electricity supply grid between northern and southern Germany.

Highly energy-efficient data center - France
SPIE helps Thésée DataCenter to achieve a 25% reduction in the carbon footprint compared to the latest colocation data centres. Our teams will implement state-of-the-art technologies, such as artificial intelligence and biometry.

An optimised telecommunications system for Volksbank - Germany
The Volksbank Mainspitze eG banking group has selected Telba, acquired in 2019, to migrate its telecommunication systems and data interchange environment. SPIE's Power over Ethernet solution will improve security, performance and power consumption.

Outfitting a new data centre - Germany
After fitting out three data centres , SPIE is now responsible for planning and implementing the future FRA16 data centre on the campus in Frankfurt, along with an integrated transformer station.

Office refurbishment: a joined-up approach - United Kingdom
SPIE implements a collaborative, joined-up approach and smart solutions to refurbish the offices of Places for People in Central London. It stood out with its building, mechanical & electrical and fire & security engineering expertise.

An enlarged partnership with Shell - Thailand
In 2020, Shell selected SPIE Oil & Gas Services to provide corrective maintenance services at its lube oil facility in Bangkok. The preventive maintenance contract for the same facility was renewed for five years.

Sustainable performance for a solar plant - France
The Compagnie Nationale du Rhône awarded the Industrie division of SPIE Industrie & Tertiaire the contract for the maintenance of first floating solar plant. The plant, generating 250 MWh a year, was designed with the basin's biodiversity in mind.

A powerful BIM system for a veterinary vaccine plant - France
SPIE Industrie & Tertiaire is supporting Boehringer Ingelheim in setting up the new production unit. Its recognised expertise in BIM offers a critical advantage in managing such a complex project, where more than 20 trades are working together at the same time.

First contract in wind energy for the medium-voltage BU - Netherlands
SPIE Nederland has created a new division to improve its ability to support operators of medium-voltage networks. It connected 19 wind turbines in the Kroningswind wind farm to supply green electricity to around 65,000 households and a large number of farms on the island of Goeree-Overflakkee.

A prefabricated HVAC system for DAF Trucks - Belgium
SPIE will install the climatic and sanitary facilities for two buildings of the DAF Trucks plant in Westerlo. HVAC utility room components are engineered and prefabricated in a SPIE workshop before being outfitted directly on site.

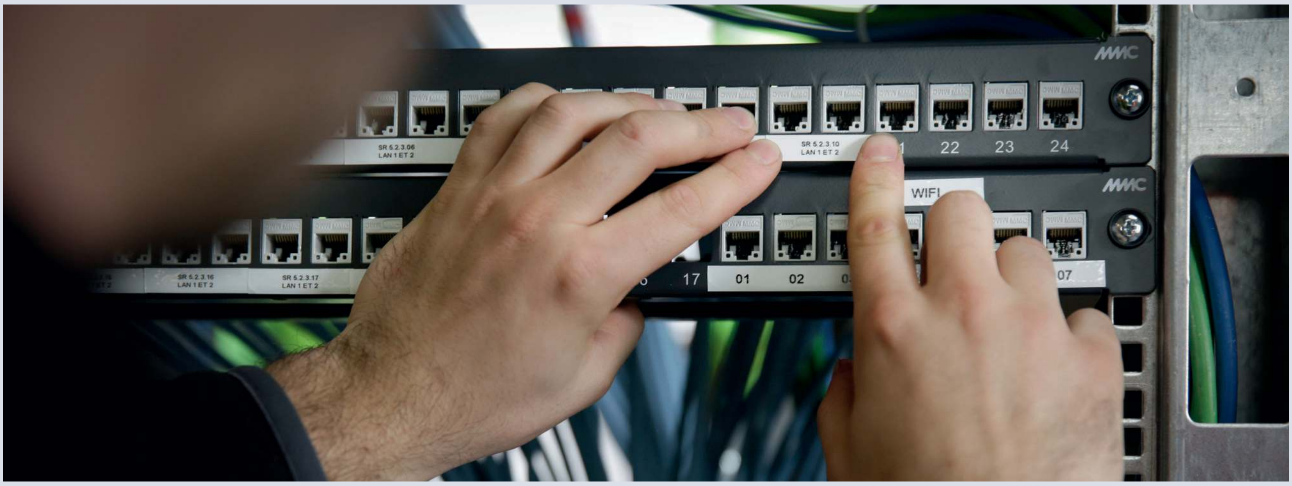
Deep in the heart of the fécamp offshore wind farm - France
SPIE has successfully brought together and deployed a broad array of capabilities to help develop the wind farm off the coast of Fécamp: electrical and instrumentation systems into the wind turbine foundations, connection to the onshore power grid.

A world premier to stabilise a power grid - Germany
SPIE has installed a state-of-the-art 380-kV shunt reactor, specifically designed for TransnetBW. The new reactor enables operators to adjust line voltage very quickly, in the face of frequently fluctuating solar and wind power feed-in.

Recognised expertise in the renewable energy - Belgium
SPIE Belgium has won five contracts in wind energy. For instance, as part of the Seagull project in Zeebrugge, SPIE is connecting two wind turbines to the Fluvius high-voltage grid and ensuring that they operate properly and transmit energy.

-1-

PRESENTATION OF THE GROUP AND ITS BUSINESS



© Philippe Bauduin

1.1 HISTORY

Société Parisienne pour l'Industrie des Chemins de Fer et des Tramways was founded in 1900 and renamed Société Parisienne pour l'Industrie Électrique (SPIE) in 1946. In 1968, Société de Construction des Batignolles (founded in 1846) and SPIE merged under the name SPIE Batignolles. The main Shareholder of SPIE Batignolles at that time was the Empain group which subsequently became the Empain-Schneider group.

In 1997, Empain-Schneider sold SPIE Batignolles to its employees and the British company AMEC which specialised in engineering, project management and consulting. In 1998, SPIE Batignolles was renamed SPIE; it was active in three business sectors: (i) SPIE Batignolles, a specialist in the construction market; (ii) SPIE Enertrans, specialised in rail transport/traffic and the energy market, and (iii) SPIE Trindel, specialised in electrical engineering and local services.

In 2003, AMEC purchased the shares of the minority Shareholders and SPIE thus became the Continental Europe division of AMEC under the name AMEC SPIE. In that same year, AMEC SPIE continued to expand its oil activity with the acquisition of Ipedex and sold SPIE Batignolles, its construction subsidiary, to its executives. In 2006, AMEC SPIE was sold to the PAI Partners fund. Since that date, the Group has conducted business under the SPIE name. In August 2011, a Consortium comprising an investment fund managed by Clayton, Dubilier & Rice, LLC, an investment fund managed by Ardian (formerly AXA Private Equity), and Caisse de Dépôt et Placement du Québec acquired control of the Company for around €2.1 billion.

Starting in 2002, the Group refocussed its strategy to become a leader in the multi-technical services market. The Group therefore moved out of the construction business and large-scale projects to focus on multi-technical services in the energy and communications sectors, thereby becoming a leading stakeholder in the digital and energy transition process. During this same period, SPIE focused its European expansion on Germany, Central Europe, the Netherlands, the United Kingdom, Belgium and Switzerland, countries in which the market structure and growth dynamics match the Group's business model and allow it to achieve leading positions.

This expansion was achieved *via* external growth with, firstly, three major acquisitions including two in Germany (the Service Solutions business of Hochtief in 2013, followed by the SAG group, a leading German provider of services and systems for electric, gas, water and telecommunications networks in 2017), Germany thereby becoming the Group's largest market outside of France. In addition, across highly fragmented markets, the Group continued its strategy of targeted or "bolt-on" acquisitions aimed at strengthening its offer of services. Since 2006, SPIE has completed 126 bolt-on acquisitions representing total acquired production of over €2.3 billion for aggregate total investment of approximately €836 million.

In June 2015, as part of a share capital increase for a total amount of around €700 million, SPIE listed its shares on the Euronext Paris stock exchange under compartment A.

1

1.2 COMPETITIVE STRENGTHS AND ADVANTAGES AFR

The Group is the independent European leader in multi-technical services (electrical, mechanical and climate engineering and communication systems) [(1)]. It is also a major player in specialised technical services dedicated to the Oil & Gas and Nuclear industries.

1.2.1 A EUROPEAN LEADER IN MULTI-TECHNICAL SERVICES, PLAYER IN THE ENERGY TRANSITION AND DIGITAL TRANSFORMATION

THE INDEPENDENT EUROPEAN LEADER IN MULTI-TECHNICAL SERVICES [(1)]

The Group provides multi-technical services for electrical, mechanical and climate engineering and communication systems and specialised energy-related services. The Group differs from the other main multi-technical services players in that it operates independently from a group involved in energy, civil engineering, construction and concession activities. The homogeneity of its business portfolio, its consistency and its focus on multi-technical services have allowed it to successfully develop its activities and strengthen their profitability with its employees being an integral part of the success of this strategy. Moreover, its independence from a more diversified Group gives it wide operational flexibility and allows it to allocate its cash flow to promote consistent growth in its businesses.

A KEY PLAYER IN THE ENERGY TRANSITION AND DIGITAL TRANSFORMATION PROCESSES

The nature of the services it provides gives SPIE a leading role in (i) improving the energy efficiency of buildings and infrastructures, (ii) developing the energy production and distribution mix with a move toward low-carbon energy, (iii) developing clean mobility and (iv) developing automation and smart buildings, alongside the technological convergence of communication systems (in particular *via* cloud computing and external hosting).

As concerns over climate change grow, local and national authorities, corporations and consumers in general are becoming increasingly preoccupied with environmentally responsible energy consumption. The Group considers that many of its technical services, not to mention the innovative services it is developing, in particular with regard to renewable energy production, installing and renovating infrastructure, smart energy systems and optimising communication systems and nuclear energy, maximise energy efficiency and savings. The Group also has recognised expertise in the technical services needed to improve environmental efficiency. It considers itself in a good position to take advantage of the strong growth potential in the "green economy" with customers for whom energy efficiency and sustainable development are a key concern.

A POSITION IN EUROPE'S MOST ATTRACTIVE MARKETS

The Group is the independent European leader in multi-technical services [(1)], with a strategic focus on regions in which the market structure and growth dynamics match the Group's business model and allow it to take leading positions. At the date of this Universal Registration Document, the Group is the largest independent player in France and in Germany, in markets characterised by the coexistence of major national players and a large number of local players [(1)]. The Group also enjoys a strong presence in the Netherlands, Belgium, the United Kingdom, Poland and Switzerland, markets where it considers itself to be among the major players.

The Group's strong foothold in European markets and its range of leading multi-technical services enable the Group to (i) differentiate itself from local players and thus position itself to acquire smaller rivals, and (ii) increase its market shares, particularly among international customers seeking service providers for all their European facilities by addressing their growing needs for multi-technical expertise. The Group is able to provide its services and assist its customers at the local, regional and international level. By virtue of its size, the Group has greater negotiating power with respect to its suppliers, allowing it to achieve economies of scale as part of its procurement policy.

A RANGE OF MULTI-TECHNICAL SERVICES FOCUSED ON HIGHLY TECHNICAL ACTIVITIES

Thanks to its teams' expertise, the Group offers its customers mission-critical technical services and focuses on highly technical activities such as the maintenance and management of data centres in the banking industry or the maintenance and operational support of offshore platforms in the oil and gas sector. The Group's services cover the entire life cycle of its customers' facilities (from design and installation to maintenance and operational support) in electrical, mechanical and HVAC engineering and communications systems, as well as in specialised energy sectors.

(1) Company's estimates based on its 2020 production and the revenue published by the Group's main competitors for the financial year ended December 31, 2020.

A RANGE OF MULTI-TECHNICAL SERVICES BASED ON A DENSE LOCAL NETWORK

The Group's services are based on a dense local network of approximately 800 sites, most of which are located in seven main countries (France, Germany, the Netherlands, the United Kingdom, Belgium, Poland and Switzerland). The Group considers that multi-technical services must be adapted to the specific needs of each customer and that proximity is essential to understand and anticipate customer needs and thus deliver quality services in quick time. Furthermore, the Group considers that its extensive presence in certain countries and its comprehensive customer approach allow it to address the growing trend among big firms to outsource their technically complex non-core operations to service providers capable of servicing their entire facilities and to meet these customers' expectations with regard to quality and services offered. A strong local presence is also a key driver of performance and efficiency and gives the Group the ability to optimise and leverage resources.

A STRONG BRAND AND A REPUTATION FOR TECHNICAL EXPERTISE SUPPORTED BY HIGHLY QUALIFIED, MOTIVATED TEAMS WHO HAVE A STAKE IN THE COMPANY'S PERFORMANCE

With over 100 years of experience, the Group enjoys a strong brand and a reputation for high service quality among its customers. Its range of services is supported by qualified and motivated teams.

The Group has set up several training centres to spread technical expertise throughout its various subsidiaries and leverage it across its industries and the countries in which it is active. It also gives its employees a share of profits through a strong employee stock ownership plan and a policy of awarding bonuses closely affiliated with financial performance (EBIT and cash flow of the operating unit in question) as well as the Group's safety record.

1.2.2 A BUSINESS MODEL BASED ON RECURRING REVENUES

The Group has developed a wide range of integrated technical services to meet the needs of very different customers operating in various markets by establishing a growth-driving business model focused on generating stable levels of revenue over the long term.

Recognised for the quality and reliability of its services, the Group has fostered trust among its customers and as a result enjoys a multitude of long-term business relationships and a high customer retention rate. Moreover, maintenance services, which are generally combined with integration services, afford the Group long-term revenue growth with contracts generally running for periods of three years or for one year with automatic renewal. Maintenance services accounted for approximately 80% of the Group's consolidated production for the financial year ended December 31, 2020. Growth in maintenance contracts is thus a critical factor in the Group's business model.

Moreover, the Group's business model favours smaller projects, which are sometimes part of larger multiyear framework contracts, and avoids major one-off contracts with their higher levels of risk.

Lastly, the Group's business model, as well as the diversification of its client portfolio and the markets in which it operates, have historically provided protection during economic downturns that affects one of its business segments or regions. For the financial year ended December 31, 2020, the Group's top ten customers therefore accounted for only 19% of its consolidated production. Furthermore, the Group's business with its ten biggest customers is spread out across various contracts, operating segments and regions, thus reducing its commercial dependence.

The Group considers that its large customer portfolio of over 25,000 clients, its limited concentration in specific markets, its longstanding customer relationships, the importance of its maintenance contracts, and the limited size of its average orders allow it to benefit from a diversified business model and to be well placed to earn stable revenue and, as it has demonstrated in recent years, to deal effectively with periods of economic slowdown.

1.2.3 THE IMPLEMENTATION OF STRICT PROCEDURES AND CONTROLS TO ENSURE THE STRONG PERFORMANCE OF LOCAL MANAGEMENT TEAMS

With approximately 800 premises, mainly concentrated in seven countries, the Group offers its services through a dense local network and applies common procedures to ensure the coherence and strong performance of its local management teams. The Group's management closely monitors the applications of these procedures; in particular when consolidating new entities, the Group ensures its best practices are applied in the newly acquired firms, not least the proactive management of risk *via* common financial procedures, local management oversight and advanced reporting systems.

The Group has developed standardised best practices, specifically with regard to managing its working capital requirement and invoicing methods, in all the countries in which it operates. Through a rigorous contracting structure as well as strict invoicing procedures, the Group ensures the effective collection of its receivables, thus contributing to the generation of high cash flows.

The Group's strategy emphasises flexibility, local decision-making and responsibility on the part of operating managers so as to adapt to market conditions and take advantage of growth opportunities while leveraging the best practices and expertise shared throughout the Group. Under the oversight of the Group's General Management, local management teams are empowered and incentivised to focus on their local markets and look for potential acquisitions (within strict criteria and limits set at Group level) and are directly responsible for the successful consolidation of new acquisitions.

The competence and experience of its local management teams have enabled the Group to develop a corporate culture based on strong performance and strict risk management which rewards teamwork and individual merit and initiative through clear incentives. The Group believes that this strong local management culture, which motivates employees at all levels of the organisation, is essential to implementing its strategy and reaching its goals (see Section 1.3 of this Universal Registration Document).

1.2.4 LONG-TERM STRUCTURAL GROWTH FACTORS ON WHICH TO CAPITALISE

The Group considers that its position as an independent European leader [1] enables it to seize growth opportunities by making the most of long-term growth drivers in the various markets in which it operates.

ENERGY EFFICIENCY IN BUILDINGS AND INFRASTRUCTURE

As concerns over climate change grow and environmental standards are therefore tightened, public and private entities are becoming increasingly preoccupied with environmentally responsible energy consumption. This is in particular taking the form of the implementation of energy expenditure optimisation systems.

The Group considers that many of its technical services, not to mention the innovative services it is developing, in particular with regard to installing and renovating infrastructure, smart energy systems, renewal energy production, nuclear energy and IT and communication systems enabling co-working while reducing travel all maximise energy efficiency and savings. The Group also has recognised expertise in the technical services needed to improve environmental efficiency. It therefore considers itself to be in a strong position to benefit from the strong growth potential linked to the "green economy".

As the use of renewable energies spreads, the Group is continuing to develop a line of services in hydroelectricity, solar and wind power, and in techniques such as methanation and waste combustion.

CHANGES IN THE ENERGY PRODUCTION AND DISTRIBUTION MIX

Changes in the energy production and distribution mix are leading to the increasing use of low-carbon energy. According to forecasts from the International Energy Agency, the share held by electricity (the energy which is at the very heart of the Group's business) in the energy mix in Europe should grow to 32% [2] in 2050 (compared with 19% in 2015), thereby placing the issue of electricity production and distribution at the heart of the changes being led by local and national authorities.

The Group offers a wide range of resources, skills and services aimed at improving the methods for using, producing and transporting electricity under optimal safety and quality conditions. This measure is focused on energy efficiency and environmental performance. The Group is active both in the deployment of external networks (high- and low-voltage networks, dry, heat and telecommunications networks) and in the construction and maintenance of electrical transformer stations. The Group has therefore strengthened its presence in energy transmission and distribution services, in particular in Germany in 2017 with the acquisition of SAG (see Section 1.2.5 below).

THE DEPLOYMENT OF NEW TECHNOLOGIES AND INNOVATIVE SERVICES

Technical building and infrastructure systems are experiencing constant technological change. This is being reflected in the increasing use of technology in buildings, particular with respect to the development of automation as well as the technical convergence of communication systems (in particular, with cloud computing and external hosting) and user comfort and safety measures. This development is currently characterised by the increasing use of smart technology in building equipment and infrastructure and, more specifically, in the increasing demand for "smart solutions" which combine IT and communication technologies, and electrical and mechanical equipment, with for example the development of intelligent systems enabling the optimisation of energy use.

SPIE, a leading player in multi-technical services in the energy and communication sectors, has the skills which lie at the very heart of these changes. Combining (i) expertise in the most state-of-the-art technologies with (ii) detailed knowledge of customer assets and strengthened by its role as integrator, the Group is in a position to provide optimal support to its customers in the deployment of new technologies and innovative services.

INFRASTRUCTURE RENEWAL AND IMPROVEMENT

The services offered by the Group cover the entire life cycle of its customers' facilities, from design and installation to operational support, maintenance and the redevelopment of existing infrastructure.

SPIE is capitalising on the demand created by the need for ever larger and higher performance energy, telecommunications and transport infrastructure, compliant with increasingly stringent safety requirements.

As an example, in the nuclear sector, in 2016, at the end of a tender process lasting four years, the Group won a contract for the renovation of radiation protection systems in nuclear power plants in France under the "Grand Carénage" plan, an investment programme covering the period 2015-2035 being implemented by EDF, a long-standing customer of the Group. The Group plays a critical role in implementing the plan, which aims to improve the safety and availability of nuclear power plants and to extend their lifetime beyond 40 years.

(1) Company's estimates based on its 2020 production and the revenue published by the Group's main competitors for the financial year ended December 31, 2020.

(2) Source: International Energy Agency, energy mix in the European Union, ETP 2DS scenario, 2017.

1.2.5 A HISTORY OF SUCCESSFUL ACQUISITIONS, DEMONSTRATING THE GROUP'S ABILITY TO PARTICIPATE IN THE CONSOLIDATION OF THE SECTOR

The technical services industry in which SPIE operates remains structurally fragmented, offering substantial opportunities for consolidation and external growth thanks to the potential acquisition of local players, in particular in Germany and Central Europe. In recent years, the Group has implemented its pan-European strategy by playing an active role in this consolidation, on the two levels described below.

THREE "PLATFORM" ACQUISITIONS HAVING ENABLED SPIE TO ENTER NEW MARKETS

In September 2007, the Group acquired the British company Matthew Hall, subsidiary of the engineering group AMEC Plc specialised in multi-technical engineering services ranging from initial studies to long-term maintenance (Facility Management) and including electrical and mechanical installation work. This acquisition allowed SPIE to obtain a presence in the United Kingdom.

In September 2013, the Group purchased the Services Solutions of Hochtief in Germany, thereby obtaining a presence in the German market and *de facto* becoming one of the lead players in the German integrated multi-technical maintenance market, offering solutions dedicated to improving the energy efficiency of customers' installations.

In April 2017, the Group reached a new stage in its development in Germany and Central Europe with the acquisition of the SAG group, a leading German provider of services and systems for electricity transmission and distribution networks (see Section 4.1.3 of this Universal Registration Document).

A STRATEGY INVOLVING ACQUISITIONS OF SMALL AND MEDIUM SIZED COMPANIES, FOUNDATION OF THE GROUP'S GROWTH MODEL

At the same time, for over 10 years now, SPIE has been pursuing a strategy based on bolt-on acquisitions, *i.e.* the acquisition of a significant number of small or medium-sized companies enabling it to (i) develop the local density of its presence, (ii) reinforce the range of services on offer and (iii) extend geographical cover. Due to the considerable fragmentation of the markets in which the Group is present as well as the significant and recurrent generation of available cash resources, one part of which is re-invested each year in external growth, this strategy forms the foundation for SPIE's growth model.

Since 2006, SPIE has completed 127 bolt-on acquisitions representing total acquired production of over €2.3 billion for aggregate total investment of approximately €850 million, thanks to a highly selective approach to the various investment opportunities and the application of strict financial criteria reflected in particular by an average acquisition EBITA multiple of 5.8x.

The following table details the targeted bolt-on acquisitions made by the Group since 2006:

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Number of bolt-on acquisitions	2	10	18	11	10	14	11	6	6	8	10	11	5	4	1
Acquired production (in € million)	14	113	217	99	79	125	167	221	212	184	263	321	95	210	10
Acquisition costs (in € million)	7	51	89	33	34	52	45	77	74	51	79	112	32	100	9
Growth resulting from the targeted bolt-on acquisitions (in%)	1.9	5.0	3.2	4.3	1.2	2.9	3.2	5.4	4.4	3.4	3.6	7.1	3.6	2.2	1.3

The Group's external growth policy is led by a dedicated and experienced team, with strong support from local teams in the identification and integration of the entities acquired. The execution and success of this policy are enhanced by an in-depth knowledge of the markets and their various players which has in particular enabled SPIE to complete most of its acquisitions by mutual agreement, rather than in a bidding war, and to maintain a shortlist of clearly identified and constantly updated targets. Moreover, the Group's high level of available cash flow has enabled it to self-finance all of the bolt-on acquisitions completed in recent years.

SPIE has also demonstrated its ability to rapidly and efficiently consolidate acquisitions and to improve post acquisition operating efficiency with a proven ability to systematically apply its standardised best practices with regard to financial and reporting procedures and improve financial performance, particularly with regard to generating operating cash flow. With its ability to successfully consolidate acquisitions and accurately identify potential acquisition opportunities, the Group considers itself to be in a good position to seize acquisition opportunities and play an even more active part in consolidating the industry.

1.2.6 AN ATTRACTIVE FINANCIAL PERFORMANCE WITH HIGH VISIBILITY

The Group reckons it has successfully delivered EBITA and production growth year after year, and also maintained a cash conversion ratio [(1)] of close to 100%.

The Group's production increased from €2.7 billion in 2006 to €6.6 billion in 2020, with EBITA rising from €97 million to €339 million and the EBITA margin going from 3.7% to 6.0% over the same period. In 2020, due to the impact of the health crisis, the margin exceptionally decreased by 90 basis points to 5.1%.

Performance indicator	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Production *(in millions of euros)*	2,652	3,116	3,625	3,664	3,661	3,984	4,115	4,563	5,220	5,264	4,941	6,127	6,671	6,927	6,642
EBITA *(in millions of euros)*	97	129	166	197	220	243	262	298	334	353	342	388	400	416	339
Cash conversion ratio *(in %)*	N/A	176	156	96	124	106	100	110	102	105	122	102	116	101	139

The Group has been able to achieve this performance by (i) actively managing its business portfolio, which has allowed it to focus on the most attractive and profitable market segments, (ii) continually optimising its structure by simplifying its hierarchy, (iii) strengthening its network density, which has allowed it to broaden its range of products and services and be more responsive to local demand as well as more productive, (iv) strictly benchmarking its performance across all its subsidiaries, (v) structuring its purchases more efficiently, (vi) adapting its cost base, and (vii) pursuing a deliberate and effective acquisitions policy, which has enabled it to gain a foothold in new markets and regions and enhance its range of products and services.

In addition, the multi-technical services sector in which the Group operates is characterised by limited capital expenditures. Through its traditional financing policy rooted in profitability and maintaining a negative working capital requirement, the Group considers that it generates high cash flow, allowing it to rapidly reduce its indebtedness ratio while pursuing its value-creating acquisitions strategy.

1.2.7 A SOLID CORPORATE CULTURE, REFLECTED BY A HIGH LEVEL OF EMPLOYEE SHAREHOLDING

The Group is led by a team comprised of the Chairman and Chief executive officer and a 11-member Executive Committee with solid experience in the multi-technical services industry. Under this team, the Group has developed a strong corporate culture based on solid fundamentals, including:

- a large pool of qualified line and staff managers supported by a highly-skilled workforce with recognised technical expertise at all levels;
- an emphasis on professional development and workplace safety. In-house training, talent recognition and the adoption of best health and safety practices foster a favourable work environment and high levels of employee retention compared with competitors; and
- an alignment of interests with employees (approximately one third of whom are Shareholders of the Company), who are members of a comprehensive profit-sharing policy for all employees and participate in the construction of a common vision of the Group's strategy and objectives.

A critical factor in the Group's success is its employees' commitment to it and the prevalence of common values. The Group has therefore sought to associate its employees close with its performance by implementing successive employee shareholding schemes in 2006, 2011, 2015, 2018, 2019 and 2020.

SPIE intends to pursue the policy of actively promoting employee share ownership, which it considers to be a key strategic area for supporting the profitable development of the Group.

(1) Ratio showing cash flow generated by business for the period compared with EBITA over the same period.

1.3 STRATEGY AFR

As the independent European leader in multi-technical services in the areas of energy and communications, SPIE is quite naturally a major player in energy transition and digital transformation in Europe. This position finds its origins in the Group's historical roots and, for many years now, has been based on its missions and know-how. In markets which are characterised by constant and rapid technological change, the Group's strategy is aimed at anchoring and further strengthening this position *via* the four strategies described below.

(I) DEPLOY A HIGH VALUE-ADDED MULTI-TECHNICAL SERVICE OFFERING BASED ON FOUR BUSINESS LINES

SPIE's strategy consists of the deployment, in all countries in which the Group has a presence, of a full offer of multi-technical services with high added value which are essential for the successful implementation of its customers' projects. This offer is based on four business lines which, between them, have significant potential in terms of operation and commercial synergies, for which the Group is seeking balanced development:

- Technical Facility Management, which covers the maintenance and technical management of facilities as well as the services necessary for their running (25% of the Group's consolidated production in 2020);
- Mechanical and Electrical Services, which covers the installation and improvement of mechanical, electrical and heating, ventilation and air-conditioning systems (37% of the Group's consolidated production in 2020);
- Information & Communications Technology Services, which covers the installation, improvement, operational support and maintenance of voice, data and image communication systems (22% of the Group's consolidated production in 2020);
- Transmission & Distribution Services, which covers services for energy transmission and distribution infrastructure (16% of the Group's consolidated production in 2020).

(II) FOCUS ON FOUR STRATEGIC MARKETS BENEFITING FROM LONG-TERM STRUCTURAL GROWTH FACTORS

The Group concentrates its development and offering on four strategic areas:

- Smart city, which covers the development of smart cities, in particular in terms of communication infrastructure, mobility, collective equipment and safety (38% of the Group's consolidated production in 2020);
- Efficient buildings, which covers a range of energy performance services ranging from design to the operation and maintenance of low energy consumption buildings (19% of the Group's consolidated production in 2020);
- Energies, which covers the services offered by the Group in the energy sector, in particular, electricity transmission and distribution and also nuclear energy, renewable energy and oil & gas (28% of the Group's consolidated production in 2020); and
- Industry services, which covers the various services provided to industry (15% of the Group's consolidated production in 2020).

This positioning enables SPIE to capitalise on the attractive opportunities for growth offered by these four strategic markets, in particular, those described in Section 1.2.4 of this Universal Registration Document.

(III) PURSUE A MANAGEMENT POLICY CHARACTERISED BY OPERATIONAL AND FINANCIAL EXCELLENCE, GUARANTEEING THE SOLIDITY AND RECURRENCE OF ITS RESULTS AND CASH FLOWS.

The Group endeavours to maintain and further improve the effectiveness of its operational management and the quality of its services to increase the value of its products and services.

To that end, the Group applies a rigorous selection policy in relation to the projects on which it works, and also on contract management. It focuses on small-scale contracts, mostly implemented in the context of asset support, across an extensive customer base which is both diverse and high quality. It also intends to make constant improvements to its procurement procedures and conditions to better manage its cost structure. More generally, it manages carefully all costs and the risks associated with the performance of its contracts and the management of projects as a whole. Finally, it pays particularly close attention to the management of its working capital requirement, structurally negative, so as to reinforce its cash flows and thereby ensure (i) the self-financing of its external growth projects, (ii) a continuous fall in its borrowing ratio and (iii) a significant return on investment for its Shareholders.

The Group ensures that its employees have a strong commitment to this policy of rigorous management, focused on operational and financial performance. It continues to implement its variable incentive compensation policy for employees, based in particular on the Group's financial performance and safety record.

(IV) ACQUIRE AND STRENGTHEN LEADING POSITIONS BY PARTICIPATING IN THE CONSOLIDATION OF THE SECTOR

Although the technical services market in Europe has experienced some consolidation in recent years, it remains extremely fragmented, with numerous small or mid-sized firms, and offers the Group significant acquisition opportunities all over the world and particularly in Germany and overall across all of its markets.

With its strong cash flow, SPIE seeks to continue to expand its market presence and widen its range of products and services, essentially through relatively small acquisitions in regions where it can densify its network or broaden its range.

The Group benefits from the experience of its acquisitions team working in tandem with regional teams responsible for identifying and analysing potential local targets and ensuring the successful integration of acquired entities.

Having compiled a shortlist of clearly identified potential targets, the Group will continue to look at opportunities for acquisitions through a rigorous selection, audit and monitoring process, allowing it to ensure that acquired entities are successfully consolidated and their operating efficiency enhanced, thus making external growth an essential source of value creation.

1.4 MARKETS AND COMPETITIVE POSITION AFR

SPIE has developed a strategic focus on regions in which the market structure and growth dynamics match its business model and allow it to take leading positions.

At the date of this Universal Registration Document, the Group is one of the four largest independent players in France in a relatively consolidated market in which major national players occupy a prominent place but where there is still a significant number of local players. The Group is also one of the two leading players in Germany, a country which has experienced strong development since 2013, and has a presence in the Netherlands, Belgium, the United Kingdom, Switzerland, Poland, Austria, Hungary, Slovakia and the Czech Republic.

SPIE considers that cyclical changes have relatively little impact on its markets and that it also enjoys a high level of recurring business by continuing to provide asset support and maintenance services, thereby offering predictable revenue growth and some protection against economic ups and downs.

In each of these countries, the multi-technical services market is composed of the following main customer segments:

- tertiary sector: comprising mainly office buildings, retail and healthcare;
- industry sector, including in particular pharmaceuticals, petrochemicals, automotive and aerospace;
- infrastructure: including energy, transport and telecommunications infrastructure operated mainly by large national companies;
- local authorities: including all public buildings (excluding hospitals) and infrastructures owned by regional and municipal authorities (schools, research centres, libraries, city halls, public lighting, etc.); and
- residential buildings: where the Group has a limited presence, mostly addressed by small local players.

1.4.1 FRANCE

The French multi-technical services market is structured around four types of actors:

- large subsidiaries of leading French construction groups (Vinci Énergies, Eiffage Énergie, Bouygues E&S);
- subsidiaries of energy groups (Engie, EDF);
- large national independent players (SPIE, SNEF); and
- a large number of small and medium-sized regional and local players, basing their strategy on proximity and customer relationships or niche expert appraisals.

Major players now offer all types of services and cover all end-customer markets. In 2020, in a French market that is still fragmented, although more consolidated than other European markets, the Group believes it is one of the fourth largest players [(1)].

1.4.2 GERMANY & CENTRAL EUROPE

The strong development of the Group in Germany since 2013 has considerably reinforced its position on this market. Today, the Group considers itself the second-largest player in the German multi-technical services market. This market is highly fragmented and structured around three categories of player:

- the major international players (Vinci Energies, SPIE, Apleona, Strabag, Engie) which represent less than 10% of the market;
- the multinational or national players of medium size:
  - technical maintenance/energy efficiency: Gegenbauer/RGM, Wisag, Getec, regional energy suppliers,
  - Mechanical & Electrical Services: Caverion, R+S Group, Elevion,
  - Transmission and Distribution: CTeam, EQOS, Freitag-Gruppe, LTB and original equipment manufacturers (ABB, GE, Siemens), and
  - Information & Communication Services: Computacenter, Euromicron, Telcat;
- numerous small and medium-sized regional and local players often specialised in a specific market segment.

1.4.3 NORTH-WESTERN EUROPE

(I) NETHERLANDS

The Group considers itself to be one of the leading players in the Dutch multi-technical services market which is relatively fragmented [(1)]. In particular, the Group believes to be the market leader in the Energies and Bridges and Locks market.

(II) UNITED KINGDOM

The British multi-technical services market is structured around four types of actors:

- integrated construction groups (Balfour Beatty, Skanska, Laing O'Rourke);
- groups specialising in the multi-technical services sector (NG Bailey, SPIE, Forth Electrical, Imtech, T. Clarke, Lorne Stewart);
- operators core in other services with M&E offering (SSE, InterServe); and
- a large number of small and medium-sized regional and local players.

(III) BELGIUM

The Group considers itself to be one of the largest players in the Belgian multi-technical services market which is mainly covered by international groups.

(1) Company's estimates based on its 2020 production and the revenue published by the Group's main competitors for the financial year ended December 31, 2020.

1.4.4 OIL & GAS AND NUCLEAR

1.4.4.1 OIL AND GAS

In 2020, the Group considers itself to be one of the main players in the commissioning of facilities services (before and after) and operations and maintenance markets. The rest of the technical assistance is market remains highly fragmented, with a very large number of small local and regional players, as well as temporary technical staff providers.

1.4.4.2 NUCLEAR

The market is quite consolidated, with few players having the expertise and qualifications needed to work in the specific environment of conventional nuclear plant islands. In 2020, the Group considers itself to be among the main players in the multi-technical services market for the nuclear industry in France [1].

(1) Company's estimates based on its 2020 production and the revenue published by the Group's main competitors for the fi nancial year ended December 31, 2020..

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1.5 GROUP BUSINESS AFR

1.5.1 OVERVIEW

The Group provides multi-technical services for electrical, air conditioning and mechanical engineering in three geographical areas: France, Germany & Central Europe, and North-Western Europe. The Group also offers, services and support in those geographic regions dedicated to information and communication systems infrastructure, telecoms services and security and safety of buildings.

As part of its Oil & Gas and Nuclear activities, the Group also offers multi-technical services in specialised sectors of the Oil & Gas and Nuclear industries. The Group operates its Oil & Gas activities in nearly 19 countries, while nuclear activities are conducted mainly in France.

The wide range of services offered by the Group breaks down into six areas of activity: Building Technical Facility Management, City Networks, Information and Communication Services, Building Technical Installation, Industry.

BUILDING TECHNICAL FACILITY MANAGEMENT

In buildings, the users' experience is of foremost importance. For the Group, this means integrating new, innovative services and different services to make interconnected buildings and improving the uses of the occupants and operators, while meeting more and more stringent environmental energy efficiency standards.

Across all of its business lines in electrical, HVAC and mechanical engineering, the Group's services include (in addition to installation) support for operations and process industrialisation (servicing, preventive and corrective maintenance, repair, small renovation), allowing it to support its clients throughout the entire life-span of their equipment. The Group offers a wide range of audit, diagnostic and mono- or multi-technical maintenance services required for the operation of its customers' facilities, combining electrical, air conditioning and mechanical engineering. Its expertise in technical facilities allows the Group to commit to availability rates and performance levels for facilities. In energy performance contracts, the Group also commits to the energy performance levels of the facilities for which it is responsible

CITY NETWORKS

Energy transition, upgraded urban mobility, interoperable infrastructures, smart public lighting, increased comfort and security, new mobile services in the areas of safety and transportation, etc. The city is changing each day. The Group contributes to the modernisation of the urban territories and the development of a sustainable model of the city, alongside the public operators, placing the user at the heart of the new systems deployed.

It is important to consider the transformations that the European energy sector is undergoing, in particular linked to the exponential development of renewable energies. In this environment, it is imperative to modernise the transmission networks; the objective would be to best link the cities to the decentralised areas where energy is produced.

The transmission and distribution of energy concerns first of all electrical (high-voltage powerlines, substations, distribution networks) energy. Those services include planning, design, engineering, installation, commissioning as well as operation and maintenance support services.

These are services that correspond to telecommunications infrastructure such as the installation of mobile telephone hot spots, the roll-out of very high-speed infrastructure, and connecting customers to fibre optic (particularly as part of Ftth "Fibre to the Home" programs) or systems for supervision and control stations for railroad or road traffic. The Group also provides maintenance services for major telecommunications operators such as Orange.

The Group would like to position itself both as a European leader in the Transmission & Distribution market and as a partner of reference for public operators for Smart City concepts and solutions.

INFORMATION AND COMMUNICATION SERVICES

Digital technology makes major changes in the behaviours and expectations of final customers in all sectors of activity. To make their digital experience the simplest, most streamlined and pleasant possible, one must be able to manage the complexity of infrastructures, data and services provided.

The Group offers a wide range of solutions and services for information and communication systems, from design to managed services, as well as a range of operated and cloud computing services, in France, Switzerland, the Netherlands, Germany and Belgium. A large part of Information & Communications Technology Services account for more than a half of the Group's business within the field of IT infrastructure and communication networks services.

The Group offers its customers unified services and solutions for voice, data, image communications, as well as services and solutions for technical infrastructures for information systems. The Group also offers integrated, consistent and secure solutions for communications and information systems. Finally, the Group integrates "connected objects" in its services, particularly in the health sector, with remote diagnostics and patient monitoring applications.

The Group also relies on solid service control measures, such as auditing and advising on the architecture and security of IP computer networks, integration and maintenance of IP networks and security equipment, user support, management and support for the operation of networks and systems.

The Group offers infrastructure-related services for data centres, such as design, installation, maintenance and support for the operation of such centres. For a complete range of offerings in this activity, services involving the installation of access control and monitoring systems for computer sites form an integral part of the Group's expertise. The Group also pursues its development in the area of managed services and maintenance of operating conditions. These services are offered as part of multi-year contracts that include a commitment to results with regard to services offered (service level agreement).

BUILDING TECHNICAL INSTALLATION

The Group's ambition is to sustainably optimise the technical, economic and environmental performance of buildings to best meet the societal challenges of the energy and digital transformation, while putting the new uses of the occupants at the centre of its concerns. The Group offers its expertise in the service of office buildings, shopping centres, or public buildings.

The Group's offering covers, among others, energy efficiency, smart lighting, dynamic maintenance of client assets throughout their life cycle, the use of BIM (Building Intelligence Modelling), as well as space optimisation.

INDUSTRY

European industry is in full transformation to gain in productivity while improving its technical and environmental performance. SPIE operates beside industrial companies to accelerate this transformation and help them become more competitive. Present throughout the industrial value chain overall, the Group offers innovative services to improve and automate manufacturing processes, streamline the supply chain, reduce energy consumption, integrate the Internet of Things (IoT) and new digital uses in the factory of the future.

1.5.2 FRANCE

For the financial year ended December 31, 2020, the France segment generated €2,429 million, or 37% of the Group's consolidated production, and EBITA of €113 million, representing 33% of the Group's consolidated EBITA.

The Group offers its services with the help of its subsidiary SPIE France and through a dense network of local offices in France. The Group offers services to all players and all sectors in the economy, in particular in aeronautics, agro-food, mass distribution, banking and insurance, health and local authorities and State services.

Amongst the main Key Accounts clients to which the Group provides electrical engineering services are notably included EDF, Total, SFR, Orange, Free, Airbus, SNCF or BNP Paribas. In the areas of HVAC engineering and mechanical engineering services, the Group's clients are, respectively, entities in the tertiary sector, and companies in the manufacturing and infrastructure sector, including, for example, Airbus Group, Société Générale, Renault, Michelin, Peugeot, Naval group, GSK, Boehringer Ingelheim or Sanofi.

In France, the Group offers all services related to information and communication systems, in particular services helping to co-build and integrate the digital work environment and then to manage and optimise it, such as support in the Cloud transition, cybersecurity, valorisation and data management.

In order to enhance its range of services offering, the Group is regularly considering acquisition opportunities.

1.5.3 GERMANY & CENTRAL EUROPE

For the financial year ended December 31, 2020, the Germany & Central Europe segment generated a €2,365 million production, *i.e.* 36% of the Group's consolidated production, and a €121 million EBITA, *i.e.* 36% of the Group's consolidated EBITA.

Relying on its SPIE Deutschland & Zentraleuropa subsidiary ("SPIE DZE") the Group mainly operates in Germany, Poland, Czech Republic, Slovakia and Hungary. SPIE DZE service range encompasses technical facility management, energy-efficiency solutions, technical services for the transmission and distribution of energy and for industrial clients as well as in the areas of electrical and security technology, HVAC technology and information and communications technology.

The Group is present in all major German metropolitan industrial regions (Lower Saxony, Hamburg, North Rhine-Westphalia, Rhine-Neckar, Saxony, Stuttgart, Munich, Nuremberg, Berlin, etc.).

The Group's clients in Germany represent a broad range of sectors: finance, healthcare, real estate, transportation, semi-conductors, automotive, transmission network and electrical networks operators and include private and public players such as 50Hertz, Amprion, Commerzbank, Daimler, Deutsche Bahn, E.ON, ENBW, EWE, Innogy, Lufthansa, MunichRE, Siemens, Tennet and several public authorities.

In line with its strategic priorities, in 2020 SPIE continued implementing its external growth policy in Germany and Central Europe. The Group acquired Planen & Bauen, a company based in Germany and specialised in the design, planning and supervision of projects related to data centres and buildings for specific uses. The Company employs 60 people and generated revenue of around EUR 10 million in 2019.

Outside of SPIE DZE, the Group has operations in Switzerland, offering a full range of multi-technical services.

1.5.4 NORTH-WESTERN EUROPE

The North-Western Europe segment includes the Group's business in the Netherlands, the United Kingdom and Belgium.

For the financial year ended December 31, 2020, the North-Western Europe segment generated production of €1,381 million, or 21% of the Group's consolidated production, and EBITA of €49 million, representing 14% of the Group's consolidated EBITA.

(I) NETHERLANDS

Through its subsidiary SPIE Nederland, the Group has been active in the Netherlands since 1997 in several phases of design, installation and maintenance in various environments: network systems (FttX), high voltage overhead lines, energy facilities, renewable energies, transport infrastructures (bridges, locks, tunnels), public lighting, manufacturing and building sites, notably with expertise in fire protection and security and information communication services. It also offers maintenance consulting services and develops inspection and maintenance software for manufacturing facilities and networks.

The Group is active in the Netherlands for both private and public sector clients, such as KPN, Rijkswaterstaat, provinces, TenneT, BP, Vopak, Dow, Exxon, DSM, Ahold, Schiphol, Erasmus Medical Centre, and Sitech.

(II) UNITED KINGDOM

The Group operates in the United Kingdom *via* its subsidiary SPIE UK, offering a range of technical and assistance services covering mechanical and electric design, installation, testing and commissioning, as well as maintenance and long-term facilities management.

The Group's clients in the United Kingdom are both public sector and private sector entities; including Unite, NGD, Co Op, Royal Mail Group, Pirbright Institute, Gatwick, Heathrow as well as the Tate.

In March 2020, SPIE UK disposed of its mobile maintenance activities, previously placed under strategic review, whereas all other activities in facilities management of SPIE UK, focused mainly on on-site maintenance, security services and fire protection, will remain within the Group.

(III) BELGIUM

The Group operates in Belgium and Luxembourg through its subsidiary SPIE Belgium, offering a comprehensive range of multi-technical services and ICS.

Belgium is one of the Group's oldest markets, as it has been active there since 1946. The services provided by the Group focus on high-voltage, low-voltage and low-current electricity, instrumentation and piping for the industrial and infrastructure sectors and multi-technical services for the commercial sector and since 2018, in information and communication systems services.

In the manufacturing sector, the Group is active with major industrial players such as Total, J&J, Solvay, BASF, Exxon, GSK, AKZO, Nouryon and financial players, such as ING for maintenance work and engineering projects. The Group is also active through a number of SMEs. In the area of infrastructure, the regions (Brussels, Flanders and Wallonia) and public transport operators (the STIB in Brussels, De Lijn in Flanders and the SNCB nationwide) are the Group's major clients, both for engineering projects and for recurring work.

The services offered by the Group specifically relate to the maintenance of technical facilities in buildings and transportation infrastructure (particularly tunnels and traffic information systems), the installation and maintenance of elevators and the assembly and replacement of electricity and gas meters. In addition, the Group is a major player in the area of HVAC engineering services, and holds a solid engineering position in the hospital and banking sectors and in office building renovations.

1.5.5 OIL & GAS AND NUCLEAR

For the financial year ended December 31, 2020, the Oil & Gas and Nuclear segment generated €466 million, or 7% of the Group's consolidated production, and EBITA of €44 million, representing 13% of the Group's consolidated EBITA.

(I) OIL & GAS

The Group offers a wide range of services in the Oil & Gas sector to assist its clientele, consisting of major players in the oil sector, national oil companies, independent oil companies, manufacturers and engineering companies, particularly in the refining, chemical and petrochemical industries.

The market for Oil & Gas industry covered by the Group is composed of the following activity segments:

- production and maintenance, which include the exploitation and maintenance of production facilities for oil companies (workforce and equipment) as well as related training services;
- repair projects, which include engineering, procurement and construction relating to bringing on-shore and off-shore production facilities up to the industry's standard, as well as related training services;
- services related to the launch of new units or new facilities (pre-commissioning, commissioning and launch) including the expertise of our specialists and the deployment of dedicated methodologies;
- support services for exploration and drilling activities (workshop, equipment, etc.);
- new construction projects which include engineering, procurement and construction of new on-shore and off-shore production facilities and the related training services.

The Group's range of services also includes engineering services and delivery of solutions for onshore and offshore facilities during all phases of a project. This specifically includes consulting and auditing, installation and technical support for telecommunications and control systems, and security for production facilities and pipelines.

The Group also offers a wide range of services to support the operation and maintenance of onshore and offshore petroleum facilities. It is active in the commissioning of operating sites, by providing personnel and software to accelerate the development of project documentation and improve management, performance and safety during project execution. The Group also offers maintenance services. The Group's contributions to maintenance may also be combined with support for production operations (commissioning, quality control, etc.). Finally, the Group provides dedicated maintenance and repair services for revolving machinery, and treatment solutions for contaminated soil and the cleaning of oil tanks.

During the financial year ending December 31, 2020, the Group provided its services in nearly 19 countries, *via* subsidiaries and branches located across four regions worldwide: Europe (France), Africa (in particular, Algeria, Angola, Congo, Gabon, Ghana, Nigeria and Senegal) where the Group carries out most of its Oil & Gas production business, Asia-Pacific (in particular, in Australia, Indonesia, Malaysia, Bangladesh, Myanmar, South Korea and Thailand) and the Middle East (in particular, the United Arab Emirates, Iraq, Qatar, Saudi Arabia and Kuwait).

The Group provides its services to the major actors in the oil and gas industry such as Total, Chevron, ENI, ExxonMobil and Shell. Its clients also include independent oil companies, such as Maurel & Prom or Perenco, national oil companies, such as Sonatrach (Algeria), Qatargaz (Qatar), KNPC (Kuwait) and Sonangol (Angola).

(II) NUCLEAR

The Group is a long-time player in the French nuclear sector, having participated in the construction of the 58 French nuclear reactors. Through its subsidiary SPIE Nucléaire, the Group has been assisting nuclear fuel cycle operators for over thirty years in France.

Through the services it offers, the Group contributes to virtually the entire nuclear fuel cycle: from manufacturing to reprocessing-recycling of nuclear fuel, from electricity production, from waste processing and storage, to the decommissioning of nuclear facilities.

The Group offers engineering solutions for the entire life-span of facilities, as well as electrical engineering, mechanical engineering, HVAC engineering services and nuclear engineering. Its offer covers the following areas of activity:

New work, work on site in operation (nuclear power plants, fuel cycle plants), maintenance and decommissioning.

In new construction, since 2007 the Group has worked with EDF, in the construction of the EPR at the Flamanville site in France, a third-generation nuclear reactor, where it is responsible for general electrical facilities, including studies, procurements, assembly (cable conduits, cable suspension and connection).

The Group is also active in work involving the improvement or reinvestment of operating sites. In this area, following a 4-year tender process, the Group was granted a contract covering the renovation of the radiation protection systems of all the nuclear power plants in France in 2016, as part of the "Grand Carénage" renovation project, the major investment programme deployed by EDF to improve the safety and availability of its nuclear plants with a view to obtaining authorisations to extend the facilities' lifetime beyond 40 years. This programme specifically includes replacing steam generators, monitoring risk of fire, modernising the control centre, and addressing the obsolescence of materials. In this business, the Group obtained several contracts and shall in particular replace more than 200 refrigeration units over the next ten years, over the entire French electro nuclear plants.

The Group also contributes to the upgrades required by the French Nuclear Safety Authority (the "ASN") following the Fukushima accident, which concern all nuclear operators, and more specifically EDF, operator of the French electronuclear plants. The major civil works related to renovations of the facilities are aimed at ensuring supplies of electrical power to the facilities under extreme conditions, maintaining cooling functions (with the implementation of water reserves), ensuring the integrity of protection barriers (verification of resistance to seismic events) and strengthening facility escape capacity and emergency interventions (construction of local crisis centres and implementation of the nuclear rapid response force).

The Group offers maintenance services for all its clients in all areas of electricity, instrumentation, control centre and mechanics. The Group is also engaged in activities and issues related to facilities decommissioning.

During the financial year ended December 31, 2020, the Group mobilised its dedicated subsidiary SPIE Nucléaire, to meet the needs of its customers, the main ones being EDF, Orano and the French Atomic Energy and Alternative Energies Commission.

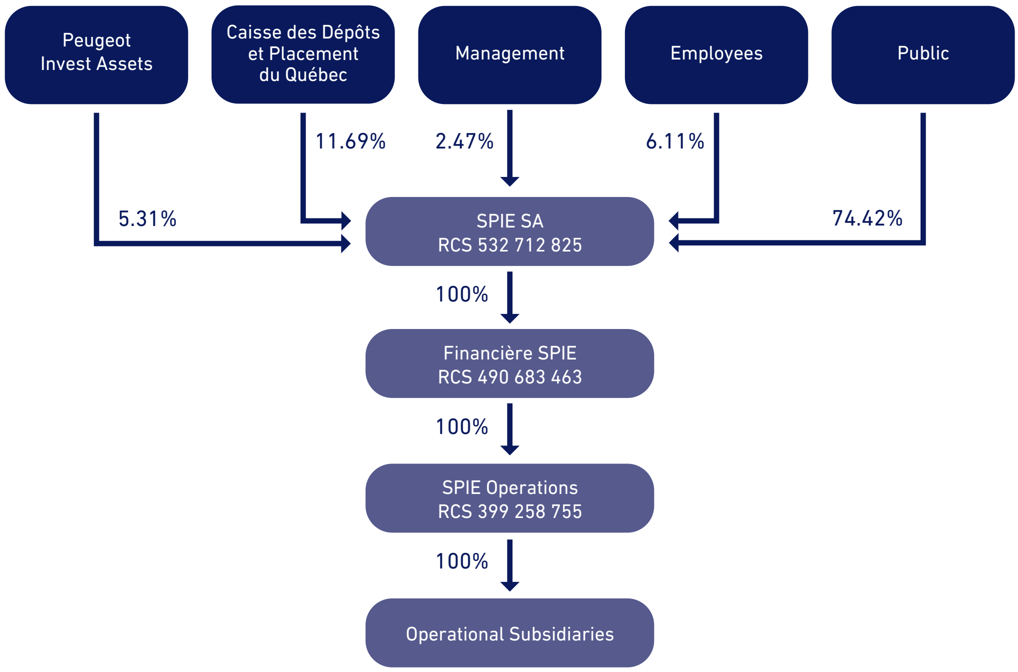
In addition, in December 2020, EDF awarded the Group a national contract for the freezing of piping for the French nuclear fleet.

1.6 STRUCTURE AFR

1.6.1 LEGAL STRUCTURE OF THE GROUP

SIMPLIFIED GROUP STRUCTURE CHART AS AT DECEMBER 31, 2020

The percentages shown in the chart below represent the holding structure of the share capital of the Company as at December 31, 2020:



1.6.2 SUBSIDIARIES AND EQUITY ASSOCIATES

The main direct or indirect subsidiaries of the Company are as follows:

- SPIE France is a French SAS with a capital of €87,506,181.92, registered at 10, avenue de l'Entreprise, 95863 Cergy-Pontoise under company no. 823 461 611 in the Pontoise Trade and Companies Registry. It is the Group's holding company for its French business;
- SPIE Nucléaire is a French SAS with a capital of €1,458,976, registered at 10, avenue de l'Entreprise, 95863 Cergy-Pontoise under company no. 662 049 287 in the Pontoise Trade and Companies Registry. It is the Group's holding company for its nuclear industry business;
- SPIE ICS is a French SAS with a capital of €16,240,000, registered at 148 avenue Pierre Brossolette, 92247 Malakoff under company no. 319 060 075 with the Nanterre Trade and Companies Registry. It is the Group's holding company for its communications business;
- SPIE Industrie & Tertiaire is a simplified joint-stock company incorporated under French law with share capital of €81,070,272 whose registered office is located at 4 avenue Jean Jaurès, PO Box 19, 69320 Feyzin, France, registration number 440 055 861 in the Trade and Companies Register of Lyon. It is the Group's holding company for its multi-technical services in France in the area of industry and tertiary services;
- SPIE Facilities is a simplified joint-stock company incorporated under French law with share capital of €35,277,460.44 whose registered office is located at 1/3 place de la Berline, 93287 Saint-Denis, France, registration number 538 700 022 in the Trade and Companies Register of Bobigny. It is the Group's holding company for buildings maintenance and facility management business;
- SPIE CityNetworks is a simplified joint-stock company incorporated under French law with share capital of €35,704,166.12 whose registered office is located at 1/3 place de la Berline, 93287 Saint-Denis, France, registration number 434 085 395 in the Trade and Companies Register of Bobigny. It is the Group's holding company for outside networks and telecommunications business;
- SPIE Oil and Gas Services is a French SAS with a capital of €14,426,000, registered at 10, avenue de l'Entreprise, 95863 Cergy-Pontoise under company no. 709 900 245 in the Pontoise Trade and Companies Registry. It is the Group's holding company for its oil and gas business;

- SPIE Belgium is a Belgian *société anonyme* (joint stock company) with a capital of €15,100,000, registered at Rue des Deux Gares 150, 1070 Brussels, Belgium under company no. 1139014-73. It is the Group's holding company for multi-technical services activities in Belgium;
- SPIE Nederland BV is a Dutch *Besloten Vennootschap* (joint stock company) with a capital of €57,450,000, registered at Huifakkerstraat 15, 4815 PN Breda, Netherlands under company no. NL 804695234B16. It is the Group's holding company for multi-technical services activities in the Netherlands;
- SPIE UK Limited is a British joint stock company with a capital of £170,000,002, registered at 33 Gracechurch Street, London EC3V 0BT, United Kingdom, under company number 07201157. It is the Group's holding company for multi-technical services activities and nuclear industry-related activities in the United Kingdom;
- SPIE Deutschland & Zentraleuropa is a German *Gesellschaft mit beschränkter Haftung* (joint stock company) with a capital of €10,000,000 registered at Balcke-Dürr-Allee 7, 40882 Ratingen, Germany under company no. HRB 80683. It is the Group's holding company for multi-technical services activities in Germany;
- SPIE Schweiz AG is a *Swiss Aktiengesellschaft* (joint stock company) with a capital of CHF1,100,000, registered at Industriestrasse 50a, 8304 Wallisellen, Switzerland under company no. CHE-443.369.585. It is the Group's holding company for multi-technical services activities in Switzerland.

Note 28 to the consolidated financial statements for the financial year ended December 31, 2020, as included in Section 4.4.1 of this Universal Registration Document, lists all of the companies included in the Group's scope of consolidation.

RECENT ACQUISITIONS AND DISPOSALS

The Group's recent acquisitions and disposals are described in Section 4.1.3 of this Universal Registration Document.

-2-

RISK FACTORS AND INTERNAL CONTROL AFR

2.1 RISK FACTORS

Investors should examine all of the risk factors described in this Universal Registration Document, including those risk factors described below. At the date of this Universal Registration Document, these risks are those whose occurrence the Company deems likely to have a material adverse effect on the Group and its business, financial position, results or prospects. Investors should note that the risks described in Section 2.1 of this Universal Registration Document are not exhaustive and that other risks, whether unknown or whose occurrence, at the date of this Universal Registration Document, was not deemed likely to have a material adverse effect on the Group and its business, financial position, results or prospects, can or could exist or occur.

This chapter presents the main risks which, as of the date of this Universal Registration Document, could potentially impact the Group's business, financial position, reputation, results or prospects. The risks mentioned in section 2.1 include those identified as part of the mapping of the Group's major risks, which was last updated in 2019, to which has been added the risk relating to the Covid-19 pandemic, which appeared at the end of 2019. This risk mapping assesses the critical nature of the risks, *i.e.* their degree of severity in terms of operational, financial, legal/regulatory and reputation impact as well as the corresponding probability, after taking the action plans put in place into account.

The table below ranks the risks in each of the said categories according to their criticality in decreasing order of importance according to a scale with two levels "high" or "medium", after taking into account the prevention and risk management measures implemented by the Group.

Risk category	Description of the risk	Criticality level
Risks relating to the Group's business sectors	Risks relating to economic conditions and changes thereto	High
	Risks related to technological developments and innovation	High
	Risks linked to the competitive environment	High
	Risks relating to the development of the "green economy"	High
	Risks related to the level of public expenditure and public sector contracts	Medium
	Risks related to outsourcing trends	Medium
Risks relating to the Group's business	Risks relating to acquisitions and their integration	High
	Risks related to activities in the oil and gas sector	High
	Risks relating to information systems and cyber-attacks in particular	High
	Risks related to the Covid-19 pandemic and biological risks	Medium
	Risks relating to natural disasters	Medium
	Risks relating to project management	Medium
	Occupational health and safety risks	Medium
	Risks related to dependence on certain customers	Medium
	Subcontracting risk	Medium
	Risks related to the recruitment and retention of key and technical personnel	Medium
	Risks relating to activities in the nuclear industry	Medium
	Risks relating to corruption and ethics	Medium
	Risks relating to the group's reputation	Medium
Risks relating to the Company	Risks relating to management teams	High
	Risks related to indebtedness and financing covenants	Medium
	Risks related to goodwill, other intangible assets and other property, plant and equipment	Medium
	Risks related to major investments and their financing	Medium
	Risks related to control of the Company by a majority Shareholder	Medium
Market risks	Interest rate risk	Medium
	Foreign exchange risk	Medium
	Counterparty risk	Medium
	Liquidity risk	Medium
	Credit risk	Medium
Legal risks	Risks relating to regulation and changes thereto	High
	Risks relating to on-going investigations and disputes	High
	Risks related to competition law regulations	Medium
	Risks relating to taxation and changes thereto	Medium

2.1.1 RISKS RELATED TO THE GROUP'S BUSINESS SEGMENTS

2.1.1.1 RISKS RELATED TO ECONOMIC CONDITIONS AND THEIR EVOLUTION

Changes in demand for services are generally related to changes in macroeconomic conditions, including fluctuations in GDP in the countries where the Group operates and the level of private and public spending on new and existing facilities and equipment. During the financial year ended December 31, 2020, the Group generated 96% of its production in Europe, of which 39% was in France. The growth outlook for the 2021 financial year in the European Union, particularly in France, made public at the end of 2020 is and will continue to be strongly and negatively impacted by the current health crisis linked to the Covid-19 pandemic.

Generally speaking, during economic recessions or periods of high uncertainty (such as the situation connected to the impact of the current public health crisis), clients significantly reduce expenditure on equipment, which impacts the Group's capacity to sell the services associated with construction or extension projects involving new equipment or infrastructure. In particular, certain sectors such as construction and heavy industry have significantly reduced their level of activity in recent years. Moreover, the Group has seen a drop-in demand for installation services, in particular from steel producers, car manufacturers and their supply chains. Moreover, with regard to the measures restricting circulation connected with the current public health crisis, employees of the Group may no longer have access to client sites in order to carry out their work. Finally, some of the Group's customers may experience financial difficulties that can lead to payment delays or even default. If current economic conditions were to worsen, notably due to the Covid-19 pandemic, this could have a material adverse effect on the Group and its business, financial position, results and prospects.

In addition, although the price of oil gradually increased during the financial years ended December 31, 2018 and 2019, it experienced an exceptional decline during the first quarter of 2020 followed by a gradual recovery in the price of oil during the last three quarters of the year 2020 and the first quarter of the year 2021. The occurrence of another significant drop in the price of oil is likely to have a very negative impact, through reductions in operating expenses and reductions in investments, particularly in the field of drilling and geosciences, the Group's business in the Oil & Gas sector, in particular operations maintenance, technical assistance. The price of oil could, if it were to fall again significantly, negatively impact the activities of the Group's customers in the Oil & Gas sector, and therefore significantly affect the Group's business, financial position, results and outlook.

Finally, following the United Kingdom's decision to leave the European Union (Brexit), the Group was negatively impacted in 2018 and 2019 by the decline of the United Kingdom's activity in a context of political and economic uncertainty. The United Kingdom's effective exit from the European Union took place on December 31, 2020. The UK Withdrawal Agreement Act entered into force on February 1, 2020, confirming the UK's departure from the European Union. Shortly before the end of the transition period, the EU and the United Kingdom announced a trade agreement on December 24, 2020. The agreement was approved by the UK Parliament and transposed into UK law by the European Union (Future Relationship Act 2020) and is awaiting ratification by the European Parliament. Even though the conclusion of an agreement has avoided a "no deal" at the end of the transition period, many aspects of the future trade relations between the United Kingdom and the European Union remain unresolved. The introduction of a new local regulatory framework in the United Kingdom could entail additional obligations for the Group, which could affect the conduct and organisation of its business in the United Kingdom.

For the financial year ended December 31, 2020, the Group's production in the United Kingdom represented approximately 4% of its consolidated production.

2.1.1.2 RISKS RELATED TO TECHNOLOGICAL DEVELOPMENTS AND INNOVATION

The Group's business requires a high level of technological expertise for a wide variety of technical services. As a result, the Group must continually adapt its expertise in order to identify and integrate technological and digital innovations, new products and new customer expectations. New digital technologies or changes in standards, as well as changes in the demand for services, could render the Group's services obsolete or non-viable. In order to remain at the forefront of the industry by anticipating customers' expectations, the Group must continually innovate, improve its know-how as well as the efficiency and profitability of its products and services which may lead to higher operating expenses or significant capital expenditures with no assurance that this will be profitable in the manner expected.

If the Group were unable to anticipate and integrate innovations and technological and digital changes in time, this could affect its customer relationship and competitive position which could generate a material adverse effect on its business, financial position, results and prospects.

2.1.1.3 RISKS RELATED TO THE COMPETITIVE ENVIRONMENT

The Group faces intense competition from various players and operates in sectors in which calls for tenders are frequent. The Group's competitors include large multinational corporations with greater resources whose other businesses provide them with an accessible customer base for their technical services. Furthermore, certain services requiring less technical skill may encounter strong local competition by smaller firms with strong local ties and an established local presence. Moreover, the technical services industry is highly fragmented, especially outside France, and the Group's ability to rely upon and retain a dense local network is essential to its development. Any moves towards some form of consolidation among the Group's competitors, be they multinational, national, regional or local, could increase competition in the Group's industries, change the competitive landscape of the technical services industry, and, especially if the Group were unable to take part in such consolidation, lead to a loss of market share, a decrease in the Group's revenue and/or a decline in its profitability.

Such strong competition requires the Group to make continuous efforts to remain competitive and convince its customers of the quality and value added of its services. The Group must also regularly develop new services in order to maintain or improve its competitive position. If despite these efforts the Group's customers do not find quality and value added in its products and services, particularly in relation to its competitors, or if the Group's products and services do not meet customer expectations, it could have a material effect on its business and financial results.

Lastly, customers increasingly focus on limiting the overall cost of their facilities. As a result, proposed pricing is an important factor in renewing contracts, in particular multiyear contracts, and in winning calls for tenders for new contracts. The Group can thus be subject to pressure on the prices it charges for its services.

This competitive pressure could lead to reduced demand for the Group's services and force it to lower its prices or incur significant investment costs to maintain the level of service quality that its customers expect which in turn could have a material adverse effect on its business, financial position, results and prospects.

2.1.1.4 RISKS RELATED TO THE DEVELOPMENT OF THE "GREEN ECONOMY"

The Group intends to support the development of the "green economy" by offering energy-efficient technical solutions and services dedicated to renewable energy. The development of the green economy depends in large part on national and international policies supporting energy savings and renewable energy (*e.g.* regulations on the energy efficiency of buildings and quotas and tax incentives for renewable energy sources) as well as corporate awareness of environmental issues. Although recent years have seen a growing sensitivity to these problems on the part of stakeholders, the Group cannot guarantee, in light of the cost-reduction policies of public and private actors, that this support will not slow down or even, to a certain extent, come to an end, or that it will be able to position itself as a player in the energy transition process. Such events could have a material adverse effect on the Group's business, financial position, results and prospects.

2.1.1.5 RISKS RELATED TO THE LEVEL OF PUBLIC EXPENDITURE AND PUBLIC SECTOR CONTRACTS

The public sector accounts for a significant share of the Group's customers, in particular in France. Public procurement is affected by political and administrative policies and decisions with respect to levels of public spending. In recent years, the economic situation has significantly affected the resources of governments and other public bodies and has led to strict public spending reduction policies. These policies could threaten the continuation of certain investments in which the Group is involved and prevent the implementation of significant new investment projects by public authorities. In a context of economic crisis and high levels of debt, some of these authorities might be unable to make payments in a timely fashion or, more generally, honour their commitments. If the difficulties facing certain public authorities were to intensify and the trend of significant public spending cuts were to continue, it could have a material adverse effect on the Group and its business, financial position, results and prospects.

In addition, due to public procurement rules, such as EU rules on calls for tenders, and to the nature of contracts entered into with public sector entities, certain public contract clauses, notably those concerning pricing, duration and subcontractors' ability to assign/transfer receivables under contract, provide less flexibility than private sector contracts. Some of these contracts also contain ouster clauses which in certain cases and subject to certain limits (in particular on condition of compensation) allow the counterparty to unilaterally modify or even terminate the contracts in question. Lastly, for a limited number of contracts, due to the principle of continuity of public services, the Group may be unable to unilaterally terminate a contract it deems unprofitable.

2.1.1.6 RISKS RELATED TO OUTSOURCING TRENDS

Besides economic conditions, higher demand for technical services is influenced by certain general market trends such as the growth of outsourcing, particularly in some of the Group's markets in which the outsourcing rate is low compared with more mature markets such as the United States, the United Kingdom and Germany.

The increased outsourcing of technical services is, however, vulnerable to political decisions such as new regulations which could affect public and private demand in this area and thus slow down its development or even affect existing contracts. Moreover, the Group cannot guarantee that the outsourcing trend will continue; in particular, certain stakeholders, whether public or private, could return to using in-house technical services in order to take control of them. If the trend towards more outsourcing slows or stops, this could have a material adverse effect on the Group's business, financial position, results and prospects.

2.1.2 RISKS RELATED TO THE GROUP'S BUSINESS

2.1.2.1 RISKS RELATED TO ACQUISITIONS AND THEIR INTEGRATION

In addition to its organic growth, the Group has grown in recent years through the acquisition of numerous regional service companies. In certain cases, with regard to their strategic interest, the Group may complete larger acquisitions; in 2017 in particular, the Group proceeded with the acquisition of the SAG Group, a leading German provider of services and systems for electricity, gas and telecommunications networks. The Group again intends to continue developing and expanding its business by acquiring primarily small and medium-sized companies that meet its strategic and financial criteria. Under its growth strategy, the Group may encounter the following difficulties:

- identifying appropriate targets in line with its external growth strategy could prove difficult;
- integrating new entities could lead to substantial costs as well as delays or other financial and operating difficulties;
- achieving expected financial and operating synergies could take longer than expected or fail to occur in whole or in part;
- increased attention from Group executives could come at the expense of other activities;
- acquisitions may trigger change of control clauses in the contracts to which the target Company is a party;
- assumptions made in the business plans of the acquired entities could turn out to be incorrect, especially regarding synergies and performance;
- acquisitions could lead the Group to bear higher liabilities than those calculated during the due diligence phase of the acquisition;
- the Group could be forced to sell or limit the external growth of certain entities so as to obtain regulatory approval for acquisitions, notably with respect to competition law;
- acquiring a new company could lead to the loss of certain key employees and contracts; and
- acquiring new entities could create unexpected legal constraints.

In general, the expected profits from future or completed acquisitions could fail to materialise within the time periods and to the levels expected, which could have a material adverse effect on the Group's business, financial position, results and prospects.

2.1.2.2 RISKS RELATED TO ACTIVITIES IN THE OIL & GAS SECTOR

The Oil & Gas business is mainly conducted in emerging markets, specifically in Africa, the Middle East and SE Asia. In recent years, a number of countries in these regions have experienced varying degrees of economic and political instability, civil wars, violent conflicts and social unrest. Political instability includes significant changes in tax laws or regulations, monetary restrictions, and the renegotiation or termination of ongoing contracts, permits, leases and other authorisations. The Oil and Gas business is also at risk of nationalisation or expropriation in some of the countries in which the Group operates.

In addition, the Group's facilities and employees face numerous safety risks in these regions such as acts of violence and terrorism, damage to property, and violations of bodily integrity. Although the Group has put in place the measures it deems necessary to prevent this type of event, it cannot ensure that these measures will be fully effective.

In the context of its Oil and Gas business, the Group is exposed to fluctuations in the price of oil. During the first quarter of 2020, the price of oil experienced an exceptional decline, reaching all-time lows, followed by a gradual recovery in the price of oil during the last three quarters of 2020 and the first quarter of 2021. The occurrence of another significant drop in the price of oil is likely to have a very negative impact, through reductions in operating expenditure and low levels of investment, particularly in drilling and geosciences, the Group's business in the Oil & Gas sector and, in particular, operations maintenance and technical assistance. The price of oil could have an adverse impact, if it were to decline again significantly, on the business carried out by customers of the Group in the Oil & Gas sector, certain projects in which the Group is involved and, more generally, the Group's business.

The occurrence of such events could have a material adverse effect on the Group's business, financial position, results and prospects.

2.1.2.3 RISKS RELATED TO INFORMATION SYSTEMS AND CYBERATTACKS

The Group relies on information systems to conduct its businesses (in particular to monitor and invoice for its services, communicate with its customers, manage its staff, and transmit the necessary information to the various operational managers for decision-making). The Group is thus increasingly dependent on information systems to manage its business. Despite the Group's policy of continuously strengthening the resilience and security of its information systems and IT infrastructure, any breakdown or significant interruption resulting from an incident, a computer virus, a computer attack or any other cause could have a negative effect on the Group's ability to conduct its business. Thus, in July 2020, SPIE was the subject of a ransomware cyberattack. The IT systems affected by this cyberattack were quickly returned to service and its impact on the general functioning of the company was very limited.

Furthermore, the Group outsources some of its information systems in order to better manage its resources and improve the efficiency of its IT infrastructure. It therefore relies on the quality of the work performed by its service providers and is thus, despite the care it takes in selecting its partners, exposed to the risk that they may fail to fulfil their obligations. The occurrence of such events could have a material adverse effect on the Group's business.

2.1.2.4 RISKS RELATED TO THE COVID-19 PANDEMIC AND BIOLOGICAL RISKS

In December 2019, a new strain of coronavirus (Covid-19) appeared in China. The virus has spread to many countries around the world and the World Health Organization declared the epidemic a pandemic in March 2020. The spread of the virus and the health measures taken to respond to it (border closures, lockdown measures, restrictions on the exercise of certain economic activities, etc.) have and may continue to have a significant direct and indirect impact on global economic activity. The persistence of the Covid-19 pandemic and the emergence of new variants of the virus led to new mobility restrictions (introduction of new lockdowns and local or national curfews) during the last quarter of 2020 and the first quarter of 2021.

In the past, the Group's Oil & Gas sector has already been exposed to biological risks in certain geographical areas where it operates, notably in the Middle East with the MERS-CoV virus and in Africa with the Ebola virus. The risks had been identified and preventive health protocols put in place in the affected areas to break the chain of propagation as early as possible. During 2020, the Covid-19 pandemic affected all the countries in which the Group operates. In response, the Group implemented health prevention and protection measures for its employees and subcontractors in the first quarter of 2020: reinforced health protocols, site closures, ban on travel and gatherings, recourse to work remotely, etc.

The persistence of the pandemic, the emergence of new variants and the speed of deployment of vaccination campaigns could lead to the extension or implementation of additional restrictive measures by the governments of the countries in which the Group operates and require the Group to implement additional health protection measures in the affected areas and on the affected sites, and thus incur additional costs. The persistence of the pandemic could thus prolong the risks to the physical and psychological health of its employees and subcontractors, and continue to hamper or interrupt the Group's business at some of its sites for an indefinite period, which could have a material adverse effect on the Group's business, financial position, results and outlook.

Uncertainty over the duration and scale of the Covid-19 pandemic makes it difficult to predict the impact on the global economy. The consequences for the Group will depend on the duration of the pandemic, the measures taken by national governments and the evolution of the health, but also economic, financial and social context.

2.1.2.5 RISKS RELATED TO THE OCCURRENCE OF NATURAL DISASTERS

In the general context of climate change, the Group's facilities are exposed to risks related to the occurrence of natural disasters such as fire, flood, hurricanes and earthquakes (or other climate-related phenomena).

These climate-related events may require the Group to implement additional protection measures on those sites located within at-risk areas, and thereby generate additional costs. Moreover, climate-related events of this kind may not be covered by the insurance policies taken out by the Group. The occurrence of a natural disaster could moreover lead to the destruction of all or part of the Group's facilities, cause bodily harm to or lead to the death of employees and nearly residents and cause an interruption of service for an unspecified period of time. The inability to re-launch operations rapidly following a natural disaster on a given site and the various constraints and costs linked to compensation or the associated interim palliative measures could have a material adverse effect on the Group's business, financial position, results and prospects. Moreover, events of this kind could lead to lawsuits being filed against the Group by potential victims seeking compensation for the damages caused and/or lead to the application of penalties, liable to have a material adverse effect on its business, financial position, results and prospects.

2.1.2.6 RISKS RELATED TO PROJECT MANAGEMENT

The Group offers a wide range of technical services relating to its projects. In order to ensure that its projects are conducted efficiently, the Group relies on significant project-management and site-management expertise, particularly with respect to cost-assessment and optimising performance during the term of the contract. What determines the performance and profitability of a project is the Group's ability to accurately predict its costs, correctly assess the various resources (especially human resources) needed to carry it out, effectively manage the services provided by subcontractors, and control technical events that could affect and delay its progress. In practice, poor project management can generate significant additional performance costs and delays, leading to delays in payment or damaging the Group's reputation. Moreover, in order to carry out certain projects, in particular large-scale ones, the Group sometimes participates in groups or consortia whose smooth functioning requires coordination among the different members. Differences may arise among the members of such groups, and breaches by certain members may occur, which may make it difficult to manage or even complete the project. Such events could have a material adverse effect on the Group's business, financial position, results and prospects.

2.1.2.7 WORKPLACE HEALTH AND SAFETY RISKS

Because the Group's business is based on human resources, labour law and workplace health and safety regulations have a particular impact on its business. Although the Group makes significant efforts to ensure compliance with such regulations, it cannot guarantee that there will be no breaches. Failure by the Group, its employees or its subcontractors to comply with these obligations could lead to significant fines and claims against the Group and the employer entity linked to the violation of these provisions or to the loss of authorisations or qualifications. Moreover, such regulations are regularly updated with a view to being reinforced; the Group's efforts to adapt to and comply with revised rules may generate significant additional costs.

The Group is exposed to the risk of accident befalling its employees at their work sites or on their commutes. Group employees working in the Oil & Gas and Nuclear sectors are particularly exposed to risks relating to their work sites and conditions which are dangerous by nature. Some Group employees work in or near nuclear, oil or gas facilities and are therefore potentially subject to risks relating to incidents or accidents affecting such facilities. Despite the attention paid to safety and working conditions, the Group cannot exclude the possibility of an increase in the frequency and number of workplace accidents and occupational illness.

Moreover, new technologies as well as the implementation of new procedures, services, tools and machines could have unanticipated effects on the working conditions of Group employees. Moreover, Group employees may be exposed to materials that are not currently considered harmful but could in the future prove to be dangerous to human health, as was the case with asbestos in the past. Dangerous working conditions can also lead to heavy staff turnover, increase customers' project costs and significantly increase the Group's operating expenses.

Finally, in the context of the current public health crisis linked to the Covid-19 pandemic, one or several cases of contamination involving Group employees could oblige the Group to limit or even totally suspend activity on those sites at which the employees in question normally work, which could have an adverse effect on the Group's business.

The occurrence of such events could have a material adverse effect on the Group's business, financial position, results and prospects.

2.1.2.8 RISKS RELATED TO DEPENDENCE ON CERTAIN CUSTOMERS

A significant share of the Group's Oil & Gas and Nuclear business, which represented 7% of Group consolidated production over the financial year ended December 31, 2020, the Group generates a significant part of its activities from a limited number of customers. In the Oil & Gas sector, the Group's first three customers accounted for approximately 1.5% of its consolidated production on this subject for the financial year ended December 31, 2020 while in the Nuclear sector, three customers accounted for nearly all of the Group's consolidated production.

More generally, the Group's ten main customers represent approximately 19% of consolidated production for the period ending December 31, 2020. Although the Group generally enjoys long-term commercial relations with its main customers (as with its other customers and business partners), it cannot guarantee that these relations will be renewed and, more generally, that they will not be broken off.

The loss of one or more of the Group's main customers or contracts (*e.g.* nonrenewal or early termination), especially in the sectors mentioned above, or a significant reduction in its services to these customers, or a substantial change in the terms governing commercial relations with its customers, or bankruptcy on the part of one of its customers could have a material adverse effect on the Group's business, financial position, results and prospects.

Moreover, a significant portion of the Group's maintenance and services businesses comprises fixed-term contracts that include an early termination clause at the customer's discretion. The Group cannot guarantee that its customers will not exercise their right to early termination or that they will renew their contracts. Early termination or nonrenewal of the Group's major contracts could negatively affect its reputation which could have a material adverse effect on its business, financial position, results and prospects.

2.1.2.9 RISKS RELATED TO SUBCONTRACTING

The Group provides certain services to its customers through subcontractors acting in its name and on its behalf and retains responsibility for the work performed by them. As a result, it is exposed to risks relating to managing subcontractors and the risk that they may fail to perform their work satisfactorily or on time. Such a situation could cast doubt on the Group's ability to keep its commitments, comply with applicable regulations or meet customers' expectations. In extreme cases, shoddy work on the part of subcontractors could result in a customer terminating their contract with the Group. Such a situation could damage the Group's reputation, impair its ability to obtain new contracts and call its responsibility into question. Moreover, should subcontractors fail to fulfil their obligations, the Group might have to carry out unplanned work or provide additional services to ensure the performance and delivery of the contracted services.

The Group is also exposed to its subcontractors' operational control risk with respect to the qualifications of their workers and their compliance with labour law and immigration law. Lastly, some subcontractors may turn out to be uninsured or lack sufficient resources to cover customer claims resulting from damages and losses relating to their services.

The failure of the Group's subcontractors to meet their contractual or legal obligations could thus harm its reputation and have a material adverse effect on its business, financial position, results and prospects.

2.1.2.10 RISKS RELATED TO THE RECRUITMENT AND RETENTION OF KEY AND TECHNICAL PERSONNEL

Success in technical services depends on the ability to spot, attract, train, retain and motivate highly skilled technical personnel. As a result, the Group faces strong competition in its industries. The Group may be unable to successfully attract, integrate or retain a sufficient number of qualified employees, which could impair its business and growth.

Moreover, the Group's business development requires the acquisition, maintenance and renewal of a very diverse range of skills in order to respond to changes and market expectations. The Group may be unable to find qualified candidates, train its staff in new technologies, or recruit and train the necessary managers in the regions or industries in which it operates. Moreover, during periods of rapid economic growth, the Group could encounter difficulties in recruiting and retaining qualified employees with the resulting risk of increased salary costs and lowered service quality.

Were the Group unable to meet its requirements in terms of human resources – which are crucial to its development – it could have a material adverse effect on its business, financial position, results and prospects.

2.1.2.11 RISKS RELATED TO ACTIVITIES IN THE NUCLEAR INDUSTRY

As part of its activity in the nuclear sector, the Group provides services to operators in the nuclear industry, most of which are located in France. Like its customers in the nuclear industry, the Group is subject to many restrictive standards imposed by France, the EU and other national and international authorities regarding the operation and safety of nuclear facilities. Moreover, in general, and increasingly since the accident at Fukushima in Japan, regulations imposed on the nuclear industry are becoming stricter and harder to implement, which increases the financial resources set aside to comply with them. More stringent regulations could negatively impact the long-term growth of the nuclear industry, which in turn would have negative consequences for the development of the Group's business in this sector. Moreover, any prolonged suspension of its customers' activities for regulatory reasons, such as the temporary closing of facilities for periodic safety inspections, could lead to significant delays in the Group's work whose costs may not be passed on to the customer under the terms of the contract.

Lastly, the use of subcontractors being strictly limited in the nuclear industry, the Group mostly relies on its own staff to provide its services because of its customers' requirement that workers with access to their facilities have suitable qualifications, which requires the Group to maintain highly qualified employees in this activity.

2.1.2.12 RISKS RELATED TO CORRUPTION AND ETHICS

In the course of its business, the Group may encounter corruption-related risks, in particular through its Oil & Gas business in which the Group is present in some countries that have high levels of corruption. The Group has implemented employee policies, procedures and training with respect to ethics and anticorruption regulations. However, it cannot guarantee that its employees, suppliers, subcontractors or other business partners will comply with its code of conduct, its ethics or applicable regulations and legal requirements. Were the Group unable to enforce compliance with its anticorruption policies and procedures, it could face civil actions and penalties, in particular large fines, or even exclusion from certain markets. The occurrence of such events could have a material adverse effect on the Group's reputation, business, financial position, results and prospects.

2.1.2.13 RISKS RELATED TO THE GROUP'S REPUTATION

The Group's reputation is essential in presenting its services, creating customer loyalty and winning new customers. This is all the more true as the Group operates in sectors that are subject to heavy media exposure (*e.g.* Oil & Gas and Nuclear).

The Group's success in recent years is largely due to its reputation for reliability and market leadership across a wide range of services, in particular those requiring a high level of expertise. This reputation has consolidated the position of the Group and strongly contributed to its development. Although the Group tightly controls the quality of its services, it cannot guarantee that it will not encounter difficulties relating to the quality or reliability of its services, or more generally its ability to provide the level of service promised to its customers, in certain industries and/or regions. The occurrence of such events, in particular in the event of significant media coverage, could strongly affect the Group's reputation, in particular with its customers, and could thus have a material adverse effect on its business, financial position, results and prospects.

2.1.3 RISKS RELATING TO THE COMPANY

2.1.3.1 RISKS RELATED TO MANAGEMENT TEAMS

The Group's success depends to a large extent on the continuity and skills of its current management team, especially Gauthier Louette, Chairman and Chief executive officer of the Company who has now been with the Group for more than 30 years. Should one or more of these executives or other key staff have an accident or leave, the Group may be unable to replace them easily, which could affect its operational performance. Competition in executive recruitment is fierce and the number of qualified candidates is limited. The Group may be unable to retain its executives or key staff or attract and retain experienced executives and key staff in the future. Moreover, should its executives or other key staff join a competitor or start a competing business, the Group could lose customers, part of its know-how and key employees who might follow them. These circumstances could have a material adverse effect on the Group's business, financial position, results and prospects.

2.1.3.2 RISKS RELATED TO DEBT AND RESTRICTIVE FINANCING COVENANTS

At December 31, 2020, the Group's total net debt amounted to €926.5 million (see Notes 21.3 and 21.4 to the appendix to the consolidated financial statements for the financial year ended December 31, 2020 included in Section 4.4.1 of this Universal Registration Document).

The Group's debt can have negative consequences such as:

- requiring the Group to allocate a substantial portion of its cash flow from operating activities to debt repayment and financing, thus reducing its ability to use free cash flow to finance organic growth, make investments and meet other general needs;
- increasing the Group's vulnerability to a slowdown in economic activity or conditions;
- placing the Group in a less favourable position in relation to competitors that have a lower debt to cash flow ratio;
- limiting the Group's flexibility to plan or respond to changes in its businesses and industries;
- limiting the Group's ability to invest in its growth;
- limiting the Group's ability to act on its acquisition policy; and
- limiting the ability of the Group and its subsidiaries to borrow additional funds or raise capital in the future, and increasing the cost of such additional financing.

In this respect, the Senior Credit Facilities Agreement requires the Group to comply with financial and other covenants and specific ratios (see Section 4.1.2 "Cash-flow and financial structure" of this Universal Registration Document).

Moreover, the Group's ability to honour its obligations, pay the interest on its borrowings, or even refinance or repay its borrowings under the conditions stipulated will depend on its future operational performance and may be affected by a number of factors (*e.g.* economic context, conditions in the debt market, regulatory changes), some of which are independent of the Group.

Should the Group have insufficient liquid assets to service its debt, it could be forced to reduce or defer acquisitions or investments, sell assets, refinance its debt or seek additional financing, which could have a material adverse effect on its financial position or business. The Group might be unable to refinance its debt or obtain additional financing under satisfactory terms and conditions.

The Group is also exposed to the risks of interest rate fluctuations in that the compensation of a large part of its debt is at a variable rate equal to Euribor plus a margin.

2.1.3.3 RISKS RELATED TO GOODWILL, OTHER INTANGIBLE FIXED ASSETS AND OTHER ASSETS.

At December 31, 2020, goodwill amounted to €3,201.0 million, of which €4.3 million relate to the definitive allocation in 2020 of goodwill linked to acquisitions completed during the financial year ending December 31, 2019 (see Note 14 to the consolidated financial statements for the financial year ended December 31, 2020 included in Section 4.4.1 of this Universal Registration Document). There were no acquisitions for the year ended December 31, 2020 that resulted in the recognition of goodwill. The Group cannot exclude the possibility that future events may lead to the impairment of some intangible assets and/or goodwills. Due to the high value of intangible assets and goodwills on the Group's balance sheet, any significant impairment could have a material adverse effect on its financial position and results for the year in which such charges are recorded.

At December 31, 2020, the deferred tax assets on the Group's consolidated statement of financial position amounted €282.8 million. Deferred tax assets are recorded on the Group's balance sheet for an amount the Group reckons it can recover within a reasonable period of time (estimated at five years) and in any event before the expiry of differences for the share of deferred tax assets relating to tax loss carryforwards. Nevertheless, the Group could prove unable to recover the expected amount of deferred tax if its future taxable income and related taxes are lower than initially expected. The Group also bases its projected use of deferred tax on its understanding of how tax regulations are applied which could be called into question by changes in tax and accounting regulations or by tax audits or litigation that could affect the amount of its deferred tax. Were the Group to reckon it was unable to recover its deferred tax in the coming years, it would have to remove these assets from its balance sheet, which could have a material adverse effect on its financial position and results.

2.1.4 MARKET RISKS

A presentation of the main market risks faced by the Group is set out in Note 21 of the notes to the consolidated financial statements for the financial year ended December 31, 2020 and presented in Section 4.4.1 of this Universal Registration Document.

2.1.5 LEGAL RISKS

2.1.5.1 RISKS RELATED TO REGULATIONS AND THEIR CHANGES

The Group's business is subject to various regulations in France and abroad, in particular with respect to industrial, safety, health, hygiene and environmental standards. In particular, the Group's Oil & Gas and Nuclear businesses are subject to strict regulations whose proper application is closely monitored. These standards are complex and subject to change. Although the Group devotes particular attention to complying with regulations in force, it cannot exclude the risk of non-compliance. The Group could be led to incur significant costs in efforts to comply with regulatory changes and cannot guarantee that it will always be able to adapt its business and structure to these changes within the necessary time frame. Furthermore, the authorities and/or the courts may change how they apply and/or interpret existing standards at any time.

Were the Group unable to comply with and adapt its business to new regulations, recommendations or national, European or international standards, it could have a material adverse effect on its business, financial position, results and prospects.

2.1.5.2 RISKS RELATED TO ONGOING DISPUTES AND INVESTIGATIONS

In the normal course of their business, the Group's entities may be involved in a certain number of legal, administrative, criminal or arbitration proceedings relating in particular to civil liability claims (filed by customers, suppliers or sub-contractors), competition, intellectual, tax or industrial property, taxation, environmental matters and discrimination. The largest disputes underway or about which the Group has received notification are detailed hereunder. In some of these proceedings, significant monetary claims have been or could be made against one or more of the Group's entities. The corresponding provisions that the Group may be required to set aside could prove insufficient. Moreover, the possibility cannot be excluded that in the future, new proceedings, whether or not related to current proceedings, relating to the risks identified by the Group or to new risks, could be brought against one of the Group's entities. Lastly, although the Group considers many of these ongoing proceedings to be covered by existing liability guarantees, it cannot assure that they will not be contested or that any resulting compensation made thereunder, either in their timing or amount, will be sufficient to avoid a negative impact on the Group.

At December 31, 2020, the Group's total provisions for litigation amounted to €45.7 million.

If the outcome of the proceedings described above is unfavourable, these could have a material adverse effect on the Group's business, results, financial position and prospects.

Due to the complex nature of the services provided by the Group and the multiplicity of its customers, it may be involved in legal, arbitration, administrative or regulatory proceedings in the normal course of its business. The Group records a provision as soon as there is sufficient probability that such disputes result in costs to be paid by the Company or by one of its subsidiaries, and the amount of such costs can be reasonably estimated.

At the date of this Universal Registration Document, the Group had no knowledge of any governmental, legal or arbitration proceedings (including any proceedings of which the Group was aware, either pending or threatened) other than those described below that, during the last twelve months, could have or have had significant impacts on the financial position or profitability of the Company or the Group.

Recourse of the Île-de-France region – Lycées d'Île-de-France

In a decision of May 2007, the French Competition Council, now the ADLC, sentenced several firms, including certain Group entities, on the grounds that between 1991 and 1996 they had engaged in uncompetitive practices in connection with the award of contracts to renovate secondary school buildings in the Île-de-France region. In February 2010, on the basis of this ruling, the Île-de-France Region filed a claim before the Paris Civil Court of First Instance (*Tribunal de Grande Instance*) to obtain a ruling that the firms and individuals involved be ordered to pay the region *in solidum* the sum of €358.8 million, an amount subsequently reduced to €232.1 million, together with interest at the statutory rate since July 1997, in respect of the losses it claimed to have suffered as a result of these illegal agreements. In December 2013, the Paris Civil Court of First Instance ruled that the action of the Île-de-France region was time-barred and that its claims were inadmissible. In January 2014, the Île-de-France Region appealed the ruling before the Paris Court of Appeal.

In October 2014, the Prefect of Paris and the Île-de-France Region submitted to the public prosecutor at the Paris Court of Appeal a denial of jurisdiction asking to transmit it to the President of the Paris Court of Appeal and to invite the parties to file an appeal before the administrative court. By a decision dated June 2015, the Paris Court of Appeal rejected the denial of jurisdiction. By an order dated July 2015, the Prefect of the Île-de-France Region then escalated the conflict. By a decision dated November 2015, the Conflict Court confirmed the conflict order taken by the Prefect of the Île-de-France Region and declared null and void the procedure launched before the Paris Court of Appeal and the decision issued by this Court of Appeal in June 2015.

The Conflict Court having ruled on the administrative nature of this case, the case has been referred to the Administrative Court.

Between March and June 2017, the Île-de-France region filed 88 applications (received between May and August) before the Administrative Court of Paris.

Indeed, the Île-de-France region has filed a claim for compensation and an appraisal request by market.

In late July 2019, the Administrative Court rejected the claims filed by the Île-de-France Region. The latter then appealed in this ruling.

In February 2021, the Paris Administrative Court of Appeal issued two first decisions relating to two contracts out of the 88. The Court considered that the claims of the Île de France Region were not time-barred and held the companies and individuals liable. The Court also held the Region liable for one third of the costs.

In order to quantify the loss of the Île de France region, the Paris Administrative Court of Appeal has decided that an expert, appointed by the President of the Court, will conduct an expert appraisal with the task of giving a reasoned opinion on the market prices and give an estimate of the prices that would have been charged in the absence of an agreement. During this mission, the expert may initiate mediation in order to assess the compensation to be granted to the *Île de France* Region.

These judgments of the Administrative Court of Appeal are subject to appeals in cassation

Claims made by the Île-de-France Region totalled €293,361,362 (excluding interest and Article L. 761-1 of the French Administrative Justice Code).

The Group believes that it has strong arguments to challenge the existence and the amount of the damages allegedly caused to the Region by the Group. In addition, the Group believes that these proceedings are covered by the AMEC Indemnity Undertaking.

Recourse of SNCF – EOLE

In a decision in March 2006, the French Competition Council, which became the ADLC, convicted several companies, including SPIE Operations, on the grounds that they had engaged in anti-competitive practices in connection with the award of tenders related to the public works sector in the Île-de-France region. On the basis of this ruling, which was confirmed by a decision of the French Supreme Court (*Cour de cassation*) in October 2009, SNCF, the French national railway operator, filed a claim in March 2011 with the French Administrative Court of Paris (*Tribunal administratif de Paris*) asking that the companies convicted in 2006 be jointly ordered to pay it the sum of €59.6 million, for indemnification for the loss it had allegedly suffered as a result of the anti-competitive practices relating to contracts entered into for the construction of the EOLE line. In July 2014, the Clerk's office of the Administrative Court of Paris (*Greffe du tribunal administratif de Paris*) sent to the relevant companies, which include subsidiaries of the Group, a new supplementary and recapitulative brief from SNCF. SNCF requested the cancellation of the procurement contract relating to the public works necessary for construction of the underground railway station Magenta in connection with project EOLE (Lot 34B) and therefore requested a joint order against the relevant companies, including SPIE Operations, to pay an amount of approximately €197.7 million, together with interest at the legal rate, capitalised, since March 2011, which corresponds to the amounts paid by SNCF to these companies pursuant to this Lot. SNCF has also instituted proceedings to cancel the procurement contract relating to the public works necessary for construction of the underground railway station Saint-Lazare Condorcet in connection with the EOLE project (Lot 37B) and therefore requested a joint order against the relevant companies including SPIE Operations to pay an amount of approximately €281.4 million, together with interest at the legal rate, capitalised, since March 2011, which corresponds to the amounts paid by SNCF to these companies pursuant to this Lot. SNCF also requested from the Administrative Court of Paris a joint order against these companies to guarantee the payment of the abovementioned amounts requested, up to the amount of the cost overruns, namely €33.9 million for the Lot 34B and €37.2 million for the Lot 37B, for indemnification for the loss it had allegedly suffered as a result of the anti-competitive practices of the other companies which participated in the tender but were not granted the Lot.

In February 2016, a settlement agreement was reached between all the companies (including the Group's companies), except for a few, and SNCF, by which the parties withdrew their claims. In a decision in May 2016, the French Administrative Court of Paris (*Tribunal administratif de Paris*) accepted the withdrawal of the claims and proceedings of the parties under the settlement agreement and rejected SNCF's claim for indemnification for the loss it had allegedly suffered as a result of the anti-competitive practices.

In July 2016, SNCF filed a petition with the Paris Administrative Court of Appeals (*Cour administrative d'appel de Paris*) to overturn the decision of the French Administrative Court of Paris (Tribunal administratif de Paris) which rejected its claims for indemnification against the companies not involved in the settlement agreement and requested that such companies be forced to compensate SNCF for the loss it allegedly suffered as a result of the above mentioned anti-competitive practices. These companies also filed a petition with the Paris Administrative Court of Appeals for the cancellation of the decision of the French Administrative Court of Paris which acknowledges the withdrawals of the parties to the settlement agreement and SNCF and the confirmation of the dismissal of SNCF's claim for indemnification.

In its decisions of December 29, 2017, the Paris Administrative Court of Appeal confirmed the ruling of the Administrative Court of Paris which pronounced the withdrawal of the SNCF and the companies party to the settlement agreements, and the rejection of the compensation claim by SNCF based on which the legal action was instituted. SNCF filed an appeal to set aside against the decisions issued by the Paris Administrative Court of Appeal. In a decision dated November 22, 2019, Council of State (Conseil d'État) overturned these decisions and returned the case to the Paris Administrative Court of Appeal.

In March 2021, SNCF and the companies not party to the settlement agreement of February 2016 entered into a settlement agreement and filed briefs with the Administrative Court of Appeal of Paris, for the discontinuance of proceedings and the action, thus definitively ending this dispute.

2.1.5.3 RISKS RELATED TO COMPETITION LAW REGULATIONS

The Group is subject to national and international competition law. In markets where the Group has a strong presence, such regulations can reduce its operational flexibility and limit its ability to make significant new acquisitions and implement its growth strategy.

The Group is involved in several competition law proceedings. Although the Group has put strict internal guidelines, an ethics policy and a compliance programme in place to ensure regulatory compliance, it cannot exclude the possibility that agreements or transactions may not follow the instructions given and infringe applicable regulations, either inadvertently or deliberately. Such practices could damage the Group's reputation and, if found liable, expose it to fines or other stiff penalties (*e.g.* exclusion from certain markets). The occurrence of such events could have a material adverse effect on the Group's business, financial position and results.

2.1.5.4 RISKS RELATED TO TAXATION AND THEIR CHANGES

The Group is subject to complex and changing tax laws in the countries where it operates. Changes in tax laws could have material adverse consequences on the Group's tax position, its effective tax rate or the amount of taxes it must pay. Moreover, tax regulations in the various countries where the Group is present can be interpreted in very different ways. The Group is therefore unable to guarantee that the relevant tax authorities will agree with its interpretation of applicable regulations. Should the Group's tax position be disputed by the relevant authorities, it may have to pay additional taxes, incur potentially large tax adjustments and fines, or raise the prices of its products or services in order to collect these taxes, which could have a material adverse effect on the Group's business, financial position, results and prospects.

2.2 RISK INSURANCE AND COVERAGE

The Group's insurance cover is coordinated by its Legal and Insurance Department.

Each of the Group's entities is responsible for providing the necessary information to the Legal and Insurance Department to identify and classify insured or insurable risks at the Group level and implement the necessary means to ensure continuity of the Group's business in the event of an incident. On the basis of such information, the Legal Affairs and Insurance Department negotiates with major insurers to obtain the cover most suited to these risks.

Local entities also take out local insurance policies to cover local risks (*e.g.* car insurance).

Insurance policies are put in place on the basis of the calculated level of cover required to deal with the likelihood of reasonably estimated liability risks, damages or other events. This assessment takes into account the valuations performed by insurers as the risk underwriters. Risks for which there is no cover available on the insurance market, or for which the cost of available cover is disproportionate to the potential value of the insurance, or for which the Group deems cover unnecessary, are uninsured.

The Group's insurance programmes are in the form of master policies supplemented by local policies, where necessary, in certain countries where the master policies alone are not authorised. The master insurance policies apply to the Group's business as a whole and offer supplementary liability cover beyond the initial level of cover taken out by subsidiaries, and liability cover for corporate officers and an environmental liability cover. Local policies are also entered into to take local specifics or constraints in the relevant country or countries into account. The Group has taken out the following main policies with international insurance firms:

- civil liability covering injury, damage and consequential loss caused to third parties, including customers or contracting authorities, for which Group entities may be liable; and
- damage to property and operating losses; and
- liability of executive Directors.

To cope with new threats that have developed, in early 2019, the Group purchased a special insurance policy that covers so-called cyber-attacks.

2.3 INTERNAL CONTROL AND RISK MANAGEMENT

The internal control system implemented within the Group is presented in this section of this Universal Registration Document. In addition, detailed information is available in the Board of Directors' report on Corporate Governance required by Article L. 225-37 of the French Commercial Code, which is included in Chapter 5 to this Universal Registration Document.

In the performance of its activities, the Group is exposed to multiple risks in the various countries in which it operates (see Sections 2.1.1 to 2.1.5 of this Universal Registration Document). In this light, the Group actively identifies, manages and controls all kinds of risk so as to ensure the growth and protection of its assets and reputation and to protect the interests of its Shareholders, employees, customers, partners and suppliers, the environment and other stakeholders.

This globally coordinated policy of identifying, managing and controlling risk applies to the Group's fully consolidated subsidiaries.

The policy aims to provide reasonable assurance – although not an absolute guarantee – of reaching the following main objectives:

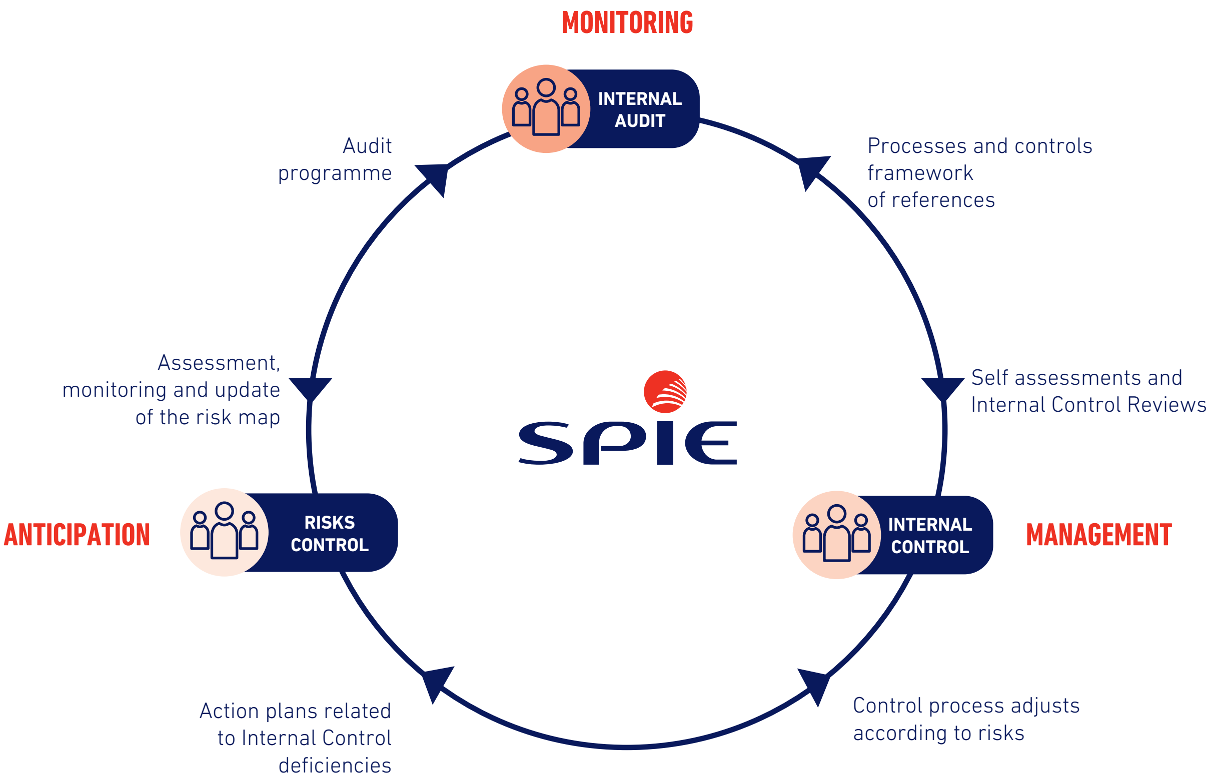
- reliable financial information;
- compliance with the laws, regulations and internal policies in force; and
- effective and efficient internal processes at Group level.

The Group builds sustainable trust with its customers by providing them proximity services and based among other things on its ability to manage the risks said customers transfer to it.

In creating a coordinated risk identification, management and control system, the Group recognises the fundamental importance to its growth of getting to grips with risk in a context of ever-greater, more complex, more varied and more serious threats than in the past. To deal with the risks inherent in carrying out its business, the Group has set up a decentralised organisation and established procedures enabling it to protect its business and limit the negative impact of these risks, where appropriate.

2.3.1 PRESENTATION OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

STRUCTURE OF INTERNAL CONTROL, RISK MANAGEMENT AND INTERNAL AUDIT SYSTEM



The internal control and risk management mechanisms contribute, together with the internal audit, to controlling activities, optimising their technical and operational performance and, finally, achieving the Group's strategic objectives:

The risk management mechanism aims to anticipate risks in order to preserve SPIE's value, assets and reputation. At Group level, it makes it possible to identify, analyse and rank events likely to significantly impact on the Group's objectives. It favours the definition and monitoring of action plans corresponding to these risks.

The internal control mechanism comprises all the permanent mechanisms, applied at all levels within SPIE, that are involved in handling risk (*e.g.* internal control standards, control points). It also contributes towards ensuring compliance with laws and regulations and with the Group's internal standards. It thus participates in the control of the Group's business, the effectiveness of its operations and the efficient use of its resources.

Internal audit provides General Management with independent and objective oversight of their operations and advice on how to improve them based on an annual schedule of work. The internal audit is also responsible for periodically assessing the relevance, effectiveness and efficiency of the Group's internal control and risk management systems.

INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORK

The Group's internal control and risk management mechanism is adapted to its strategic guidelines and to its international development. The Group has chosen to apply the main recommendations proposed by the AMF Reference Framework and Application Guide (updated in July 2010), the recommendations of the Audit Committee Working Group report (also published in July 2010) and the guide to periodic information about publicly traded companies published on October 26, 2016 by the AMF (DOC-2016-05). This reference framework is itself consistent with the American COSO I & II (Committee of Sponsoring Organizations of the Treadway Commission) systems.

SPIE's internal control and risk management mechanism is constantly developing, so as to adapt, in keeping with the AMF's recommendations, to developments in SPIE's economic and regulatory environment, or also those of its organisation or its activities. It incorporates the provisions of decree no. 2017-1162 of July 12, 2017, and is also based on the AMF recommendations published in November 2017 in its report on Corporate Governance, executive compensation, internal control matters and risk management.

SCOPE OF DEPLOYMENT OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

SPIE's internal control and risk management mechanism is designed to cover the entire Group, *i.e.* the parent company and all its fully consolidated subsidiaries, taking into account any local specific features and particular regulations in force.

With regard to recently acquired entities, the Group's internal control and risk management mechanism must be applied within 18 months of their consolidation.

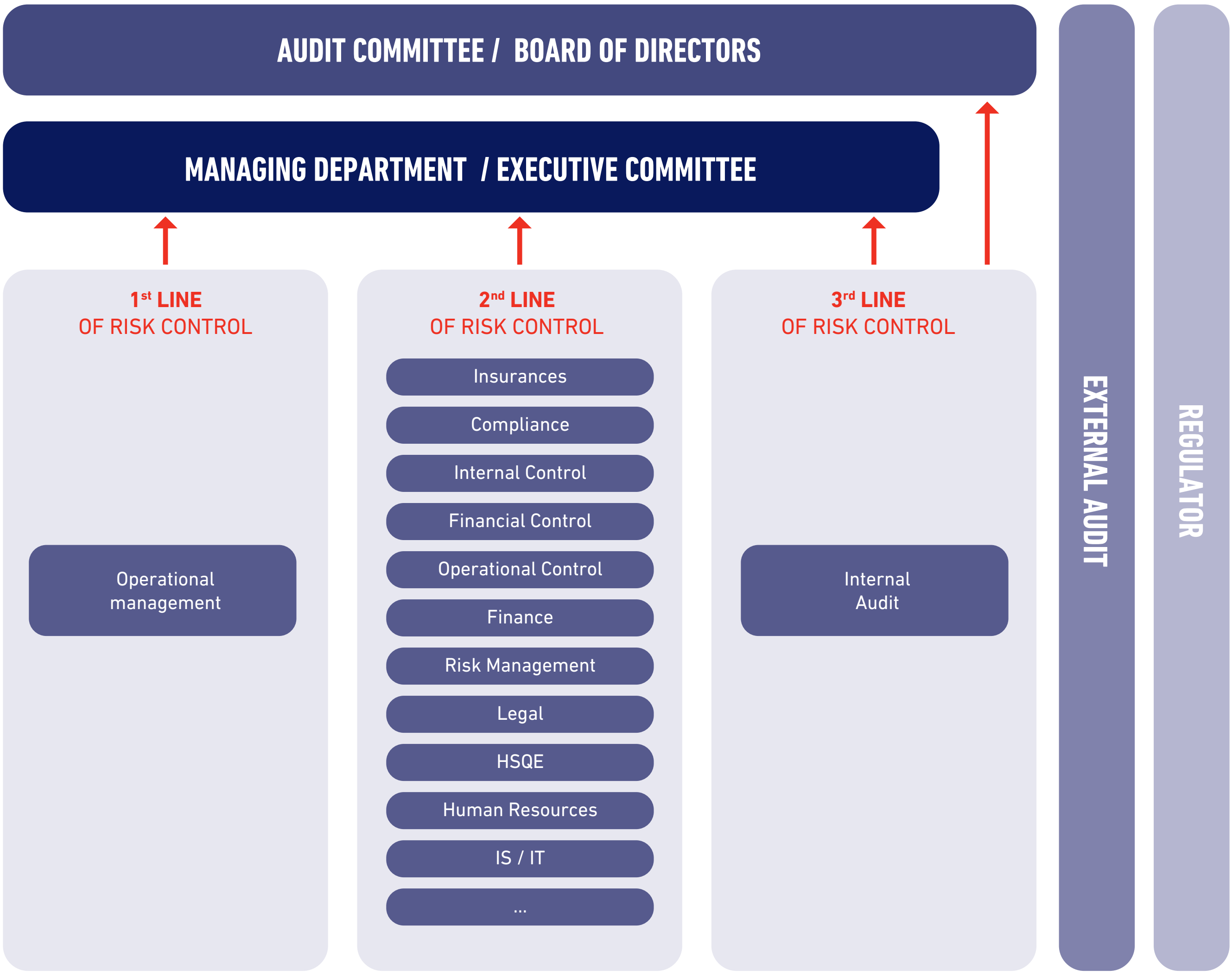
LIMITS OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Within SPIE, internal control and risk management are everyone's business. These mechanisms are thus implemented permanently by SPIE's General Management, the managerial staff, local management and, finally, its operating teams. These mechanisms cannot provide an absolute guarantee that the Company's objectives will be achieved, however. The main limits relate to external uncertainties and developments; an error of judgement or instances of human failure in taking and/or implementing decisions.

In addition, in order to take into account the economic reality of the Group's companies, and to ensure business secrecy and the protection of its know-how, the Company has taken into account the legitimate interests of the Group's subsidiaries with regard to the possible consequences of the disclosure of certain information. However, wherever it occurs in this Universal Registration Document, the voluntary omission of certain information is always made in accordance with the correct information of the Shareholders, the market and investors.

2.3.2 THE MAIN PLAYERS IN INTERNAL CONTROL AND RISK MANAGEMENT AND THEIR MANAGEMENT

THE THREE LINES OF DEFENCE FOR EFFECTIVE RISK MANAGEMENT AND CONTROL



The Group's structure rests on the General Management, the corporate management departments and the subsidiary management teams within the scopes defined by business line or region.

As a result, SPIE's internal control and risk management system is implemented at the most appropriate level in the Group's organisational structure under the supervision of the Group's governance bodies and, more specifically, the Audit Committee of the Board of Directors, whose mission includes monitoring the effectiveness of the internal control and risk management systems (see Section 5.2.2 of this Universal Registration Document and the Board of Directors' management report on Corporate Governance in Chapter 5 of this Universal Registration Document). By way of illustration, SPIE makes the safety of Company employees the focus of its concerns; mechanisms for the prevention of risk of accidents are therefore systematically adopted at operating and construction sites, but also in the subsidiaries' head offices, within any entity entering the Group and, as far as possible, among the Group's subcontractors and suppliers. SPIE has thus implemented a global, coordinated internal control and risk management mechanism that is ultimately based on the definition of individual objectives shared between the management and every Group employee, to achieve the objectives set by the Board of Directors and General Management.

THE EXECUTIVE COMMITTEE

The Chairman and Chief executive officer of SPIE is supported by an Executive Committee in which all of the Group's subsidiaries are represented. As of the date of this Universal Registration Document, the Executive Committee is composed of twelve members. The Executive Committee responds to the desire to improve synergies and operations in an integrated and listed group while respecting the management autonomy of the subsidiaries. This Executive Committee is a forum for reflection, consultation and decision-making about the Group's major strategic and operational issues. In principle, the Executive Committee meets once a month; once a year, it also examines the assessment of the Group's level of internal control. It also meets twice a year as the Risk Committee to review the Group's risk management system (mapping of major risks and monitoring of corrective action plans).

THE ADMINISTRATIVE AND FINANCIAL DEPARTMENT

The Administrative and Financial Department is responsible for the finance division within the Group, directly through centralised functions (financial communication, accounting and taxation, financial control, management control, treasury and financing) and through functional links with the financial Directors of the Group's various subsidiaries reporting to it.

The Chief Financial Officer reports to the Chairman and Chief executive officer; he is a member of the Executive Committee of SPIE. The main managers of the corporate financial divisions and subsidiaries form the Group's Financial Management Committee, which meets monthly.

THE RISK CONTROL AND INTERNAL AUDIT DEPARTMENT

The Risk Control and Internal Audit Department was created in 2015 to strengthen the Group's ability to anticipate, identify, analyse and weigh the risks to which it is exposed, whatever their nature, in its daily business and strategic choices. It is attached to SPIE's Chairman and Chief executive officer and reports to the Audit Committee of the Board of Directors. It coordinates risk and crisis management, internal control and internal audit.

The work performed by internal audit falls within the scope of an annual plan ratified by SPIE's Chairman and Chief executive officer, implemented based on multi-criteria analysis (production, EBITA, risks, etc.) and taking into account the Statutory Auditors' observations and the results of internal control self-assessment reviews carried out by the subsidiaries. This audit plan revolves around three main types of mission: missions aimed at securing growth (consolidation and post-acquisition); missions relating to internal control; and cross-functional missions within the Group (controlling major risks and optimising efficiency); where appropriate, the plan may be adapted over the course of the year to incorporate missions relating to insurance or consulting at the discretion of General Management, the Board of Director's Audit Committee or the Group's Ethics Committee. Internal audit missions are carried out in all the Group's subsidiaries in accordance with the Code of Ethics and international professional standards (*Institut français de l'audit interne* – IFACI and The Institute of Internal Auditors – IIA).

The purpose of internal control is first to prepare and develop the Group's internal control standards, in keeping with the AMF's recommendations, in collaboration with the corporate management departments and the internal control structures of each subsidiary. Its work also consists in promoting the network of approximately 150 leaders of SPIE's 18 internal control processes, which are distributed among subsidiaries and within the Group's head office.

Finally, the task of risk control is to identify, analyse, prevent and control the main risks (threats and opportunities), whatever their nature, to which the Group may be exposed in its daily operations and in the choice of its overall strategic guidelines.

The Risk Control and Internal Audit Department is responsible for the overall coherence of the risk management process within the Group. It suggests solutions to reduce the potential effect on the Group of any occurrence of the risks identified. It ensures that risk management work is aligned with the Group's strategic objectives. By mapping the Group's major risks based on potential impact, possible frequency and level of control of the risks identified by the Group's executive officers, it is able to provide a consolidated overview of the risk portfolio so that an informed decision can be taken on the level of risk accepted and the allocation of the resources required for the assumption of a risk can be planned (risks/business case). It ensures the monitoring of the major risks presented to the Risk Committee each year, in close collaboration with the subsidiaries and operating organisations to which it provides its expertise and its technical support.

OTHER INTERNAL CONTROL AND RISK MANAGEMENT PLAYERS

In their respective fields, the subsidiaries' operational line managers are also major participants in everyday internal control and risk management, with the support of the central divisions concerned (finance, human resources, purchases, sustainable development, legal affairs, safety, information systems and technologies, etc.).

The Go/No Go Committee which has the power to authorise undertakings in respect of significant projects presented by the subsidiaries, the Group's Ethics Committee and the Group's Compliance Committee, replicated in each subsidiary, also play an active part in guiding internal control and monitoring it on a permanent basis.

2.3.3 EFFECTIVENESS OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Besides the guidance provided by the decision-makers described above, the effectiveness of the internal control and risk management mechanisms within SPIE is reliant on four key components:

- the control environment, which essentially corresponds to the values promoted within the Group;
- risk assessment;
- control measures, defined as the rules and procedures implemented to deal with risks; and
- dissemination of information.

CONTROL ENVIRONMENT

SPIE's control environment mainly relies on the following elements, which are widely reported and disseminated in all the subsidiaries and are accessible on the Group's Intranet:

- the securities trading code of conduct and its implementing recommendations;
- the affirmation of SPIE's values, namely: proximity, performance and responsibility. Each of these values forms part of an operating perspective that covers economic and managerial aspects as well as cultural, environmental and social aspects;
- the ten guiding principles on which SPIE relies to successfully carry out its corporate project, guiding principles that structure its approach: ethical behaviour, environmental protection, health and safety, respect for employees, training and investment, commitment taking into account diversity, local commitment, listening to customers, sense of responsibility, risk management;
- since 2003, SPIE has been part of the United Nations Global Compact and ensures that its principles on Human Rights and

rules on employment, the environment and combating corruption are applied. Its performances in this field are regularly evaluated by an independent agency that measures social responsibility;

- ethical business conduct constitutes a fundamental element of SPIE's approach, which is a belief that a firm's economic performance cannot be separated from its ethical responsibility. With this in mind, the Group has created its eight principles on ethical business conduct to regulate its activities. A guide on the application of ethical principles has also been prepared which seeks to guide SPIE's employees on the right conduct they should adopt in relation to certain situations that may constitute significant risks both for the employees and for SPIE;
- the Human Resources management policy and the Corporate Human Resources Evaluation and Development Committee (CEDRE). This is a collective approach, defined annually at each corporate level, *i.e.* services, agencies and departments all the way up to General Management, based on a joint process that seeks to ensure collectively that the performance of operating units and their human resources match, on an individual level, the personal and professional development of each employee.

RISK ASSESSMENT

Since 2010, the Group has periodically conducted risk mapping, which gives the Group's Executive Committee and the Audit Committee of the Board of Directors a snapshot in time of the major risks to which the Group may be exposed that could compromise the achievement of its objectives, disrupt its activities or cause long-term degradation to its image or the key operating process of the Group.

In 2019, the Risk Control and Internal Audit Department carried out further mapping of the Group's major risks using a methodology that fully complies with the recommendations of the AMF's working group on adapting reference frameworks to the issues of risk management and internal control. This was done according to a uniform working method adopted by all of the Group's twelve executive officers, who were interviewed based on a methodological guide that was established and circulated before interview. The risks were identified by families (strategy, operations, compliance and finance) and sub-families through the Group's risk register. For each identified risk, its causes and possible consequences were described. Current and expected impact, frequency and levels of control were also assessed.

The risks mentioned were finally consolidated by grouping risks presenting similar problems and based on the "one person, one vote" principle, so that the criticality and the level of control of each of the major risks could be calculated. Finally, each of them was described in a detailed individual file that provides a specific action plan attributed to a "risk owner" who is a member of the Group's Executive Committee, with a timetable for completion. Each major risk is also linked to internal control point(s) and with risk indicator(s), where possible. In 2019, for the first time, this major Group risk mapping process was digitised *via* a dedicated IT solution, licensed for use by a leading publisher of IT solutions in this market in Europe. This application, scaled to the SPIE group, is known as "GYRO" ("Govern Your Risks and Opportunities").

CONTROL MEASURES

In general, apart from the general tasks described above, each organisation within SPIE is associated with the Group's control activities in a way that ensures that SPIE's rules, instructions and procedures are disseminated, understood and applied.

Since 2013, the Group has deployed an internal control framework that was initially called "SPIE standards". At the end of the first enhancement in 2014, this framework became "the Group's internal control standards" and resulted in the first self-assessment campaign in the subsidiaries of their level of internal control. A self-assessment campaign for the level of internal control is now conducted each year in the subsidiaries. This self-assessment included 190 key controls and 133 standard controls divided into 18 management processes. Each control was assessed and rated as "compliant", "partially compliant", "non-compliant" or on an exceptional basis "not applicable". In 2020, the internal control standards were completely revised to better correspond to the risks identified and were integrated into the GYRO tool in 2021 so that the subsidiaries can now carry out self-assessments.

DISSEMINATION OF INFORMATION

Internal control information is systematically made available to all SPIE employees on the Group's Intranet. It is also made available to persons requiring it through the functional departments *via* their network of correspondents in the subsidiaries. Certain procedures or rules may moreover form the subject of *ad hoc* communication campaigns. As a reflection of the Group's decentralised organisation, information is always disseminated by the managerial or functional organisation for best effect. Since 2020, it has also been digitised *via* the aforementioned GYRO application.

2.3.4 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES PUT IN PLACE BY THE COMPANY IN RELATION TO THE PRODUCTION AND HANDLING OF FINANCIAL AND ACCOUNTING INFORMATION

Financial information is the result of a rigorous and exhaustive financial planning process. This process includes the following, in particular:

- a medium-term strategic plan;
- an annual budget;
- two complete re-estimates of the financial indicators projected to year-end;
- monthly statements;
- monthly updates on three-month projections for certain financial indicators;
- monthly meetings of each subsidiary's Management Committee, during which indicators are reviewed and commented on.

The Group's accounting rules and methods are accessible on the SPIE Intranet.

The Accounting Department, attached to the Group's Administrative and Financial Department, is responsible for the integrity and reliability of SPIE's financial information (parent company and consolidated financial statements) circulated within and outside the Group.

For production of the parent company and consolidated financial statements, it takes responsibility for:

- the preparation, approval and examination of the Group's statutory and consolidated, half-yearly and annual financial statements, as well as the projected figures;
- the identification, consolidation and monitoring of the off-balance sheet commitments of the Group's subsidiaries;
- the preparation, dissemination and monitoring of accounting procedures within the Group, ensuring their compliance with the accounting standards in force and the correct accounting translation of material transactions;
- guidance on the Group's financial information system;
- setting the reporting schedule and issuing instructions for the preparation of the half-yearly and annual financial statements.

After collecting letters of confirmation from the management departments of the subsidiaries and the head office, the Statutory Auditors present their observations on the half-yearly and annual accounts to the members of the Audit Committee and then to the Board of Directors.

Finally, since the Initial Public Offering (IPO) completed in 2015, the Group has been subject to control by the AMF.

-3-

NON-FINANCIAL PERFORMANCE AFR

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3.1 STATEMENT OF NON-FINANCIAL PERFORMANCE

3.1.1 VALUE-CREATION MODEL

RESOURCES

-

ECONOMIC CAPITAL

SPIE has economic resources to finance and develop its business.

- €1,534 million in equity;
- Net debt of €927 million (excluding IFRS 16) - €324 million compared to 2019.

MANUFACTURING CAPITAL

To successfully carry out its business, SPIE needs facilities and transport. The Group also purchases and consumes materials.

- €3.6 billion in goods and services purchased from suppliers and subcontractors;
- ~800 local sites
- 25,000 SPIE vehicles in use

HUMAN CAPITAL

As a service company, SPIE calls on the expertise and know-how of its employees.

- 45,470 employees;
- 3,928 new hires on permanent contracts;
- 2,136 apprentices in the Group.

SOCIETAL AND RELATIONAL CAPITAL

To deliver its services, SPIE draws on a network of partners, as well as on the trust-based relationships with its customers.

- more than 25,000 customers in +15 industries;
- 71,000 suppliers and subcontractors.

INTELLECTUAL CAPITAL

SPIE's added value is built on certified operating processes and expertise.

- more than 450,000 hours of training;
- One in two employees received at least one training course in 2020.

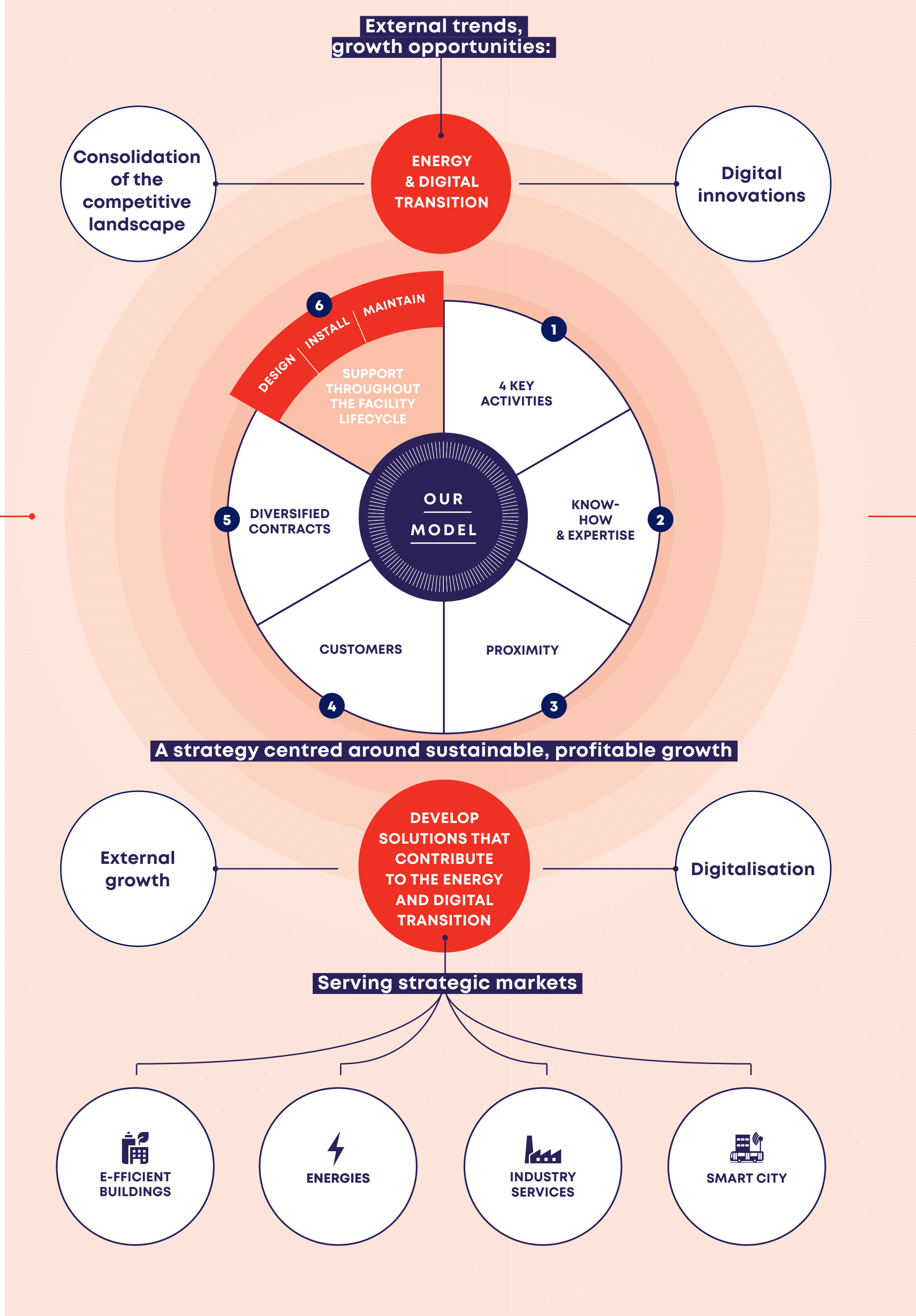
ENVIRONMENTAL CAPITAL

SPIE mainly uses energy to carry out its operations, particularly vehicle fleet fuel.

- 505 GWh of energy directly consumed, of which 82% in fuel for the vehicle fleet, 9% in gas, 8% in electricity and 1% in heating oil

BUSINESS MODEL

-



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RESULTS

ECONOMIC CAPITAL

SPIE's business generates economic resources that are redistributed to the Group's stakeholders.

- 5.10% EBITA margin
- €2,475 million paid in wages
- €0 million paid in dividends
- €0.61 per share, i.e. dividends of €95.9 million before Board vote [1]

MANUFACTURING CAPITAL

SPIE continues to create and improve facilities for private and public use.

- €1,292 million in revenue generated by new facilities
- €1,260 million in revenue generated by the "e-fficient buildings" business
- €340 million in revenue generated by the roll-out of fibre optics
- 9% growth in 2020

HUMAN CAPITAL

By paying careful attention to its employees' safety and well-being, SPIE develops not only its teams' commitment and its reputation as a great place to work, but also operational excellence and top quality service.

- - 25% fewer severe accidents compared to 2019
- 6.11% of the share capital held by employees through employee shareholding

SOCIETAL AND RELATIONAL CAPITAL

SPIE's long-standing relationships with its customers ensure that its business is sustainable. The Group also develops trust from wider society by acting as a responsible company.

- €3,337 million in revenue generated by recurring service contracts
- ~70% regular customers
- SPIE is ranked in the Gold category for the seventh consecutive year according to the EcoVadis 2020 ranking
- 380 stakeholders contributed to the materiality analysis

INTELLECTUAL CAPITAL

SPIE develops and provides innovative solutions that help the Group and its customers gain in efficiency.

- 62% increase in logins to the SIOUX innovation platform created by SPIE

ENVIRONMENTAL CAPITAL

SPIE's initiatives and commitments help it reduce its environmental and energy footprint.

- - 4% reduction in energy consumption of SPIE buildings between 2019 and 2020
- 3% of low-carbon vehicles integrated into the SPIE fleet

IMPACT

ECONOMIC CAPITAL

SPIE is able to maintain its economic activity over the long term and contribute to economic growth in its host regions.

- €10 million in acquired revenue
- €68.6 million in tax paid in host countries

MANUFACTURING CAPITAL

Through its business, SPIE simplifies access to infrastructure that is essential to business and human development.

- Services provided to the health sector for €176 million
- More than 20,000 charging points installed by SPIE in Europe since 2017

HUMAN CAPITAL

SPIE is a key player in inclusion in countries where it has a presence. It is also committed to fighting discrimination and to promoting gender equality in the workplace.

- 89/100 on the gender pay equity index in France
- The Board of Directors is composed of 6 women and 7 men
- In 2020, SPIE recruited 493 new work-study students in France and 297 in Germany

SOCIETAL AND RELATIONAL CAPITAL

SPIE takes part in collaborative global initiatives that promote a more ethical and responsible economy.

- 95% of services ISO 9001 certified
- 34% of the Group spend assessed on CSR performance by EcoVadis
- 1.6 million spend with protected worker sector in France

INTELLECTUAL CAPITAL

As a key player in local services, SPIE is a driver of innovation. The Group enables economic players, whatever their size, to access useful and innovative solutions.

- 2,656 contracts using the unified digital platform Smart FM 360°, a 667% increase on 2019
- 60 pilot projects led with customers

ENVIRONMENTAL CAPITAL

SPIE's business makes it a key player in the energy transition.

- ~41%: "green share" of SPIE's activity aligned with European taxonomy
- -5% carbon intensity for SPIE services between 2019 and 2020, -28% between 2017 and 2020 (scopes 1 and 2)

(1) A dividend payment for the year 2019 was proposed at €0.61 per share, up 5.2% on the previous year. As an interim dividend of €0.17 per share had been paid in September 2019, this dividend proposal implied a final dividend of €0.44 per share, to be paid on 2020, subject to shareholders approval at the May 29, 2020 Shareholders' General Meeting. The decision to cancel the payment of dividends for 2020 is by no means the reflection of cash concerns for the Group. It is caused by the exceptional context of the health crisis, and the distribution of dividends will remain at the heart of SPIE's capital allocation policy going forward.

3.1.1.1 A SOLID, SUSTAINABLE MODEL

The strength and sustainability of SPIE's business model are based on four core activities, which have contributed to the Group's resilience during the health crisis:

- **Mechanical & Electrical Services:** we support our customers in designing, building, extending and renovating their facilities, through our electrical, mechanical and HVAC engineering services;
- **Technical Facility Management:** we provide support for operations and process industrialisation throughout the entire life-span of our clients' assets. Our services include audit, diagnostic and mono or multi-technical maintenance services, combining electrical, HVAC and mechanical engineering;
- **Information & Communications Technology Services:** we offer a wide range of solutions and services for information and communication systems, from design to managed services, as well as operated and cloud computing services;
- **Transmission & Distribution Services:** we deliver a comprehensive range of services to the energy transmission and distribution sectors, primarily in the electricity segment.

The diversity of these activities, the sectors we serve and the countries in which we operate is a powerful lever for solidity and resilience; it enables us to quickly find growth drivers in the event of a slowdown in certain markets, as was the case in 2020. The Group's values - proximity, performance, responsibility - have also proven to be more relevant and mobilizing than ever. Combined with the expertise of our employees, they allow us to support a wide variety of customers throughout the life cycle of their facilities (design, construction, operation and maintenance). We maintain long-term, trusting relationships with our customers and are there to support them no matter what.

During the Covid-19 crisis, SPIE kept its customers' buildings in working order and provided them with good telecom infrastructure to facilitate remote working, in order to limit the spread of the epidemic. SPIE ended 2020 in line with its revised objectives announced in July 2020 thanks to its operational rigour and the maintenance of a robust cash generation. No significant workforce reduction plan took place during this crisis period.

3.1.1.2 THREE STRATEGIC LEVERS

SPIE operates in an environment that is being shaped by three major trends.

- The development of transition solutions. Thanks to our expertise in energy and communications, SPIE is particularly well placed to develop solutions aligned with the transformations affecting our customers, which include new forms of mobility, the energy transition, 5G and the emergence of intelligent infrastructure; The health crisis has given a new boost to the digital transition, with a strong increase in digital uses (teleworking, distance learning, teleconsultations, etc.)
- Regular external growth transactions. Supported by an effective cash-flow generation policy, SPIE resumed its acquisition momentum in December 2020. The acquired companies enable us to quickly seize opportunities in growing markets and increase our market share in the regions where the Group is present in Europe;
- Digital and technological innovation. All of our activities are impacted, with three major benefits: the development of high value-added solutions for our customers, the capacity to accompany them in adopting new practices, and an improvement in our projects' performance indicators, particularly in terms of energy efficiency. For example, SPIE Facilities has developed a unified digital solution, SMART FM 360°, which identifies any malfunction related to building services and enables real -time management. It facilitates the automation and prioritisation of the processing of requests and anticipates any anomalies; it is the beginning of predictive maintenance. Its deployment was accelerated in 2020.

SPIE's mission is to contribute to a less energy-intensive world and to promote the use of less carbon-intensive energies. A global envelope of €1,800 billion will help rebuild post-Covid-19 Europe. 30% of the funds must be allocated to the fight against climate change. SPIE is well placed to seize the opportunities linked to these recovery plans: energy efficiency, renewable energies, sustainable mobility. A relocation of certain industries to Europe is also foreseeable. SPIE is able to support these transformations, particularly in the agri -food, pharmaceutical and automotive sectors where it is already well established.

The resilience of SPIE's model and its role in the energy transition and digital transformation are a source of pride for employees and give meaning to their work.

Structural growth factors such as the European demand for greater energy efficiency in the buildings on which the Group relies for its long-term growth are described in more detail in Chapter 1, point 2.4 of this report.

3.1.2 CSR STRATEGY

SPIE aspires to be a responsible company through its internal and external practices. By providing innovative solutions, SPIE facilitates the energy transition and digital transformation to meet the expectations of its various stakeholders.

SPIE's values are "Proximity" with its teams, clients, and partners; "Performance" at all levels; and "Responsibility" (including social and environmental).

3.1.2.1 CSR GOVERNANCE

Board of Directors

2020 was the first full year of activity for the Board's Governance and CSR Committee. This committee met five times in 2020 to discuss, among other things, the annual assessment of the independence of the Board members and their skills, the review of observations made by investors and proxy advisors on the Company's governance, review of the gender balance policy within the governing bodies with proposed quantified targets, review of investor perception of CSR at SPIE and areas for improvement and review of the Group's ethics policy. For more information, see Section 5.2.2.1.

Executive Committee

The Group's Executive Committee systematically reviews CSR risk management at its monthly meetings. This committee also sets the main CSR orientations and regularly reviews the progress of ongoing projects. In February 2020, the Executive committee dedicated its strategic seminar to energy and climate issues.

Group and national CSR committees

The Group CSR Committee proposes and steers the CSR action plan. It meets on a regular basis and is also supported by *ad hoc* working groups, such as the one dedicated to reducing the Group's carbon footprint. It is composed of members of the subsidiaries' management committees as well as the Group human resources director and the Group operational support director, both of whom are members of the Group executive committee.

Local CSR committees complement this CSR governance system within the subsidiaries. They include representatives from the various operational activities as well as certain support functions within the entity. They set action plans aligned with the Group's objectives and reflecting the challenges specific to the subsidiaries.

Other sector committees contributing to CSR performance

Several committees make up the CSR governance system: a Group QSE Committee and local QSE Committees, a Group ethics committee and local Ethics Committees, a Group purchasing committee and a responsible purchasing committee, a business development directors committee, and a disability committee in France.

3.1.2.2 CSR POLICY

SPIE has been committed to corporate social responsibility (CSR) actions for more than a dozen years in the areas of diversity, skills development, health and safety, green economy and responsible purchasing. SPIE has formalized its CSR policy around 4 pillars: environment, social, economy and society.

Each of these pillars is divided into three sub-themes with the goal of allowing all stakeholders to have a clear overall view of the Group's CSR commitments:

- **Environment:** SPIE's business lines and expertise enable it to reduce the carbon footprint of its customers. SPIE is moreover committed to reducing its own footprint;
- **Social:** As a service company, SPIE's employees are its major asset. The Group is attentive to guaranteeing the safety of its employees in the workplace, offering them opportunities for professional training and career progression, and fostering constructive industrial relations;
- **Economy:** SPIE aims for economic performance while respecting high ethical requirements and favouring mutual trust and long term relationships with all its stakeholders;
- **Society:** SPIE promotes diversity and encourages its employees to dedicate their time for a sustainable world, thus illustrating its proximity and responsibility values.

3.1.2.3 DIALOGUE WITH STAKEHOLDERS

Listening to our stakeholders is a prerequisite for the proper conduct of our business. In 2019, an internal committee drew up an overview of the Group's main stakeholders as follows:

Stakeholder	Channels of dialogue and interaction
Talents Employees Employee shareholders Representative bodies Candidates Interns, work-study students Alumni Retirees	The Group's employees are its main asset. SPIE cultivates their commitment and ensures lasting appeal through three priority areas: taking into account the aspirations of all employees, developing their careers and expertise, and guaranteeing their health and safety. To achieve this, the Group maintains constructive social dialogue and close relationships and gives employees a voice in the conduct of its strategy through employee shareholding. It also works closely with schools that train the talents of tomorrow.
Customers Multi-sector customers Prospective customers	SPIE maintains long-term relationships with its customers, based on close proximity and constant dialogue, ensured at all levels of the Company by business managers, site employees and managers working alongside them. In-depth discussions are regularly organised with each customer to better understand their needs and expectations.
Investors Institutional Shareholders Individual Shareholders Investors Financial analysts	The Group maintains a regular dialogue with investors, providing them with transparent and high-quality information on its strategic choices and its business. Through these discussions, the Group understands and anticipates their expectations, particularly in terms of governance, environmental and social performance. It also completes questionnaires from the main financial and non-financial rating agencies.
Suppliers and subcontractors	SPIE operates in a competitive sector where quality materials and expertise can be scarce resources that make a difference. The quality of the relationship with its suppliers is a powerful guarantee of competitiveness. The Group forges long-term partnerships with its major suppliers. This relationship of trust involves, in particular, strategic meetings enabling reciprocal improvement in innovation and CSR.
Regulators	SPIE is committed to complying with ethical rules and regulations wherever it operates. As a multi-local player rooted in the regions, the Group maintains a close relationship with regulators based on regular dialogue. It provides transparent and reliable regulatory information.
Partners Peers Industry organisations Universities and schools Start-ups	SPIE interacts with a wider ecosystem, enabling it to better anticipate major changes in its business sectors and benefit from new expertise. The Group is a member of several professional associations such as the Fédération nationale des travaux publics, Gimelec and SERCE.
Civil society Local communities Users Media and journalists NGOs and associations	SPIE's reputation allows it to conduct its business with complete peace of mind. The Group strives to maintain a relationship of trust with civil society. It communicates regularly with the press and on social networks and participates in local forums to inform and listen to local communities.The Time4Society volunteering programme enables employees to get involved with local associations. SPIE also participates in collective discussions in favour of a low-carbon economy - notably through its support for the Shift Project - and works in schools and universities with future talents.

3.1.2.4 MATERIALITY ANALYSIS: KEY ECONOMIC, ENVIRONMENTAL AND SOCIAL ISSUES FOR THE GROUP

At the end of 2020, SPIE conducted its first materiality analysis, thus engaging with its main stakeholders (employees, customers, investors, suppliers and partners) on the priority issues for the next three years.

In terms of methodology, fifteen subjects impacting both SPIE and its stakeholders were identified following an in-depth analysis of the Group's operating environment, supplemented by an extensive documentary search. SPIE then drew up a list of stakeholders in order to ensure that its business and geographical locations were well represented in the responses. These stakeholders and the Group's Executive Committee were then invited to rank the key issues through an online survey. Respondents could also propose other issues or make comments. The 380 responses to the survey were supplemented by qualitative interviews aimed at better understanding the stakeholders' choices.

(1) Includes answers from employees, clients, investors, suppliers and partners.
(2) Includes answers from the Executive Committee.

The energy transition, the green economic recovery and customers developing more sustainable business models are at the top of the materiality analysis. This reinforces SPIE's strategic focus on facilitating the energy transition, serving an increasingly low-carbon economy.

More broadly, this matrix supports the analysis carried out by SPIE internally on its major CSR risks and opportunities described below in 3.1.3.1. It confirms the value attached to long-standing initiatives: occupational health and safety issues, rooted in SPIE's corporate culture, are thus considered essential by a large majority of participants. The most recent actions are becoming even more strategic: this is notably the case for the efforts made to better characterise the contribution of SPIE's activities to climate change mitigation, the Group's "green share".

3.1.3 MAIN EXTRA-FINANCIAL RISKS

3.1.3.1 EXTRA-FINANCIAL RISK ANALYSIS METHODOLOGY

In 2018, a first extra-financial risk mapping was conducted by applying the methodology of the Group risk and internal audit department. The identification and ranking of the main extra-financial risks were the result of consultation of several functional and operational managers of the Group. The CSR risks were assessed according to the following five criteria: applicability, impact, frequency, level of control and time horizon. The various interviews that were conducted made it possible to identify control measures for each risk.

This mapping of the Group's extra-financial risks was validated by the Group human resources director and the Group operational support director, both members of the Group's Executive Committee. The results of this mapping are consistent with those of the first materiality analysis carried out by the Group with its stakeholders and senior management at the end of 2020. In addition, the same CSR risk analysis exercise was repeated in autumn 2020 by the Group CSR Committee. This confirmed the relevance of the main CSR risks.

3.1.3.2 MAIN EXTRA-FINANCIAL RISKS

The principal CSR risks that were identified are the following:

- recruitment and employee loyalty risk;
- occupational health and safety risk;
- client satisfaction risk;
- subcontracting risk;
- corruption risk;
- climate change mitigation risk.

3.1.3.3 RISK RELATED TO THE RECRUITMENT AND RETENTION OF EMPLOYEES

As the independent European leader in multi-technical services in energy and communications, the ability to identify and then train, retain, and motivate highly qualified employees is essential and synonymous with success. This is especially important given that SPIE operates in a highly competitive market where technical profiles are in high demand, for example in Germany and the Netherlands, but also in France.

3.1.3.4 RISK RELATED TO WORKPLACE HEALTH AND SAFETY CONDITIONS

The variety of professional sectors and contexts in which SPIE operates requires constant vigilance. Certain business activities of the Group are high-risk and could lead to a high level of accidents with potentially severe occupational accidents. The impacts in the case of workplace accidents could be substantial (fatality, production loss, financial loss, reputational loss, social risk, legal claims).

3.1.3.5 QUALITY/CUSTOMER SATISFACTION RISK

Service quality and client satisfaction are fundamental and synonymous with SPIE's performance

Monitoring them is a real opportunity for client loyalty and business development.

3.1.3.6 SUBCONTRACTING RISK

SPIE works with 71,000 suppliers and subcontractors. Out of the €3.6 billion of Group purchasing in 2020, €1.3 billion accounts is for subcontracting purchases. The vast majority of the Group's subcontractors are small and medium-sized companies. Growing client demand is also driving SPIE to undertake an ongoing search for new subcontractors in a context of supply shortages.

Accordingly, identifying and contracting subcontractors in order to be able to respond to all our needs, in accordance with our standards, is a true challenge. Not being able to seize all business opportunities is a primary risk. In addition, subcontractors' lack of rigour in the application of international and national laws as well as SPIE standards, particularly in terms of health and safety, poses another risk. Controlling subcontractors effectively, particularly small companies, is therefore a challenge.

3.1.3.7 CORRUPTION RISK

SPIE maintains high ethical requirements in carrying out its business. Nonetheless, the group may face corruption risks as part of its activities that may cause financial and/or criminal sanctions, exclusion from certain markets or a risk to SPIE's reputation.

3.1.3.8 RISK RELATED TO CLIMATE CHANGE MITIGATION

SPIE contributes to the fight against climate change by reducing its customers' and partners' carbon footprints through energy-efficient technical solutions and renewable energy services. The Group also strives to reduce its own carbon footprint with a particular focus on its buildings and vehicle fleet.

Changes in regulations and expectations of customers and investors concerning the reduction of greenhouse gas emissions create opportunities and risks for the Group. Failure to be recognised as an expert on energy transition advice and support could have both financial and reputational consequences.

3.1.4 POLICIES AND RESULTS RELATING TO SPIE'S MAIN EXTRA-FINANCIAL RISKS

3.1.4.1 EMPLOYEE RECRUITMENT AND RETENTION

SPIE employed 45,470 people at December 31, 2020, compared with 47,176 people at December 31, 2019 (all types of fixed-term contracts, permanent contracts, apprentices), a decrease of 3.6%. More than one third of this decrease was due to the sale of its roaming maintenance business in the United Kingdom.

3.1.4.1.1 Employees, SPIE's main asset

The Group's ambition is to attract, develop, and retain talent to remain Europe's independent leader in multi-technical services in energy and communications.

In 2018, SPIE defined its HR policy, which is supported by the Executive Committee and based on three pillars:

- making SPIE an employer of choice;
- supporting the transformation (digital, tools and processes, innovation);
- supporting the Group's growth.

The ability to recruit is part of the first pillar of this HR policy. It is supported by the other pillars and in particular by policies for well-being at work, digitalization and growth.

To be a preferred employer, SPIE concentrates on three priorities:

- retaining employees, promoting a strong employer brand to attract employees, and developing technical expertise and talent to meet the Group's needs and prepare the leaders of tomorrow;
- encouraging strong employee engagement through inspiring leadership based on SPIE's values and principles;
- promoting equality and diversity.

The Covid-19-related health crisis naturally impacted the HR strategy in 2020, without jeopardizing its fundamentals. In this degraded health context, SPIE focused on:

- protecting the health of its employees;
- retaining jobs and skills and;
- continuing its activities with its customers with the same level of service and commitment.

For functions where it was possible, teleworking was massively used and many activities were digitised and carried out remotely in record time, demonstrating the adaptability and agility of employees. In this context, SPIE has endeavoured to maintain the link between the teams through enhanced local communication and the organization of various online digital events.

SPIE has adapted its resources to its level of activity and adjusted its recruitment volume accordingly, without compromising the future. Thus, the Group recruited 3,928 new employees on permanent contracts in 2020.

The rate of voluntary turnover (resignations) was 5.41% in 2020 down by 32% compared to 2019.

3.1.4.1.2 Intensification and professionalisation of the search for candidates

The scarcity of expertise and technical profiles remains a real challenge for SPIE despite the Covid-19-related health crisis. This is why employee loyalty and the development of the employer brand remain priorities, as does recruitment effectiveness. To address these needs, SPIE is investing in the intensification and professionalization of its search for candidates.

In each country, SPIE has pursued a policy of "incubators", promoting a pre-recruitment approach, through apprenticeships, work-study programmes, international business volunteers ("VIE") and internships. In 2020, SPIE recruited 493 new work-study students in France and 297 in Germany, bringing the total number of work-study students at SPIE France to 1,035 and at SPIE Deutschland & Zentraleuropa to 892, with a total of 2,136 apprentices for the Group.

Co-opting programmes continued in the subsidiaries. This system permits very precise targeting of profiles and also demonstrates employees' satisfaction and commitment to the Company. In 2020, at group level, despite the Covid-19-related situation, 760 recruitments were made by co-option.

In the context of the pandemic, SPIE has adapted its communication actions with schools/universities and with potential candidates.

- Partnerships with schools and universities continued in a more digital way.
- As the usual face-to-face actions are limited due to the health crisis, SPIE has stepped up its communication on social networks *via* So' SPIE interviews and the promotion of vacant positions;
- In Belgium, the "Jobinar" concept was launched online. Candidates are invited to participate in a live webinar where the hiring manager explains the position and answers the candidates' questions live;
- SPIE Nederland has set up an entirely online recruitment process, with participation in a business case to recruit young engineers.

However, a few face-to-face events were held, for example:

- as part of a day to promote technical professions, SPIE Academy in the Netherlands hosted 500 university and high school students who were able to familiarise themselves with SPIE's professions;
- in France, SPIE CityNetworks organised two recruitment evenings in Touraine and in the Dordogne to promote SPIE's business lines in a friendly way and to strengthen its teams.

3.1.4.1.3 HR development, a way to retain and attract talent

Proximity and human resource development remained high priorities in 2020, and contributed to strengthening SPIE's notoriety and attractiveness.

Managing the skills of SPIE employees and developing their potential and employability are one way to address the issue of recruitment by limiting departures, developing internal expertise, and thus reducing recruitment needs.

Each subsidiary organises its leadership and professional development training. In addition to these country-driven programmes, international training programmes are managed at Group level. These include "Ambition Manager", "SPIE Talents", and "Business Unit Manager": international leadership development programmes to prepare the Group's future leaders. In 2020, the Ambition Manager training began in face-to-face mode in January and continued in remote mode. The SPIE Talents and BU Manager programmes have been adapted for remote mode and will be delivered in 2021.

All SPIE subsidiaries have developed remote versions of their leadership training programmes.

In 2020, SPIE continued its commitment to Human Resources development and skills management through three key actions:

- the deployment of awareness-raising workshops on the "Principles of Leadership - BE SPIE". Excellence in leadership is a fundamental factor of success for the overall performance of the Group. Moreover, it contributes to employee retention. Relying on the country's management committees, the roll-out of this flagship action across the Group began in 2020 in person. Due to the health crisis, it then took place remotely. Fifty-one sessions were held in Europe to date (including thirteen remotely), reaching more than 600 Managers;
- the implementation of action plans to respond to the employee satisfaction surveys initiated in the second half of 2019 in the Netherlands, Belgium, Switzerland and within SPIE Oil & Gas Services;

3

- in France, the deployment of the dynamic skills management booklet to Managers. *Via* this booklet, which was created in 2019, the main intention is to improve the clarity and visibility of SPIE's business lines and the potential for professional mobility within the Group. Sixty-two business lines were thus defined: functions, skills and prerequisites, progression within the profession, possible gateways to other functions as well as training paths. The skills were integrated into the performance review process *via* a digital tool, in order to adapt the development and training plans accordingly.

The training and professional development policy is based on two main tools:

- SPIE Talents Appraisal Recruitment Solution (Stars), deployed in a majority of the subsidiaries, provides access to job offers for all Group employees. Lastly, it supports the annual implementation of a talent review (CEDRE) to assess and manage employee skills, enabling managers and employees to formalise and track their objectives, performance and desires for development and change;
- In addition to face-to-face learning, an e-learning platform, SPIE My Intensive Learning Experience (Smile) offers various courses and is deployed in all of the subsidiaries. New content more focused on personal development and leadership, as well as targeted training on "remote working" were integrated in 2020. SPIE UK has also designed and developed e-learning modules about workplace safety during the Covid-19 pandemic, teleworking and well-being. The number of training hours *via* Smile increased by more than 15% in 2020. Nearly 15,000 employees completed at least one e-learning course in 2020.

In the Group, more than 22,000 people attended more than 450,000 hours of training (all types of training included) in 2020.

In 2020, SPIE maintained the digital reverse mentoring programme launched in 2017 in which young employees train managers in digital tools. In 2020, twenty-four pairs of mentors (managers under the age of 35) and mentees (members of the Executive committee, management committees and managers) met for monthly sessions for individual and personalised support. There are multiple goals: fostering intergenerational interactions, highlighting the importance of younger staff, developing the digital culture of teams, raising awareness of the digital transformation, and promoting feedback from the field.

A virtual "talent forum" was held for the Group's headquarters staff during the first lockdown: This was an opportunity for employees to stay in touch, despite the lockdown and partial unemployment, while sharing their own talents with their colleagues and developing their skills. 58 sessions with 12 different activities were organised.

In 2020, SPIE was recognised as a Top Employer in Belgium for the fourteenth consecutive year and in Nigeria. In addition, SPIE was awarded in Germany the following labels: "Fair Company" and "die Welt Deutschlands beste Arbeitsgeber, sehr hohe Attraktivität" ("Germany 's best employer", "very high attractiveness").

3.1.4.1.4 Diversity and equal treatment, major strengths of SPIE

Diversity is an integral part of the Group's guiding principles, management valuers and social responsibility. It contributes to improving the climate of trust and working conditions.

From 2008, SPIE formalized its commitments in a Diversity Charter. The aim is to strengthen its commitment to preventing discrimination and promoting equal opportunities.

The Group promotes diversity as a development factor through concrete measures based on four priorities:

- achieving a better gender balance;
- employing more workers with disabilities;
- nurturing a healthy generational mix; and
- promoting diverse backgrounds.

For SPIE, acting on diversity and especially gender balance also means acting on the employer brand and therefore on the Group's attractiveness.

SPIE pursues its commitments in this area through the "So'SPIE Ladies" network, which has been in place since 2015 in all the subsidiaries. The goals of this network, made up of both women and men, are to expand professional equality, increase the diversity of teams, promote better development of women's careers, and raise employee awareness of diversity. The Group's director of human resources and SPIE France's managing director, mandated by the Group's executive committee are the sponsors of this network. This commitment at the highest level federates all of the Group's subsidiaries in the approach. Meetings were held with each country's pilots to present their commitments, action plan and undertaken actions

Since 2012, SPIE has taken part in the La Parisienne race with around 250 employees from all of the Group's countries, including some members of Executive Management. In 2020, this race was cancelled. However, in the UK, all participants participated remotely by running close to home and posting videos/photos on the intranet site.

In addition, "So'SPIE Ladies" carry out actions on social networks with online recruitment forums dedicated to female engineers and recruitment campaigns targeted at "women engineer" or "women technician" profiles in particular.

In 2020, SPIE Germany's So'SPIE Ladies network launched a "Diversity Letter" aimed at promoting gender equality and raising awareness of gender diversity in the company. Training/awareness sessions are also organised every two months for this purpose. 'SPIE Ladies Germany has also set up a monthly "lunch on wheels" where participants (men or women) are selected at random to have lunch together *via* Teams. The objective is to enable participants to improve their internal network, to understand their respective jobs and to discuss gender diversity at SPIE.

The Group extended its programme for mentoring women by members of the Management Committees to all countries. Sixty-one women benefited from this programme in 2020.

In addition, SPIE's "Gender Equality Index" in France stands at 89/100, up five points compared to 2019. This indicator is composed of five criteria that address the pay gap between women and men, the proportion of women and men promoted, the proportion of women and men with a raise, and the percentage of women with a raise upon their return from maternity leave, and the number of women and men among the top ten highest paid employees in the company. SPIE UK publishes the gender pay gap on its website. This study provides an overview of the gender balance within an organisation and measures the difference between the average salaries of all male and female employees.

Thanks to these efforts to promote diversity, SPIE significantly improved its position in the ranking of gender diversity within the governing bodies of SBF 120 companies, ranking 46th compared to 75th in 2018. Historically, this ranking, carried out by the French Secretary of State responsible for gender equality and the fight against discrimination, aimed to determine the proportion of women in strategic bodies and in top management positions. For this new edition, the ranking has been enriched with new criteria and thus includes the rate of awareness-raising/training of governing bodies and the results of the latest legislative measures - such as the gender equality index.

As of January 1, 2021, women held 43 of the 267 key managerial positions within the Group. SPIE intends to continue this drive to promote feminization and has set itself the objective of increasing the proportion of women in these positions by 25% by 2025.

3.1.4.1.5 Loyalty linked to the performance of the company

Employee shareholding is an integral part of SPIE's culture and is a tool for loyalty and attractiveness. With "Share For You 2020", SPIE completed its fourth employee shareholding transaction since the IPO in 2015, thereby confirming the strong desire of its managers to involve employees in the long-term performance of the company. More than 90% of the Group's employees were eligible for this shareholding operation both in 2019 and 2020. The 2019 French Pacte law provisions increase the potential share price discount from 20 to 30%. In 2020 as in 2019, employees were eligible to a 30% discount.

Despite the current context, participation in "Share For You 2020" was higher than last year, demonstrating employees' confidence in the Group's future.

SPIE is among the European companies whose proportion of employee shareholders is above the European average. In 2017, SPIE joined the Euronext FAS IAS index of companies with strong employee shareholding structures. At the end of 2020, employee shareholders held 6.1% of the Group's capital, following successive employee shareholding transactions.

Access to employee shareholding is through a Group Savings Plan (PEG) and an International Group Savings Plan (PEGI). They have been used on the occasion of various successive operations: the employee buyout in 1997, the Leveraged Buy Out in 2006 and in 2011, the IPO in 2015 and, lastly, the employee shareholding transactions carried out every year since 2018.

In addition, since November 24, 2009, the PEG has allowed Group employees to invest in units invested in participating firms in accordance with Article L. 3332-17 par. 1 of the French Labour Code, through their profit-sharing, incentives or voluntary payments.

In France, employees of companies with a workforce of 50 or more are entitled to:

- profit-sharing under a collective agreement concluded on June 6, 2005. Under the agreement, which was signed by all representative unions, profit-sharing, which varies in accordance with the performance of the Group entities included within the scope of the agreement, is pooled with all the special positive profit-sharing reserves of each entity within the scope (global special profit-sharing reserve). 30% of the total special profit-sharing reserve is uniformly distributed to all employees included within the scope of the agreement of June 6, 2005, prorated on the time employed over the reference year, and the remaining 70 % is distributed in proportion to the salary received during the reference year.

  The total gross profit-sharing reserve for 2020 amounted to €7,767,145.
- incentives for their company. An EBIT/revenue ratio calculated by the company is the first condition for qualifying for an incentive. When due, incentives are paid in relation to increases in EBIT/revenue (normal payment) or decreases in EBIT/revenue (payment with penalties) compared with the previous year over the reference scope. Incentives are divided evenly among employees on the sole basis of the effective time spent at work during the year in question.

The total gross amount distributed in respect of the employee incentive plans for 2020 was €5,056,486.

Managers in Group entities are eligible for variable annual compensation.

The variable annual compensation for managers is as follows:

- 10% to 30% of the annual base salary for managers; and
- 30% to 40% for managers who are members of subsidiary management committees.

The objectives are both quantitative and qualitative, collective and individual, as follows:

- operating criteria: EBITA and cash flow of the entity in question; and
- individual development criteria.

The results of the operating criteria are weighted by a CSR performance indicator: a safety coefficient measuring the improvement in the Group's safety performance.

In addition to its short- and medium-term compensation instruments, the Group offers long-term or post-employment benefits in certain countries. The amounts due by the Group with regard to long-term or post-employment benefits went from approximately €879 million for the year ended December 31, 2019 to approximately €871 million for the year ended December 31, 2020.

3.1.4.1.6 Social dialogue and respect of human rights

SPIE has been an active member of the United Nations Global Compact since 2003.

As such, SPIE has adopted, supports and applies the fundamental principles and rights to work of the International Labour Organisation (ILO).

Because SPIE is overwhelmingly based in Europe, more than 97% of SPIE's employees are working in a country that ratified the eight fundamental conventions of the International Labour Organization relating to freedom of association, forced labour, discrimination and child labour, and has transposed these in its national laws.

The respect for and promotion of human rights are founded internally on the "Principles of Ethical Business Behaviour" Code, the structured health & safety approach, the implementation of a non-discrimination policy and the communication of a suppliers charter. In addition, suppliers are evaluated on their own Corporate Social Responsibility performance, including human rights aspects (see the section on sustainable purchasing, 3.1.4.4.7 in this report.).

Today, more than 80% of our employees are covered by sectoral collective agreements governing the framework and conditions, in addition to the collective agreements specific to each company.

Group employees are represented at various levels, Group, company, and establishments within the framework of bodies unique to each country by union representatives or by elected staff representatives.

The European Works Council is composed of representatives from the different member countries in which the Group is present; it functions in accordance with applicable European regulations (Directive 2009/38/EC governing the institution of a European Works Council dated May 6, 2009).

On the whole, the Group considers that it has satisfactory working relations with its employees and their representatives, some of whom are members of trade unions. A total of 202 collective agreements were signed within the Group in 2020 with representatives of the representative trade unions.

At the European level, the rules for forming and operating the European Works Council were unanimously approved. The composition of the European Works Council was reviewed at the end of 2018 in order to take the evolution of the Group into account, resulting in an unanimous agreement.

3.1.4.2 WORKPLACE HEALTH AND SAFETY

3.1.4.2.1 A workplace health and safety policy that makes zero serious accidents a concrete objective

The first responsibility of SPIE is to guarantee the health and safety of its employees and other stakeholders. This challenge is paramount to the Group.

SPIE implements reliable, high-performance safety management systems, certified under recognised standards such as ISO 45001, VCA, and MASE. ISO 45001 certifications concerned 93% of the scope at December 31, 2020 (91% in 2019 and 92% in 2018).

The "Health and Safety" code defines the Group's safety policy. It proposes operational measures to address the major risks identified in connection with the nature of SPIE's main activities (electrical risks, road risks, risks related to working at height and risks related to lifting activities, as well as risks related to the understanding of preparation and implementation phases). This code is deployed in several languages in all subsidiaries and distributed to all newcomers.

The safety policy, managed at Group level, is rolled out in action plans defining health & safety prevention guidelines. These action plans are built in close connection with the subsidiaries prior to being implemented. Operational staff are responsible for carrying out the various actions in the plan, relying on the expertise and support of a structured QHSE function duly identified within each subsidiary and at the headquarters level:

- a QHSE director coordinates this health & safety priority in each of the subsidiaries;
- QHSE managers, assisting the QHSE director, are in charge of implementing this policy in their various operational units;
- QHSE coordinators work in close collaboration with the on-site operational staff to provide the proper understanding and acquisition of safety improvement measures by the technicians.

SPIE is committed to achieving zero serious accidents for its employees and temporary workers. SPIE gives great importance to co-constructing action plans with the subsidiaries, common to the Group as a whole. The action plans dedicated to the prevention of the severe accidents involves the deployment of concrete objectives in response to the reality of operational staff. At Group level, serious accidents must be reduced by 20% in 2021 compared to the previous year. For the absolute accident frequency rate, the annual reduction target is 10%.

The assessment of severe accidents and potentially serious incidents is tracked monthly by the SPIE's executive committee. When actions are put in place following the occurrence of severe accidents or potentially severe incidents, they are shared with all of the subsidiaries. The goal of providing information on these incidents is to ensure that the actions taken for compliance are carried out on the various sites to prevent the occurrence of similar incidents.

To enhance the prevention of severe accidents linked to major risks, SPIE developed ten "life-saving" rules in 2019. These rules, included in the Health & Safety Code and developed in collaboration with the whole QHSE network, underscore the importance of total compliance to avoid severe or fatal accidents. Having tested the relevance and the simplicity of applying these rules among a representative group of operational staff, they were approved by the Executive committee in 2019. The roll-out of this flagship project to improve the safety culture at SPIE was planned for 2020. As this project requires significant involvement of the entire organisation but everyone was necessarily mobilized to control the Covid-19 pandemic, the Executive committee decided to postpone the start of the project until the beginning of 2021 to ensure the full involvement of all stakeholders.

Despite the pandemic, accident prevention remains at the heart of our priorities. Several safety actions were carried out by SPIE in 2020 thus:

- the safety day was held on September 8 in strict compliance with the health protocol in place in each country. This year, the theme was "Preventing serious accidents: identifying and reporting dangerous situations could save your life". As a testament to the relentless importance we place on workplace safety, participation was very good and almost identical to previous years. Numerous interactions took place at our various sites. Hazardous situations were identified and corrected;

(1) *As at December 31, 2020, 8.6% of the share capital is held by employees (6.1% via employee shareholding plans, 2.5% by managers), which is well above the 2.72% average calculated by the latest European share ownership survey.*

- in the Covid-19 context, the partial shutdown of the Mobile Safety Schools (EMS) was used to improve content, ensure it meets the needs of employees as closely as possible and innovate both the training course content and tools.

Season 2 of the EMS has begun. The training is supplemented by new modules such as the one on Musculoskeletal Disorders (MSD) or the one on machinery and earthworks.

Among the main innovations, the use of virtual reality is now being implemented in some EMS.

We are now working on promotional materials to make our EMS better known to our customers and partners and to share with them the benefits of our safety training and actions:

- security innovations continued to be encouraged, always with the aim of providing efficient and reliable solutions to operational staff. We can cite the development of an individual work platform that makes it possible to change working heights very easily. This light and efficient equipment meets the daily constraints of our technicians;
- the application of a clear, fair and understandable recognition/sanction policy has been strengthened within the organisation. This implementation of a fair culture in terms of health and safety supports greater employee involvement and builds trust within teams.

SPIE has continued to develop the training actions necessary for continuous improvement in prevention:

- in the Netherlands, at least 550 people have completed safety leadership training. In addition, at least 450 people have undergone specific safety training, such as electrical risk, working at height, road risk and identifying asbestos;
- in England, the focus was on mental health training for managers during periods of intensive teleworking;
- in Belgium, the “Safety Ambassadors” programme was launched in early 2020. This programme relies on voluntary ambassadors working together on site to improve safety.

Lastly, the QHSE monitoring tools have been further digitised for use by operational staff.

3.1.4.2.2 Managing the Covid-19 crisis

From mid-February, the QHSE network has devoted itself entirely to managing the Coronavirus crisis. Crisis units involving members of management, the QHSE network, the HR network and all the necessary functions have been set up in all Group subsidiaries and SPIE Operations to coordinate all health safety measures, thus limiting the spread of Covid-19 within SPIE.

From the start of the crisis, regular communications were put in place for employees, works councils and customers where necessary to ensure that the rules defined by the health protocols of the various countries as well as the prevention measures were known and respected. To facilitate communication with our employees, dedicated intranet sites have been created in many countries, smartphone applications have been used, and training has been given to Covid-19 contacts to answer employee questions.

Priority has been given to the protection of employees by ensuring the supply of personal protection: masks, gels, glasses, and visors. Site and vehicle cleaning was also intensified. Moreover,, the QHSE network, in close collaboration with operational staff, shared various initiatives and best practices to quickly produce communication tools and materials to support our teams and prepare for the reopening of our sites under good health conditions.

The next step was to deploy these tools and communication materials to the operational teams and support them to ensure a risk-free return to work. For all our countries, we can mention the following protection measures:

- organisation of sites and establishments to ensure absolute respect of safety distances: one-way traffic, equipped workstations, organisation of relaxation areas, installation of plexiglass protection, very special attention paid to the organisation of meals to avoid any risk of contamination;
- adaptation of operating methods including strict compliance with safety distances;
- limitation of business travel and meetings to the strict minimum;
- teleworking systematically favoured when possible.

All of these measures were accompanied by Covid-19 information sessions first time on site and poster campaigns reminding people of the barrier actions and the measures to be followed.

The mobilisation of all QHSE teams in the fight against Covid-19 has borne fruit. A large majority of proven cases of infection of employees are due to external contamination. The health protocols put in place have avoided any risk of Covid-19 spread within the company. No clusters have been declared nor identified by the authorities.

3.1.4.2.3 Workplace accidents and illnesses

	2018	2019	2020
Total Recordable Cases Frequency Rate (TRCFR) per million hours worked	12.4	10.9	10.4
Lost Time Injury Frequency Rate (LTIFR) per million hours worked	6.9	6.9	6.4
Occupational accident severity rate	0.16	0.15	0.17

The rates are calculated for SPIE employees and temporary workers, with acquisitions included on a *pro rata* basis. Frequent acquisitions - and even significant ones, such as that of SAG in 2017 - require employees joining the Group to be rapidly trained in SPIE's safety culture. Thanks to the rapid deployment of its best practices, SPIE continues to improve frequency rates that are already low for the profession.

The efforts made in the prevention of serious accidents resulted in a decrease in their number of 25% compared to 2019, confirming the downward trend initiated the previous year.

SPIE reported one fatal accident in 2020 (compared to two in 2019 and two in 2018). In May 2020, during a temporary gantry decommissioning operation, a pylon fell with the victim attached to it.

In 2020, 31 workplace illnesses were reported in France. Workplace illnesses are mainly related to musculoskeletal disorders. These are reduced thanks to a prevention approach aimed at reducing exposure to risk, particularly through the acquisition of better equipment.

3.1.4.2.4 External recognition of the Group's health and safety performance

In 2020, SERCE and OPPBTP awarded twelve prizes to SPIE, including the first jury prize to SPIE Facilities for their training in augmented reality. SPIE OGS Oil & Gas Services was also recognized in Kuwait for 1.5 million hours worked without lost time.

3.1.4.3 CUSTOMER SATISFACTION

3.1.4.3.1 Customer satisfaction policy

In 2020, SPIE formulated its customer satisfaction policy as follows:

As the independent European leader in multi-technical services in the areas of energy and communications, SPIE's objective is to use its expertise to provide its customers with innovative solutions to their problems. We ensure facilities and infrastructure fully meet user expectations and contribute to a more responsible economy and lifestyle.

SPIE is committed to exceed its customers' expectations. We believe that a high level of quality and safe project execution builds the foundation of a sustainable customer relationship. SPIE conducts regular meetings and surveys with its customers in order to set objectives in a continuous improvement approach. We analyse direct customer feedback as part of a comprehensive evaluation of customer satisfaction.

The Business Development Network, which is composed of the Business Development Directors of the country organizations and led by the Group Business Development Director, coordinates implementation of the Customer Satisfaction Policy. The planning, deployment and execution of customer service management systems are the responsibility of the country organizations. The application of different tools like surveys and business relation analysis allow customer satisfaction benchmarking across Group's entities. Furthermore, each country and/or entity is encouraged to establish additional performance indicators that are relevant for their business environment.

This policy was elaborated by the Business Development Director network and approved by the Group Strategy, Development and M & A Director, who is a member of the Executive Committee.

95% of employees work in entities certified ISO 90001 at the end of 2020.

3.1.4.3.2 Various examples of customer relationship management in the subsidiaries

In Germany, SPIE implements a toolbox since 2016 to establish a closer relationship with its customers at different levels, secure and extend existing contracts (new sites, new countries, additional services), and obtain new orders. The pillars of this approach are regular communication with the customer, capturing and eliminating dissatisfaction through proactive surveys and audits and planning and executing joint projects and actions with the customer. It includes a variety of measures that are not standardized due to the diversity of SPIE's activities.

In 2020, the toolbox was further applied within SPIE's business. In Germany, regular workshops were held with major clients in a coordinated and comprehensive manner in order to develop joint industry and specialist solutions, for example digital and occupational safety solutions, and incorporate them into daily services. In France, the "customer relationship management program," which was inspired by this toolbox, was validated in 2019 and deployed in 2020.

Satisfaction surveys

Satisfaction surveys are used throughout the group to measure customer satisfaction through quantitative and qualitative feedback. Each subsidiary adapts the frequency of survey deployment and customer selection to its needs.

SPIE France organized a country wide satisfaction survey across all of its activities during Q4. 2400 client contacts were invited to participate. Moreover, SPIE Oil & Gas Services Middle East LLC conducted an online customer survey of key account clients in UAE in November 2020.

SPIE Deutschland & Zentraleuropa implemented joint measures agreed upon with its customers based on the results of the customer satisfaction surveys conducted in 2018 and 2019. SPIE Nederland has used 2020 to enrich its dashboard with new customer satisfaction indicators to go above and beyond the feedback compiled from customer surveys over the past 4 years.

Key account approach

The "GroupKA^2" approach provides a methodological framework for key account (KA) relationship management. Developed by the BDD team, it was reviewed in 2020. The document describes key account identification and analysis, roles and responsibilities, and related tools.

In France, SPIE used the "GroupKA^2"approach to select its Key Accounts and structure their appropriate oversight. Seven national Key Accounts were identified. 23 additional accounts, mainly key accounts for one specific market, are under subsidiary responsibility with national coordination.

Analysis of customer reports

SPIE carefully studies customer reports to improve services as well as customer relations. On Group level, for example, key account information within annual reports and other available documents is reviewed to understand the strategic direction that our customers are taking. The knowledge is used to prepare for customer meetings and shared within SPIE.

Customer fairs

SPIE's subsidiaries actively participate in sector fairs and customer events. For example, SPIE Deutschland & Zentraleuropa took part in Intergeo 2020, a purely digital event in October 2020 focusing on innovations in the areas of Geo-It, drones, Building Information Modelling (BIM) and Smart City.

Furthermore, SPIE France, through the BUs ICS and Tertiaire, organized an Innovathon for the second consecutive year as a virtual event. This 54-hour contest organized throughout a weekend saw external and internal teams compete to design innovative solutions. The theme this year was "Invent the city of tomorrow (buildings, infrastructure, transport, etc.)." This event motivates colleagues, identifies external talents and promotes the incubation of ideas within an ecosystem (students, customers, partners, start-ups). Three particularly innovative projects that contribute to a more inclusive and environmentally responsible society were awarded.

Moreover, SPIE Nederland participated in CISCO's digital transformation talk show, and it was a partner in the CCI France Pays Bas (France Netherlands Chamber of Commerce) "When technology meets Facility Services post Covid-19" event in July. SPIE Nederland also organized a webinar dedicated to maintenance managers on "How to keep maintenance smart."

Additionally, SPIE Switzerland participated in the High Power Electric Vehicle Charging Station launch (an online streaming event) at the Highway Station Glarnerland in November 2020 with presentations by the investor, technology provider and project manager.

Finally, SPIE Oil & Gas Services Middle East LLC participated as Exhibitor in October 2020 in the Wetex 2020 Water, Energy, Technology and Environment Exhibition and Dubai Solar show) in Dubai, the first ever carbon neutral 3D Virtual Exhibition in the Middle East and North Africa.

Attentive monitoring of market trends

As mentioned in the Chapter 1, the Covid-19 crisis resulted in the launch of a European economic recovery plan. The established plans have been analyzed by the Group and by country teams in order to evaluate the opportunities and risks that they present for SPIE. A set of future trends like hydrogen, communication infrastructure (5G, fiber to the X) or further deployment of electro-mobility, driven in part by stimulus policies from the European Union and member countries, has been identified. Group wide initiatives address these trends in order to benefit from them.

SPIE France has set up a monthly market review identifying key market drivers, enabling management teams to reflect upon and adapt their strategic plans and solutions.

The market survey launched by SPIE Oil and Gas Services in 2019 was completed in 2020. The results were shared with business unit directors.

In the Netherlands and Belgium market trends are followed via the different trade associations SPIE participates in.

Innovation

In order to respond to identified trends, SPIE innovates, shares and implements best practices.

In Germany for example:

- Bayer AG has selected SPIE DZE to draw up a concept and install a pilot showroom fitted with state-of-the-art technology. This model office will serve as a starting point for the pharmaceutical corporation's future workplace. The outstanding feature of this project lies in its infrastructure, where all systems are intelligently networked with each other to form an "Internet of Things" (IoT). Sensors will be used to collect and evaluate data about the building and the environment. The data is then transferred to the building automation system, which automatically controls the building's heating, shading, cooling and lighting;
- TransnetBW has selected SPIE to install a shunt reactor, complete with a switch field, at the Stuttgart-Mühlhausen substation. This has been newly developed and is first of its kind representing a unique technical innovation. The reactor is built to stabilise the 380-kV high-voltage grid, which is under constant stress due to continued shut-downs of conventional power plants and the feed-in of renewable energies. Therefore, the reactor is an important component of the energy transition.

SPIE France's pipeline includes around 40 innovations at different levels of maturity, from studies to proof of value to deployment phase, for example:

- a data management solution dedicated to industry processes, from IoT to production performance optimization, supporting the Industry 4.0 transformation through a co-design approach with clients achieving clear ROI;
- traffic flow predictive solutions to reduce congestion (traffic lights, trams, tunnels and highways);
- Robotic Process Automation (RPA, to insure real time and automatized interface with our clients' tools, like CMMS, without API or manual transcription;
- BIM and virtual reality, to improve works efficiency, and smooth interactions between the various technical lots operators.

SPIE Oil & Gas Services was tasked with assessing NOC's spare part stock in Qatar. To do so, SPIE, deployed the Standard Modifier Dictionary method connected to a mobile tablet application to obtain images and associate them with their SAP references.

Finally, SPIE Nederland and BrainCreators collaborated to develop smarter processes for real estate, infrastructure and industry. Thanks to the BrainMatter platform, SPIE and its customers can apply intelligent automation without having to worry about the technical complexity of artificial intelligence. By showing BrainMatter examples of normal and abnormal situations, it then compares the actual situation to the situation as it should be. Rules can be defined in BrainMatter to initiate actions for each deviation. These actions can be seamlessly integrated into other processes or systems.

Measuring the performance of customer relations

As in 2019, around 70% of the Group's customers are repeat customers, demonstrating their satisfaction and loyalty towards SPIE. This key indicator of customer satisfaction consolidates accounts receivable that have been active for at least three of the last four years (order and/or invoice and/or revenue), including during the current financial year.

Covid-19: An extraordinary challenge and opportunity for customer satisfaction

Throughout the pandemic, SPIE has supported its customers by ensuring that vital services, including healthcare, infrastructure, building maintenance and security were maintained.

SPIE Nederland developed over 19 different offers to help customers overcome their daily obstacles during the health crisis, including hygienic solutions for sanitary facilities, thermal body scan devices, prevention screens, various air conditioning solutions, smart metering of social distancing, and home office work solutions.

In France, SPIE ICS kept their teams on duty to ensure hospital IT infrastructure continuity by offering IT workplaces, remote assistance from SPIE's employees working from home and on-site IT facility management support to solve IT network concerns or service disruptions. Network and service reactivity were key to allow for teleconsultation by doctors, and to share critical files like health examination results and X-rays through fast, functioning networks. Moreover, the subsidiary has created a set of collaborative solutions (Apps, Clouds, VPN, network capabilities and NOC…) for companies to support their employees who are working from home, while securing networks against cyber-attacks.

More than 300 customers of SPIE Deutschland & Zentraleuropa confirmed during the Coronavirus pandemic that SPIE was systematically an important service provider for critical infrastructure maintenance ("KRITIS" - Strategy of the Federal Republic of Germany as a critical service provider). In addition, SPIE participated in the installation of the electrical engineering system of an emergency hospital for approximately 500 Coronavirus patients at the Hanover trade fair site. SPIE also has supported comparable provisory retrofit projects in Berlin and Saarbrücken.

In SPIE Switzerland, a "Back to the Office" offering was developed to provide real-time information to customers' on-site employees about health risks, including the number of occupants and physical distance between them, as well as providing hygiene reminders using dedicated displays, digital signage and channels on virtual collaboration tools, like Microsoft Teams or Cisco Webex.

SPIE UK ensured the availability of power, gas and hot water at five Scottish schools to enable them to accommodate Support in the Community, which provides meals to vulnerable people. Moreover, SPIE helped set up the packing stations, took deliveries and loaded vehicles with the finished food packs.

In Manchester and Salford, SPIE UK's teams worked with the schools it supports to brainstorm new social distancing ideas in and around their buildings. One particularly popular concept opted for dots, arrows and feet to indicate social distancing measures. The client and the local authority rolled the concept out across other projects they were overseeing. Moreover, SPIE UK worked with the North and Mid Wales Trunk Road Agent (NMWTRA) to light up the iconic Rainbow Bridge on May 5th on the A55 to thank health, social care and other key workers.

External recognition of the quality of customer relations

SPIE has received numerous prizes in 2020 on topics like safety, quality, employee competencies or innovation, demonstrating our commitment to customer satisfaction.

In Germany, where the Bell study compares Facility Services companies every year, SPIE once again ranked first in the turnover category of 300 million euros or more in 2020. SPIE obtained a higher number of points than in 2019. For the report, almost 100 property managers from FM service providers gave their assessments of facility managers' brand strength and various competencies. Since 2014, SPIE has ranked number 1 or number 2 in this study.

The Lünendonk® Study, which includes all turnover in facilities services, lists SPIE as market leader (ranking by turnover) in Germany in 2020.

SPIE Belgium obtained the Platinum award from Janssen Pharmaceutica for Contracting. Additionally, for the public sector, SPIE Belgium received the 'Publica Award' for a speaking display facilitating the mobility of blind people at bus-stops.

SPIE Switzerland obtained the Cisco collaboration partner award for creating its "Back to office" solution after the first Covid-19 wave to help customers manage social distancing within offices.

3.1.4.4 SUBCONTRACTING

3.1.4.4.1 Purchasing governance

The procurement function is decentralized. Each subsidiary is responsible for the final selection of its suppliers, its annual purchasing performance plan, and its compliance with the regulations in force.

The Group purchasing committee is composed of the subsidiary purchasing directors. It is responsible for developing, deploying, and updating the strategic purchasing plan, developing and deploying the joint annual purchasing action plan (which serves as the basis for the annual subsidiary purchasing action plans), and guiding inter-subsidiary actions. Managing subcontracting risk was one of the recurring topics reviewed by the Group purchasing committee.

3.1.4.4.2 Strategic purchasing plan and annual purchasing action plan

The 2017-2020 strategic purchasing plan was drafted in 2017 by the Group purchasing committee, together with operational and functional departments, including health and safety and CSR. It has six prioriities, which were approved by the Group executive committee:

- reducing the total cost of ownership (TCO);
- managing the supplier relationship, in particular managing supplier risk and benefiting from supplier innovations;
- sustainable purchasing and ethics;
- team development;
- more efficient organisation and processes;
- computerisation and digitalisation.

Each priority has been broken down into concrete actions and quantified targets.

Each year, these action areas are integrated into the annual Group procurement action plan as well as the subsidiary action plans.

Management of subcontracting risk has also been integrated into the subsidiaries' annual action plans in recent years.

3.1.4.4.3 Supplier risk analysis

The supplier risk mapping, which was completed in 2019, was carried out by major purchasing categories (e.g. subcontracting, electrical equipment, IT & telecoms.) For this exercize, the Group's risk rating methodology was used with the assistance of a supplier risk management expert. The risk register included 28 standard CSR risks and ten operational and financial risks, established by the Group Purchasing Committee.

In 2020, each subsidiary began to roll out its action plan based on its supplier risk mapping and a more detailed analysis per major category. Monitoring is carried out by the Group purchasing committee.

This mapping has helped refine subcontracting risk assessment and action plan development for the Group and each subsidiary.

At the subsidiary level, SPIE Deutschland & Zentraleuropa implemented its action plan following its subsidiary supplier risk mapping, which confirmed the risk of subcontracting discontinuity/market shortage, particularly in the field of public works. Various measures have been prepared within the framework of an interdisciplinary working group composed of representatives of sales, operational units and purchasing. They notably aim to seek new subcontractors in Germany while maintaining the existing companies, and to extend the geographical scope of the panel by sending a request to the Polish Chamber of Commerce. Pilot projects are underway with new national and international subcontractors.

Lastly, the suppler relationship management module of a new e-procurement tool contributes to the selection and assessment of suppliers and subcontractors on CSR criteria, including health and safety. SPIE France and SPIE Belgium initiated its deployment in 2020. Other subsidiaries will deploy it in 2021.

3.1.4.4.4 Management of subcontracting risk

The risk management committee (the Executive committee) considers subcontracting to be one of the Group's major risks. In 2018, the Group purchasing director set up a mutl-subsidiary and multi-functional team, including purchasing, health and safety, CSR and operations. Its misson is to better qualify subcontracting risks and to identify and implement risk mitigation measures.

In 2019, the subcontracting team refined and confirmed the five priorities for managing the criticality of this risk:

- strengthen the application of our standards, in particular on health and safety and CSR;
- anticipate and manage possible shortages of subcontractors for certain activities;
- strengthen the application of laws, in particular labour law;
- better secure product and service quality delivered to our customers, and;
- adopt processes and practices to small companies.

These priorities are reflected in the following concrete actions:

- the development of a clear process for subcontractor selection and management including expression of interest, selection, contracting, order and payment management and service evaluation;
- the identification of 12 best practices to deploy throughout the process of selecting and managing subcontractors;
- the formal identification of subcontracting activities that risk shortages, such as civil engineering or cable pulling;
- the implementation of an inter-country panel of subcontractors in these activities;
- design of procedure and criteria specific to the health & safety and CSR plan throughout the process of selection and management of subcontractors;
- the calculation of a performance indicator: the percentage of deployment of the 12 best practices in the operational units. This indicator stands at 75% in 2020.

This action plan was approved by the Group purchasing committee and presented to the Group's executive committee, which launched its deployment in 2020. The Sustainable Development Commission of the European Works Council also issued a favourable opinion.

3.1.4.4.5 SPIE's suppliers and subcontractors charter

A suppliers and subcontractors charter is an integral part of any new contract with a supplier or subcontractor throughout the Group. This charter sets out the rules expected from suppliers and subcontractors in terms of sustainable development. It includes requirements in terms of ethics, safety, compliance with labour law and human rights (prevention of discrimation and forced, illegal and child labor), taxes, payment of wages, subcontracting arrangements and the environment.

3.1.4.4.6 Examples of the implementation of subcontracting risk management within the subsidiaries

SPIE UK uses the Alcumus SafeContractor platform, which is the UK's leading health and safety contractor management programme. This platform allows the *a priori* assessment of suppliers, on the basis of a questionnaire adapted to the sector of activity, before their inclusion in the panel.

In France, a cross-functional working group deals with operational risk management, the use of the subcontracting guide, and the implementation of its 12 best practices. SPIE France has also rolled out an extensive training programme on sub-contracting risk management for operational staff, led by a buyer-legal partner. In 2020, around 600 employees were trained in this way.

Lastly, a panel of subcontractors accessible in Power BI, a data analysis solution that enables the creation of interactive dashboards, was shared between all subsidiaries, enabling long-term work and ensuring continuity of operations by limiting the risk of shortages.

In the Netherlands, subcontracting typically takes place within a radius of 60 kilometres of the subsidiary concerned. In order to combat the shortage of subcontractors, SPIE Nederland involves the inter-subsidiary panel of subcontractors, with clear results in the economic region between the south-west of the Netherlands and the north-west of Belgium. The Dutch manager of the subcontracting category meets regularly with his Belgian counterpart as part of this inter-subsidiary panel system.

Particular attention was paid to subcontractors during the Covid-19 crisis by supporting them as soon as possible in the resumption of activity (webinar, disaster recovery plan, assistance with PPE procurement, communication and information on health protocols).

3.1.4.4.7 Sustainable purchasing actions

Beyond the question of risk linked to subcontracting, many sustainable procurement actions were enhanced in the 2017–2020 strategic procurement plan.

Governance and mobilisation

The group procurement function determines the annual sustainable procurement roadmap in collaboration with the CSR department. Consequently the head of group category management coordinates roadmap implementation across the Group amongst subsidiary procurement directors and the network of subsidiary sustainable purchasing contacts (appointed by each subsidiary procurement director) The objective, reaffirmed in 2020, is to have, for each subsidiary, plans that are more structured, more visible and more ambitious, in line with the Group priorities particularly concerning the following:

- the evaluation of suppliers and subcontractors by the service company EcoVadis;
- the roll-out of the suppliers and subcontractors charter in 100% of contracts;
- the green economy with a focus on the vehicle fleet.

Assessment of suppliers/subcontractors

As part of their procurement process, subsidiaries define CSR criteria for the selection and assessment of their suppliers and subcontractors.

"Business Reviews" organised with strategic suppliers at the Group or subsidiary level include the topic of sustainable procurement performance.

In addition, EcoVadis, as an independent third party, is responsible for assessing the sustainable development performance of suppliers and subcontractors. In 2020, 34% of expenses (pro-forma excluding acquisitions of less than 24 months) were evaluated, compared to 34% in 2019 and 32% in 2018.

Ethics

Since 2017, SPIE has reinforced its business ethics training for the procurement network. The legal departments of each subsidiary ensure that the training is updated according to changes in laws. Moreover, customized digital training modules on business ethics (fair competition and corruption) are available to all employees on the group online training platform Smile. More than 95% of buyers of SPIE Deutschland & Zentraleuropa and, SPIE Nederland have completed this training.

Purchasing from the protected worker sector

SPIE has set up a procurement plan with institutions in the protected worker sector that employs people with disabilities in several countries.

SPIE France reinforced its historical partnership with Bretagne Atelier, which digitalizes and pre-records supplier bills. They were additionally entrusted with the task of digitizing temporary workers' time sheets. SPIE Industrie and CityNetworks work with Handishare to manage traffic tickets and drafting declarations of intention to begin work. Tertiaire subcontracts worksite tasks, such as connection of equipment and lighting fixtures to partner protected sector organizations. These partners are invited to supplier events to promote their activities and access SPIE's network. Moreover, the buyers prepare and diffuse files about the lessons learned from working with these organizations on operational worksites internally, to encourage further use. Finally, SPIE France participates in the Casquethic initiative, a safety helmet recycling initiative developed by Triethic, a protected sector organization. Employees can dispose of their helmets in dedicated containers at SPIE sites. The helmets are disassembled by workers with disabilities, and the materials are sent through appropriate recycling streams to be transformed and reused.

SPIE Nederland has framework agreements which cover putting "people with a distance to the labour market," including those with disabilities, back to work. Furthermore SPIE Nederland fulfilled various projects of regional governmental organisations where there was a social return obligation.

In Germany, protected sector employees support SPIE with services, like lawn maintenance, in addition to products, like mechanical parts or brooms.

These purchases with the protected worker sector amounted to €1.6 million for the Group in 2020 (France, Germany and the Netherlands).

Reducing the environmental impact and carbon footprint of purchased goods

In each subsidiary, buyers and in particular category managers are tasked with identifying supplier innovations that will enable SPIE to offer its clients environmentally friendlier products and solutions.

Faced with the Covid-19 crisis, SPIE had to reinvent itself to maintain regular contact with suppliers and capture their innovations through webinars. In France, for example, Tertiaire undertook a fully digital pilot training course for its design offices on the future of LED public lighting with its supplier CLAREO.

In order to prevent waste, SPIE Switzerland actively participates in Cisco's Trade-In program with/without credit to return all kinds of hardware from customers so that they can be refurbished, resold, reused or properly recycled by Cisco Capital Refresh. All products that cannot be reused are harvested for components and recycled by authorized partners. Moreover, two divisions in SPIE France have created virtual marketplaces to make leftover worksite products available to other entities for reuse. Finally, SPIE UK is currently undertaking a review of its cleaning consumables used for private initiative contracts in order to identify alternative products that can reduce waste and energy consumption.

The procurement function plays a pivotal role in SPIE's objective to lower its carbon footprint, as described further in section 3.4.1.6.4 I. On green logistics, SPIE Switzerland has committed itself to the DHL program GoGreen since 2013. About half of its shipments are handled with DHL. The Go Green program's main objective is to reduce emissions of greenhouse gases and local air pollutants. The CO_2 emissions from each delivery are offset by DHL in certified climate protection projects such as a wind farm in Nicaruagua or an efficient cooking stove project in Lesotho.

3.1.4.5 ANTI-CORRUPTION

3.1.4.5.1 Anti-corruption policy and Ethics Committee

Ethics policy

The ethics policy is defined in the "Principles of Ethical Business Conduct" Code. The primary themes of this code are: compliance with laws, accuracy of the accounts and payments, confidentiality, fight against cartels, corruption and conflicts of interest, and respect for labour standards and property. SPIE's Executive committee is responsible for this commitment. The Group's objective is to have zero tolerance for corruption.

The management committee of SPIE Deutschland & Zentraleuropa developed and signed a local ethics commitment in 2020, which supports and reinforces the Group's ethics code. The aim was to send a strong message from management that each employee must comply with the ethics code and that each manager must be a role model for their team in terms of business ethics. It is a strong tool for internal communication and employee engagement, as well as external communication to customers and other partners of SPIE Deutschland & Zentraleuropa's commitment to the Group's ethics rules.

A Group ethics code application guide is available in several languages via the Group's Intranet. This guide breaks down the code's principles into practical recommendations. It has been distributed to all employees to facilitate understanding of the principles and the adoption of good behaviour.

The whistleblowing procedure includes the option of using a whistleblowing platform operated by an external service provider.

An update of the ethical principles, the application guide and the alert procedure was carried out in 2020. Due to the coronavirus pandemic, the dissemination of these documents, along with an information campaign for Group employees, was postponed to the first quarter of 2021. Within SPIE France, these documents were presented and shared within the local works councils. Since the end of 2020, the Code of Ethics has been appended to the internal regulations of each subsidiary in France.

Ethics training

Ethics training takes place in each subsidiary, either face-to-face or online. New employees of SPIE Switzerland, which is a member of Transparency International since 2019, take part in an induction programme that includes an introduction to ethics. Around 40 people were trained in this way in 2020. In addition, SPIE MTS organises a training course on competition law, benefiting around twenty additional employees. They also organised a question and answer session on ethical issues for employees on the corporate social network.

At SPIE Belgium, the CEO holds an annual 'roadshow' for managers in each head office, which includes a presentation on ethical principles. In 2020, four sessions were given online for 450 employees with a survey to make the session more interactive. Lastly, the General Counsel of SPIE Oil & Gas Services trained 85 employees in Africa, Middle East, Asia, Australia and Europe through online sessions in 2020.

Ethics Committee

The Group's main subsidiaries have an ethics committee, chaired by the subsidiary's managing director and consisting of three to five members. These committees role are to adapt and direct the business ethics programme within each subsidiary. Depending on the country, the Group's general instructions may be tightened or specified.

A network of compliance officers, present in the main subsidiaries, ensures the deployment of the defined procedures in consultation with the ethics committee.

3.1.4.5.2 Concrete actions and controls

Anti-corruption

SPIE is committed to fighting all forms of corruption. Procedures are in place to prevent the risk of corruption, in particular in application of the Group's policies about sponsorhip and donations, business gifts and invitations and the use of third party agents.

External invitations and invitations received by employees are subject to rules. A note distributed by the Group compliance officer specifies the procedures: implementation of a validation process, definition of thresholds for amounts and types of invitations, specifying in particular the case of any person holding public office.

The ethics code application guide will include the Group's policies about sponsorhip and donations, business gifts and invitations and the use of third party agents for better distribution among employees. Subsidiaries may set up a specific procedure, with specific rules applying to the entity's employees, but only if these rules are more restrictive than the Group procedure.

In addition, in the Group, there are approximately 1,400 delegations of authority, instruction letters or equivalent that make reference to the ethical principles.

Lobbying

SPIE does not engage in any form of political funding. The Group does not use lobbyists and has not entered into any contracts to this effect. However, the group cannot rule out the possibility that professional associations to which it belongs may, in certain cases, seek to influence public decisions.

Internal control

For several years, internal audits dedicated to the prevention and detection of actions and behaviours that may not comply with SPIE's ethical principles have been regularly conducted throughout the Group. Several subsidiaries are audited on these bases each year. In 2020, a business ethics audit was carried out at SPIE ICS. Ethical issues such as the implementation of whistleblowing system and the testing of expense reports are systematically reviewed during internal audits. Lastly, the ethics issue is reviewed during post-acquisition audits in entities acquired by SPIE in the same way as for internal audits. In 2020, this was the case for Systemat, a company recently acquired by SPIE Belgium and S-Cube, acquired by SPIE ICS in France.

3.1.4.6 CLIMATE CHANGE MITIGATION

3.1.4.6.1 Governance

SPIE's commitment to environmental matters is upheld at all levels of the company: at the Group level by the Group CSR committee, supported by the Group CSR department and at subsidiary level by the subsidiaries' CSR committees. The Group's sustainable procurement committee also supports this approach. Environmental issues are regularly discussed by the Executive committee as well as the CSR and governance committee of the Board of Directors. In February 2020, the Executive committee, meeting for a strategic seminar, dedicated two days to the study of energy-climate issues (physical, reputational and legal risks, as well as opportunities linked to SPIE's role in the service of a low-carbon economy).

3.1.4.6.2 An environmental policy focused on the transition to a low carbon economy

The analysis of the Group's CSR risks has highlighted that climate change is both the main environmental risk and the main environmental opportunity for SPIE. The fight against climate change involves two types of action. First, to provide customers with high-performance solutions, reducing the customer's carbon footprint. In doing so, SPIE also seeks to reduce its own impacts in terms of greenhouse gas emissions.

The environmental focus of SPIE's CSR policy includes the transition to a low-carbon economy, projects for customers' energy efficiency as well as reduction of the Group's carbon footprint. In line with the CSR action plan for the year, the subsidiaries are developing their own environmental initiatives and objectives adapted to local challenges.

Environmental management systems

The environmental commitment is backed by environmental management systems deployed in the subsidiaries, aligned to ISO 14001 and certified for 82% of SPIE's scope. A dedicated QHSE function assists the operational staff in the subsidiaries in managing environmental risks, including that of climate change. The environmental code, which was elaborated in consultation with all Group subsidiaries, was published in December 2020. The first issue it addresses is efficient energy management of our vehicle fleet, worksites, and buildings..

Support for partnerships and associations fighting against climate change

SPIE is among the founding members of The Shift Project think-tank on climate change. Since 2010, the mission of The Shift Project has been to contribute to the public interest by placing scientific objectivity at the centre of discussions. The projects, studies and communications of this think tank inform and influence debates on climate risks and the energy transition in Europe. The Shift Project's members are large companies that want to make the energy transition their strategic priority. In response to the health crisis and the announcements of the European economic recovery plans, The Shift Project has initiated numerous studies aimed at demonstrating the physical and socio-economic conditions for a transformation towards a low-carbon economy. In 2020, members and directors of the Shift Project led the Executive committee's strategic seminar about climate risks and the associated corporate strategy.

In April 2020, the Chairman and CEO of SPIE joined the European Alliance for a Green Recovery. At the initiative of Pascal Canfin, Chairman of the European Parliament's committee on environment, public health and food safety, nearly 300 political decision-makers, company executives, trade unions, NGOs and think tanks were consulted ahead of the vote on the NextGeneration EU stimulus budget. They shared their thoughts on the necessary measures to help put the fight against climate change at the heart of European economic policy, particularly in terms of energy renovation, low-carbon mobility and the transition of the European energy mix.

3.1.4.6.3 Activities reducing the carbon footprint of SPIE's customers

SPIE designs and implements long-term solutions in response to the energy and climate challenges. The Group provides advice and assistance to customers in their energy transition approach, thereby contributing to their reduction of greenhouse gas (GHG) emissions.

SPIE's green share according to the European taxonomy reference framework

At the beginning of 2020, during its strategic seminar on energy-climate issues, the Executive committee reiterated its interest in continuing to measure SPIE's contribution to the fight against climate change in light of the European standard for the taxonomy of sustainable activities.

For the second year, SPIE accounted for the share of its activities that contribute significantly to mitigating climate change according to the report of the technical expert group of March 2020 serving as a reference for the European taxonomy of sustainable activities.

For sustainable activities, the European taxonomy describes precise and ambitious criteria and thresholds whose objective is to promote green finance by orienting toward more sustainable activities with respect to the European environmental strategy. Reaching these technical performance thresholds by economic activity enables the identification of economic activities that can substantially mitigate climate change.

This technical nomenclature will be completed by the Technical Expert Group at the end of 2021. Indeed, this taxonomy currently covers only two out of the six EU environmental objectives – climate change mitigation and adaptation. Activities eligible by the taxonomy are of three kinds: low carbon activities, transition activities and enabling activities. Those of SPIE are enabling and relate to the contribution of the Group's businesses to climate change mitigation.

This second exercise shows that approximately 41% of SPIE's revenue in 2020 substantially contributed to mitigating climate change.

This "green share" mainly covers the following activities:

- strengthening of the electrical grid, a condition for the effective decarbonisation of the electricity mix;
- electrical and HVAC services designed to significantly improve the energy efficiency of new buildings or existing buildings, whether commercial or industrial;
- technical services contributing to the installation, maintenance or grid connection of renewable energy sources;
- low-carbon mobility solutions (public transport, electric vehicle charging infrastructure, smart traffic management).

Due to the changes made to the European taxonomy reference framework between the June 2019 version of the Technical Expert Group and the final version of March 2020, the figure of 35% achieved in 2019 is not directly comparable to the figure of ~ 41% obtained in 2020. The expert consulting firm that assisted SPIE with the methodological approach carried out a gap analysis establishing that more than half of SPIE's green share growth between 2019 and 2020 is due to the growth in activities aligned with the taxonomy and that reach the required performance thresholds, while the other part is explained by clarifications made EU taxonomy (the EU taxonomy technical performance criteria) criteria used to qualify building energy efficiency and power grid service contribution.

Customer projects that contribute to a reduced carbon footprint

Reduced CO2 emissions are more easily identifed at project level, as the below examples illustrate:

Energy efficiency of buildings

- SPIE Belgium renovated the electrical installation and the heating, ventilation and air conditioning system of the Network Brussels City office complex. The project was carried out using a BIM (Building Information Modeling) model in 3D. The building obtained BREEAM Outstanding certification following this renovation. SPIE Belgium has also installed a state-of-the-art heating/ventilation/air conditions (HVAC) system for Nike's European logistics centre in Flanders, with a surface area of 40 000 m^2. The energy used by the campus comes entirely from local renewable sources: wind, solar, geothermal, hydropower and biomass,
- In Bamberg, in Germany, around 7000 t of CO_2 are saved each year as a result of the complete renovation of the electrical and HVAC systems of the Sozialstiftung Bruderwald hospital complex and retirement home. The installation and monitoring of the performance of the three cogeneration plants contribute to the achievement of the energy performance targets;

Energy efficiency of processes

- The Industry division of SPIE Industrie & Tertiaire in France has enabled its customers to save 133 GWhcumac and 6000 t of CO_2 by implementing various solutions eligible for Energy Saving Certificates (CEE).
- Outside the CEE scheme, other types of projects improve the energy efficiency of industrial processes. SPIE Industrie has installed an adiabatic system in a metallurgical plant in the Pyrénées to cool metal parts. This system has not only made it possible to reduce energy consumption by 85% compared to a baseline situation, but also to eliminate water abstraction from the Ariège River (60 m^3/hr).
- On behalf of the Emscher water Management Board, SPIE OSMO, a subsidiary of SPIE Deutschland & Zentraleuropa, is delivering and installing four additional combined heat and power (CHP) plants at the Bottrop sewage treatment plant for a total heat output of eleven megawatts. The sewage treatment plant serves a community of about 1.3 million German citizens. The CHPs will be used for the energy supply at the sewage treatment plant and for the new solar thermal sewage sludge drying process. SPIE teams are also setting up an extensive pipeline system along with equipment for the new solar thermal drying station, including the associated electrical measuring and control technology. This enables to switch from coal to waste heat and solar energy for the sludge drying facility, which will save around 20,000 tonnes of coal per year and will cut the annual CO_2 emissions of the Bottrop sewage plant by roughly 60,000 tons.

Renewable energy

- SPIE UK provides local electrical & instrumentation services for a combined heat and power unit servicing the 299 MW Tyne Renewable Energy Plant, world's largest biomass project from sustainably sourced forest by-products.
- For the Fécamp wind farm (480 MW), SPIE Thépault is building the 225kV grid connection station on behalf of RTE. At the Saint-Nazaire wind farm (480 MW), SPIE Industrie participates in the test bench for the 80 wind turbines and maintains the masts and e-stack transition parts.
- In Austria, SPIE Christof Electrics GmbH installed the turbines and generators for a new 8.85 MW hydroelectric power plant on the Salzach River.

Electrical grid services

- SPIE Deutschland & Zentraleuropa, through the acquisition of SAG, is the leading provider of HV network services in Germany. By laying new high-voltage lines between Germany and the Netherlands, renewable energy from North Sea wind farms can be transported and distributed throughout the country.
- In Belgium, the construction of electrical substations in Ghent and Bruges enable residents of these cities to decarbonise their electricity supplies.

Lighting

- SPIE took over part of the company GreenFox, handling the sale and installation of LED lighting. GreenFox replaces fluorescent lighting with LEDs for its customers for better energy efficiency without removing existing metal fixtures that are long-lasting. Energy efficiency gains are accompanied by a circular economy approach. LED tubes are produced in a socially responsible way in the Netherlands by people with long-term unemployment. SPIE is also committed to social return: five percent of the company's revenue is reinvested in society. SPIE also supplies smart extras, like chips in lighting that measure temperature and detect movement to extend equipment lifetime and save money by using only the energy required. GreenFox is now a full-fledged department within SPIE Nederland;
- In Gdansk, SPIE Polen replaced 3,900 sodium streetlights with LEDs, generating savings of around 1,617 MWh per year. In Sosnowiec, 7,694 sodium street lights have been replaced by LEDs, thus saving 3,800 MWh per year.

Low-carbon mobility

- In Switzerland, SPIE's installation on the Glarus restoroute enables high-power recharging based on the reuse of electric vehicle batteries for a total capacity of 720 kWh. This project aims to smooth out peak loads, reducing operating costs and the environmental footprint of charging.
- In France, SPIE CityNetworks, as part of the Metropolis Consortium, installed the first electrical recharging points in the Greater Paris metropolitan area, which will include 5000 by 2022.

3.1.4.6.4 Reducing SPIE's carbon footprint

SPIE has been identifying and quantifying the significant sources of greenhouse gas emissions linked to its activities since 2009. The carbon footprint measures direct emissions linked to the energy consumption of the vehicle fleet and SPIE sites, as well as indirect consumption (emissions from waste processing, the manufacturing and transportation of purchased products and business travel for example.

Carbon footprint (tonnes of CO_2-eq)	2018	2019	2020
Scope 1 Vehicle fleet energy Gas consumption from buildings	123,000	125,000	112,000
Scope 2 Electricity	10,000	8,000	6,000
TOTAL (SCOPES 1 & 2)	**133,000**	**133,000**	**118,000**

Scopes 1 and 2 CO_2 equivalent greenhouse gas emission totalled approximately 118,000 tonnes in 2020, compared with 133,000 tonnes in 2019 compared to 133,000 in 2019 and 2018. The vehicle fleet accounts for 87% of these direct Group emissions (Scopes 1 & 2). The decrease in 2020 is proportional to the reduction in hours worked and health protocols that have restricted travel, both professional and personal.

CO_2 equivalent greenhouse gas emission for scope 3 totalled around 1,043,000 tonnes. Purchases constitute the main item, representing 80% of the Group's entire carbon footprint (Scopes 1, 2 and 3)

Setting a target for reducing greenhouse gas emissions

In 2020, following its climate seminar, the Executive committee requested a feasibility analysis of reducing the Group's carbon footprint in line with the Paris Agreement by 2025, initially for Scopes 1 and 2. As a result of this internal analysis, in December 2020 The Executive Committee validated an approach to ensure the feasibility of reducing direct carbon emissions by 25% by 2025 compared to 2019..

In 2020, all subsidiaries analysed the feasibility of a commitment for the absolute 25% reduction of CO_2 emissions from the vehicle fleet by 2025 by identifying the main obstacles and levers. Vehicle electrification is the main means of achieving this reduction, followed by a reduction in the number of kilometres travelled (greater use of teleworking than before the health crisis, optimized management of service vehicle journeys). The procurement function analysed the potential of alternative products and suppliers, provided tools to fleet managers to better understand SPIE mobility patterns, (re)negotiated contracts and updated subsidiaries' fleet policies. These ambitious projected carbon footprint reduction results, which were presented to the Executive committee at the end of the year, correspond to the reductions required to align with the trajectory of the COP21 Paris Agreement. On March 12, 2021, during the presentation of the Group's annual results, the Chairman and CEO of SPIE made a commitment that SPIE would reduce the direct greenhouse gas emissions generated by its activities (Scope 1 and 2) by 25% by 2025 compared to 2019.

Optimisation of the vehicle fleet and fuel consumption

The subsidiaries changed their fleet policies in 2020 as part of the feasibility analysis of an absolute 25% reduction in fleet emissions within five years. Caps on CO_2 emissions in each category, reduction of engine size, addition of electric or hybrid vehicles to the vehicle list and financing of the charging infrastructure, whether at the employee's home or at a SPIE site, are counted among the most commonly modified components in these policies which are intended to decarbonise the SPIE fleet.

At the end of 2020, 1.6% of the utility vehicle fleet was hybrid, plug-in hybrid or electric. For company vehicles, this rate was 1%.

Limiting business travel and offsetting carbon

In addition to optimising its vehicle fleet, SPIE is also seeking to reduce the impact of the business travel of its employees. In 2020, a new travel agency common to all Group subsidiaries was introduced. Among other benefits, this agency offers prominent information and reporting to allow to reduce the carbon footprint of business travel in line with SPIE travel policies prioritising train over flying for short-haul trips. The SPIE France travel policy stipulates that employees should preferably choose to travel by train for trips not exceeding three hours. SPIE France also offsets the CO_2 emissions linked to business travel: 28,000 trees were planted in 2020. Over their lifetime these trees will absorb the equivalent CO_2 emissions of one year of business travel by the French subsidiaries.

Many collaborative tools exist in the Group's subsidiaries to avoid travel: video conferencing tools, secure collaborative platform facilitating work in groups, etc. A working from home charter was prepared at Group level and working from home agreements were put in place in most subsidiaries.

Optimising real estate and their energy consumption

SPIE has put in place various actions to improve the energy efficiency of its buildings. Heating, air-conditioning, ventilation, lighting and office equipment are subject to detailed energy monitoring.

In 2020, electricity consumption was approximately 39 million kWh (compared to 42 million kWh in 2019 and 48 million kWh in 2018) and gas consumption was approximately 45 million kWh (compared to 46 million kWh in 2019 and 51 million kWh in 2018), *i.e.* consumption of 80 kWh/m^2. This decrease can be explained by a lower occupancy of the real estate surface due to the major use of teleworking for all office staff . Since 2017, the per m^2 electricity consumption of real estate holdings has declined by 11%.

The Real Estate Department, decentralised within the subsidiaries, will try to choose the most energy efficient buildings when relocating. The renewal of leases often makes it possible to regroup several sites, or to favour open-plan offices in order to reduce the total surface area of the building.

Other corrective actions contribute to energy savings such as renovation plans following well-being surveys, measures taken following buildings' energy audits by SPIE France, or measures resulting from the analysis enabled by the general increase in the use of energy sensors in the buildings of SPIE Belgium and SPIE Nederland. Since 2020, SPIE Facilities has been in charge of managing the energy performance of more than 200 SPIE France sites. By using its Smart FM platform and forming a partnership with Energisme, SPIE now has real-time access to smart data on gas and energy consumption made available by GRDF and Enedis through their respective APIs. These dynamically processed data make it possible to identify ways of optimising consumption.

Finally, several subsidiaries of the Group are purchasing electricity from renewable sources with Guarantees of Origin. The percentage of renewable energies in the Group amounted to 20% in 2020 compared with 5% in 2017.

Lowering carbon intensity

SPIE's carbon intensity, calculated on Scopes 1 and 2, amounts to 18 grams of CO_2 per euro of revenue. It has declined by 28% since 2017.

The same trend can be observed when taking into account Scope 3 greenhouse gas emissions. Carbon intensity for SPIE's services, calculated on Scopes 1, 2 and 3, dropped by 23% between 2017 and 2020.

3.1.5 COMBATTING TAX EVASION

Through its geographical presence and the nature of its activities, which are tangible and highly local, the risk of tax avoidance is limited for SPIE.

SPIE has also set up a specific organisation and targeted initiatives in compliance with applicable regulations to reduce this risk:

- SPIE has a transfer pricing policy;
- each year, the SPIE tax department produces "Country-by-Country reporting" in accordance with the measure of the OECD's BEPS (Base Erosion and Profit Shifting) project;
- tax specialists in each of the Group's geographical regions supervise the operations.

Lastly, an outside organisation conducts an annual tax review of the countries at SPIE's request. The results of this voluntary initiative of the Group are in line with the goal of securing operations and validate the internal control processes. No major alerts have been identified to date. During this review, the proper application of the transfer pricing policy and country-by-country reporting in particular are verified with a view to continuous improvement. Action plans have been put in place to mitigate any identified risks.

3.1.6 SUMMARY OF NON-FINANCIAL INDICATORS

WORKFORCE *	2017	2018	2019	2020
France	18,722	18,979	19,536	19,032
Belgium	1,699	1,825	1,788	1,690
Germany	12,855	13,100	13,127	13,100
United Kingdom	3,516	3,073	2,822	2,040
Netherlands	4,198	4,261	4,303	4,044
Switzerland	532	513	562	582
Poland	943	1,014	1,071	1,101
Hungary	383	377	352	356
Slovakia & Czech Republic	447	420	391	364
Austria			215	212
Other European countries			3	21
TOTAL EUROPE	**43,295**	**43,562**	**44,170**	**42,542**
Africa	1,562	851	900	930
Middle East	1,020	1,285	1,453	1,288
Asia	773	700	653	710
TOTAL WORKFORCE (1)*	**46,650**	**46,398**	**47,176**	**45,470**
WORKFORCE BY JOB CATEGORY				
Managers	6,741	6,518	6,731	6,167
Administative employees, technicians & supervisors	20,190	20,607	21,368	20,913
Operative	19,719	19,273	19,077	18,390
EMPLOYMENT				
New hires (2) *	3,183	5,386	5,266	3,928
% of workforce on permanent contracts	89%	88%	87%	87%
Average seniority *	10.9	10.7	10.3	10.3
Rate of employees having left voluntarily *	7.30%	8.01%	7.95%	5.41%
Number of permanent contract departures				
*Resignations **			3,450	2,471
Dismissals			772	955
Retirement			552	670
Contractual termination			486	449
Other (excluding changes in scope)			532	632
DIVERSITY				
% of employees that are women	13%	13%	13.2%	13.2%
% of managers that are women	14%	15%	15.4%	16.5%
% of administative employees, technicians & supervisors that are women	21%	21%	20.8%	20.4%
% of operatives that are women	4%	4%	3.9%	4.3%
Average age	43	43	43	43
Employees under 25	7%	7%	8%	8%
Employees between 25 and 40	36%	36%	35%	36%
Employees between 41 and 55	41%	40%	39%	38%
Employees between 56 and 60	11%	11%	12%	12%
Employees above 60	5%	6%	6%	6%
Number of Nationalities represented in the Group	132	134	127	133
% of employees with a disability (4) (5)	5%	5%	5%	NC
TRAINING (3)				
Total number of training hours (6) *	-	-	-	465,057
Total number of employees having received training *	38,039	22,208	20,688	22,246
Study or apprenticeship contract	4%	4%	5%	5%
CAREER AND ATTRACTIVENESS				
EMPLOYEE SHARE OWNERSHIP				
% of capital held by employee Shareholders *	3.9%	4.4%	5.3%	6.1%

** These figures were audited by SPIE's statutory auditor in compliance with the French transposition of the EU non-financial reporting directive.*
(1) Headcount as of 12/31 with acquisitions.
(2) All hires with permanent contracts throughout 2020.
(3) Europe scope.
(4) France scope.
(5) The legal calculation method changed in 2021. The 2020 data will be published later on the SPIE website.
(6) New indicator for 2020.

Health and Safety at work	2017	2018	2019	2020
OHS MANAGEMENT SYSTEM *				
% of employees working under an ISO 45001-certified or equivalent [1] system	84%	92%	91%	93%
ACCIDENTS [2] INVOLVING SPIE EMPLOYEES *				
Total recordable injury rate (including acquisitions 2020)	11.2	11.4	10.2	9.5
Lost time injury rate (including acquisitions in 2020)	6.2	6.3	6.3	5.8
Severity rate (including acquisitions in 2020)	0.22	0.17	0.13	0.16
ACCIDENTS INVOLVING SPIE EMPLOYEES AND TEMPORARY WORKERS *				
Total recordable injury rate [3] (including acquisitions in 2020)	11.8	12.4	10.9	10.4
Lost time injury rate (including acquisitions in 2020)	6.6	6.9	6.9	6.4
Severity rate (including acquisitions in 2020)	0.22	0.16	0.15	0.17
FATAL ACCIDENTS *	1	2	2	1
SERIOUS ACCIDENTS	-	20	16	12

(1) VCA, MASE.
(2) Frequency rate in number of cases per million hours worked.
(3) "Total Recordable" frequency rate: frequency rate of accidents per million hours worked, with and without lost-time.
** Figures verified by our Statutory Auditors pursuant to the transposition of the European Directive on non-financial reporting.*

3

Environment	2017	2018	2019	2020
ENVIRONMENTAL MANAGEMENT SYSTEM CONSOLIDATION				
Scope ISO 14001 certified (as a % of the workforce)	75%	77%	77%	82% *
ENERGY TRANSITION				
Green share of revenue of SPIE as a% [1]			Approx. 35	Approx. 41 *
CORPORATE VEHICLE FLEET				
Fuel used *(in millions of litres)**	47.5	43.8	45.5	41.8
Number of low carbon vehicles *	536	593	608	716
Percentage of low-carbon vehicles in the vehicle fleet	2%	2%	2%	3%
ENERGY USE AT PERMANENT FACILITIES				
Electricity used *(in millions of kWh)*	54	48	42	39.3
Percentage of renewable energy in total electricity consumption	5%	18%	22%	20%
Gas used *(in millions of kWh)*	81	51	46	44.8
Building energy efficiency *(in kWh by m^2)*	90	97	86	80
CARBON FOOTPRINT				
Direct emissions of greenhouse gas *(in tonnes of carbon dioxide equivalent)* Scope 1 *	139,000	123,000	125,000	112,000
Direct emissions of greenhouse gas *(in tonnes of carbon dioxide equivalent)* Scope 2	13,000	10,000	8,000	6,000
Carbon intensity scopes 1 & 2 *(grams of CO_2/euros turnover)**	25	20	19	18
Indirect emissions *(in tonnes of carbon dioxide equivalents)* Scope 3*	1,238,000	NA	1,146,000	1,043,000
Carbon intensity scopes 1, 2 and 3 *(grams CO_2/euros turnover)**	227	NA	185	175
OTHER AIR POLLUTANTS/NOX EMISSIONS				
NOx emissions *(tons)*	1,675	1,536	1,533	1,415
WASTE				
Non-hazardous waste *(tons)*	13,228	NA	92,500	118,188
Hazardous waste *(tons)*	822	NA	1,862	1,553
Waste of Electrical and Electronical Equipment (WEEE)	296	NA	651	453

(1) According to the European taxonomic framework (TEG draft report for 2019, TEG final report for 2020).
** These figures were audited by SPIE's statutory auditor in compliance with the French transposition of the EU non-financial reporting directive.*

Economy	2017	2018	2019	2020
CUSTOMER SATISFACTION *				
% of recurrent clients (1)		Approx. 80%	Approx. 70%	Approx. 70%
QUALITY MANAGEMENT SYSTEM				
ISO 9001 certified scope in % of workforce (3)				95%
RESPONSIBLE PURCHASING				
Supplier CSR audits *				
% of total purchases from suppliers assessed for CSR compliance (2)	28%	32%	34%	34%
Solidarity purchasing				
Amount of purchases with protected sector (in million of euros)	1.9	1.9	1.8	1.6
Subcontractor management *				
Rate of implementation of best practices (3)*				75%
BUSINESS ETHICS *				
Number of delegations of authority (4) that include business ethics			Approx. 1,370	Approx. 1,400

** These figures were audited by SPIE's statutory auditor in compliance with the French transposition of the EU non-financial reporting directive.*
(1) *customer present at least three of the last four years (order and/or invoice and/or revenue) and with mandatory activity over the financial year in progress.*
(2) Pro forma *(excluding acquisitions less than 24 months ago).*
(3) *New indicator for 2020.*
(4) *Delegations of power, letters of instruction or equivalent.*

3.1.7 METHODOLOGICAL NOTE

3.1.7.1 SCOPE OF REPORTING

3.1.7.1.1 Indicators scope

Period covered

The collected data cover the period from January 1 to December 31 of the year of reference, with the exception of acquisitions and disposals of subsidiaries during the year, incorporated since the date of entry into or pior to exit from the scope.

The sole exception to this rule is the indicator percentage of spend with suppliers assessed on CSR, which excludes acquisitions of less than 24 months.

Geographical scope

All indicators cover 100% of SPIE's business worldwide unless stated otherwise.

New indicators

The indicators number of employees having received at least a training, total number of training hours, the rate of employees having left volunatarily and the subcontracting best practice application rate are published for the first time in this declaration in 2020. Consequently, no historical data is available.

Specific case of the environmental footprint generated by SPIE at the customers'

Since 2020, energy consumption relating to SPIE's occupancy of offices at customer sites or remote sites has been excluded from the reporting scope for all subsidiaries. The exception is SPIE Deutschland & Zentraleuropa, which will adopt the same scope in 2021.

3.1.7.2 DATA COLLECTION

The procedures for collecting, calculating, and consolidating the indicators in this report were formalised in a guide made available to all those involved in the reporting process. The objective is to ensure a consistent methodology within all subsidiaries as well as reliability of data.

The indicator definition guide specifies the calculation methods and estimation rules and defines the reporting scopes as well as the principles for consideration of variations of scope (disposals, acquisitions).

3.1.7.3 METHODOLOGICAL DETAILS

Exclusions from reporting

This declaration of non-financial performance summarises the societal commitments in favour of the sustainable development of SPIE.

The societal commitments in favour of circular economy, the fight against food waste, the fight against food insecurity, the respect of animal welfare and responsible, fair and sustainable food are not among the principal risks chosen by SPIE in the analysis of the Group's extra-financial risks. These themes are therefore not addressed in the 2020 non-financial statement.

The management of waste and hazardous substances is an integral part of the environmental management systems applied by operations. These subjects are also covered by the Environment Code. However, they do not represent a major risk at Group level and are therefore not described in the framework of the declaration of non-financial performance.

The Group does not generate waste water from its activities other than waste water from its real estate portfolio, which is managed by municipal services in accordance with European regulations.

It should be noted that diversity and the measures taken in favour of the disabled, collective agreements and their impact on the company's economic performance as well as the working conditions of employees are discussed in more detail in Section 3.1.4.1 of this document and are also included in the summary table of CSR indicators.

Rate of employees having left voluntarily

This indicator is calculated by taking the sum of the resignations of employees on permanent contacts divided by the average headcount of the reporting year.

Green share indicator

The indicator for the green share of SPIE's business presented in Section 3.6.2.1 was calculated based on the first Taxonomy document, a technical report by the expert technical group of the European Union on sustainable finance published in March 2020.

This calculation of the green share is based on revenue data analysed by an internal economic intelligence tool not originally designed to show criteria of environmental performance. By way of example, the tool cannot be used to establish, as it stands, whether or not the energy renovation work carried out on buildings has led to obtaining energy efficiency gains exceeding 30%. So as to be able to assess the eligibility of a renovation activity on the basis of such a criterion, the persons responsible for business development and/or operations had to make estimates and assumptions that were documented in an *ad hoc* questionnaire. The result is an estimated margin of uncertainty of +/-1% on the figure of 41% of green share presented.

SPIE applied the European taxonomy to the full scope of its activities, as it did for its other environmental performance indicators. No extrapolation was carried out. As an example, the taxonomy considers the installation of LEDs in buildings as green, but has not described the installation of LEDs in public lighting among the eligible activities. Even though the gains in terms of energy efficiency are just as important in buildings as in public lighting, SPIE has not included public lighting in the green share calculation.

The "Do No Significant Harm" and Social Safeguards criteria were analysed and reviewed with the expert firm accompanying SPIE in the methodological deployment of the European taxonomy. They do not impact the Group's performance.

The methodological approach, all the criteria and assumptions were documented in an internal methodological guide. SPIE intends to fine-tune and complete its approach, particularly to keep aligning it with expected changes from the European taxonomy framework.

Carbon footprint

According to the GHG Protocol, the standard for calculating and reporting greenhouse gas emissions, GHG emission information is reported according to three scopes: Scope 1, Scope 2, and Scope 3.

In 2020, the Group continued to follow the GHG Protocol standard and used the databases of The French Environment and Energy Management Agency (www.ademe.fr) for conversion emission factors. The conversion emission factors were updated according to the Ademe database for the 2020 carbon footprint assessment.

- *Scope 1*: This corresponds to the direct emissions resulting from fossil fuels' combustion for the energy consumption of our buildings and our fleet of vehicles.
- *Scope 2*: This concerns indirect emissions associated with the electricity consumption from buildings and the fleet. Scope 2 emissions were calculated using the GHG Protocol location-based method. The electricity consumption emissions factors for Africa and the "Middle East and Asia" zone are calculated by taking an average of the emissions factors of the countries where SPIE operates.
- *Scope 3*: This corresponds to other indirect emissions related to the purchase of products and services, freight, employee business travel and commuting, waste, and fixed assets. It does not include downstream emissions associated with the use of SPIE services.

The monetary emission factors for purchases are taken from an *ad hoc* study carried out internally on the most significant purchasing families with the help of an expert consultant. This study presents uncertainties related to the evolution of product prices and material emissions factors over time. For this reason, the purchasing emission factors will be updated in 2021.

3.1.7.4 CONTROLS AND VERIFICATION

The data are collected and consolidated using the Group's online reporting tool, Enablon, which has several options for data verification at the subsidiary level (consistency tests, etc.). The Group's CSR Department manages the reporting campaign and conducts checks to verify the consistency of the data, compliance with the indicator definitions and the scopes.

This declaration of non-financial performance was verified by one of SPIE SA's Statutory Auditors, PricewaterhouseCoopers Audit, designated as an independent third party (ITP).

3.1.8 REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT INCLUDED IN THE MANAGEMENT REPORT

For the year ended, 31st December 2020

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

To the SPIE SA annual general meeting,

In our capacity as Statutory Auditor of SPIE SA, appointed as an independent third party and accredited by Cofrac (accreditation Cofrac Inspection N°3-1060 whose scope is available at www.cofrac.fr), we hereby report to you on the consolidated non-financial information statement for the year ended 31st December 2020 (hereinafter the "Statement"), included in the 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 Board of Directors is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

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

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 STATUTORY AUDITOR, APPOINTED AS AN INDEPENDENT THIRD PARTY

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

- the compliance of the Statement with the 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 care law and anti-corruption and tax evasion legislation;
- 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 with their activities and, where applicable, the impact of these activities on compliance with human rights and anti-corruption and tax evasion legislation, as well as the resulting policies and their outcomes;
- we assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, objectivity and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III, as well as information set out in the second paragraph of article L. 22-10-36 regarding compliance with human rights and anti-corruption and tax evasion legislation;
- we verified that the Statement includes an explanation for the absence of the information required under article L. 225-102-1 III, 2;
- 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 and products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators;

- we verified, where relevant with respect to the principal risks or the policies presented, that the Statement provides the information required under article R. 225-105 II;
- we assessed the process used to identify and confirm the principal risks;
- we asked what internal control and risk management procedures the entity has put in place;
- we assessed the consistency of the outcomes and the key performance indicators used with respect to the principal risks and the policies presented;
- we verified that the Statement includes a clear and reasoned explanation for the absence of policies concerning one or more of the risks;
- we verified that the Statement covers the scope of consolidation, i.e., all the companies included in the scope of consolidation in accordance with article L. 233-16 within the limitations set out in the Statement;
- we assessed the data collection process implemented by the entity to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes (cf. Appendix) 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,
  - substantive tests, 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, SPIE OD Efficient Facilities (Germany), SPIE OD Central Europe – Poland (Poland), and SPIE Industrie (France), and covers between 18 and 89% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- we referred to documentary sources and conducted interviews to corroborate the qualitative information (measures and outcomes) that we considered to be the most important (cf. Appendix);
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

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

3

MEANS AND RESOURCES

Our work was carried out by a team of 10 people between September 2020 and April 2021 and took a total of 8 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted about 20 interviews with the people responsible for preparing the Statement, representing compliance, human resources, health and safety, environmental and purchasing departments.

CONCLUSION

Based on our work, nothing has come to our attention that causes us to believe that the non-financial information statement is not in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

Comments

Without qualifying our conclusion and in accordance with article A. 225-3 of the French Commercial Code, we have the following comments:

- The information presented concerning business ethics does not include key performance indicators for the relevant policies;
- SPIE presents for the second year a « Green share » indicator on the alignment of its activities with the European Taxonomy framework. SPIE was assisted by an external firm in the preparation of this indicator. As for any new indicator, the data collection could be more precise. However, we note an improvement this year, particularly as regards the approach adopted for distributing turnover. Our work has not revealed any major inconsistencies on this indicator.

Neuilly sur Seine / April, 9th 2020

One of the Statutory Auditors

PricewaterhouseCoopers Audit

French original signed	*French original signed*
Edouard Sattler	Sylvain Lambert
Partner	Sustainable Development Partner

APPENDIX

LIST OF INFORMATION WE CONSIDERED THE MOST IMPORTANT

Key performance indicators and other quantitative results:
Total workforce;
Rate of voluntary turnover (resignation);
Total number of training hours and number of employees who benefited from at least one training course;
% of capital held by employee shareholders;
% ISO 45001 certification (% of workforce);
Absolute frequency rate;
Frequency rate;
Severity rate;
Number of fatal accidents;
Number of employees trained via Mobile Safety Schools (France);
Rate of implementation of good practices with subcontractors;
% of purchases evaluated by Ecovadis;
Number of delegations of authority or equivalent that contain ethics requirements;
% of recurring clients;
Green share of turnover (aligned with the European Taxonomy);
% ISO 14001 certification (% of workforce);
Fuel consumption;
Number of electric and hybrid vehicles;
Carbon intensity per turnover (scope 1, 2 and 3).

Qualitative information (actions and results):
Ambition Manager training;
So'SPIE Ladies network;
Development of Life Saving Rules;
Management of COVID-19 crisis;
Development of "Customer Relationship Management Program" and "GroupKA[2]" approach;
Sustainable sourcing partnerships and initiatives (Bretagne Atelier, Handishare, Casquethic and Go Green DHL).

-4-

BUSINESS ANALYSIS AND FINANCIAL STATEMENTS

©Xavier BOYMOND

4.1 ANALYSIS OF CONSOLIDATED NET INCOME

4.1.1 ACTIVITY AND INCOME STATEMENT

INTRODUCTION

The Group is the European leader in multi-technical services for electrical, mechanical and climate engineering and communication systems and specialised energy-related services [1]. It helps its customers design, build, operate and maintain facilities that are energy-efficient and environmentally friendly.

The Group reports its operations according to the following segments:

- *France*, which includes the Group's French activities in multi-technical services and communications and accounted for 36.6% of consolidated production and 33.3% of consolidated EBITA for the financial year ended December 31, 2020;
- *Germany and Central Europe*, which includes the Group's business in Germany as well as Poland, Hungary and Switzerland in multi-technical services and accounted for 35.6% of consolidated production and 35.6% of consolidated EBITA for the financial year ended December 31, 2020;
- *North-Western Europe*, which includes the Group's United Kingdom, Belgium and Netherlands business in multi-technical services and accounted for 20.8% of consolidated production and 14.4% of consolidated EBITA for the financial year ended December 31, 2020; and
- *Oil & Gas and Nuclear*, which includes the Group's business in the Oil & Gas sectors around the world and in the nuclear sector in France and accounted for 7.0% of consolidated production and 12.9% of consolidated EBITA for the financial year ended December 31, 2020.

For the financial year ended December 31, 2020, the Group had consolidated production of €6,641.6 million and consolidated EBITA of €339.2 million.

ANALYSIS OF NET INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND DECEMBER 31, 2019

CONSOLIDATED INCOME STATEMENT

In thousands of euros	**2019 Restated [1]**	**2020**
Revenue from ordinary activities	6,993,372	6,655,446
Other income	49,482	76,101
Operating expenses	(6,694,521)	(6,457,458)
Recurring operating income	**348,333**	**274,089**
Other operating income and expenses	(11,766)	(72,690)
Operating income	**336,567**	**201,399**
Net income (loss) from companies accounted for under the equity method	9,030	(52)
Operating income after share of net income of companies accounted for under the equity method	**345,597**	**201,347**
Costs of net financial debt	(65,898)	(68,427)
Other financial income (expenses)	(13,408)	(7,888)
Pre-tax income	**266,291**	**125,032**
Income tax expenses	(105,819)	(70,690)
Net income from continuing operations	**160,472**	**54,342**
Net income from discontinued or operations being sold	(8,423)	(615)
NET INCOME	**152,049**	**53,727**
Net income from continuing operations attributable to:		
The Shareholders of the Company	158,971	53,824
Non-controlling interests	1,501	518
	160,472	54,342
Net income attributable to:		
The Shareholders of the Company	150,548	53,209
Non-controlling interests	1,501	518
	152,049	53,727

(1) Reprocessing in application of IFRS 5 (non-current assets held for sale and discontinued operations) (see Note 4 of the notes to the consolidated financial statements for the financial year ended December 31, 2020 included in paragraph 4.4 of this Universal Registration Document).

(1) Company's estimates based on its 2020 production and the revenue published by the Group's main competitors for the financial year ended December 31, 2020.

4.1.1.1 REVENUE FROM ORDINARY ACTIVITIES

Consolidated revenue decreased by 4.8%, or €337.9 million, going from €6,993.4 million for the year ended December 31, 2019 to €6,655.4 million for the year ended December 31, 2020. This change is mainly due to the contained decline in business due to the Covid-19 health crisis. After an organic contraction of -9.0% in the first half of 2020, driven by strict lockdown measures imposed in certain countries where SPIE operates, mainly France, a firm and rapid upturn in business resulted in an organic contraction limited to -1.4% in the second half.

4.1.1.2 PRODUCTION

Production decreased by -4.7%, or €6,967.3 million for the year ended December 31, 2019 restated, to €6,641.6 million for the year ended December 31, 2020 mainly due to the economic impact of the health crisis.

Organic growth decreased by -5.0%. The contribution of acquisitions amounted to +1.3% in 2020; the impact of disposals represented -0.9% and the currency effect, -0.1%.

The table below details the breakdown of production by operating segments for the financial years ended December 31, 2020 and 2019 restated:

In millions of euros	France	Germany and Central Europe	North-Western Europe	Oil & Gas and Nuclear	Total
Production 2020	2,429.0	2,364.7	1,381.4	466.5	6,641.6
Production 2019 R	2,674.0	2,285.7	1,484.8	522.8	6,967.3

France

Production in the *France* segment fell by -9.2%, including +0.7% due to acquisitions, or €-245.0 million, going from €2,674.0 million for the financial year ended December 31, 2019 to €2,429.0 million for the financial year ended December 31, 2020.

With organic growth of -9.8% over the whole year, production in France suffered from the impact of the implementation of a particularly strict lockdown from mid-March to mid-May, despite a recovery in activity in the second half of the year, while the second lockdown in the fourth quarter had little impact. This resilience reflects the critical importance of our services for energy and communication networks, as well as for major infrastructure and facilities.

Germany and Central Europe

Production in the Germany and Central Europe segment experienced a rise of 3.5%, or €79.0 million, going from €2,285.6 million for the year ended December 31, 2019 to €2,364.7 million for the year ended December 31, 2020, due mainly to the contribution from acquisitions.

Organic growth in this segment was 0.2% at constant exchange rates, including 1.1% in Germany where market momentum remained strong with the easing of restrictions related to Covid-19. The energy transition is increasingly an engine of growth: transmission and distribution network services have, in fact, posted record production, with strong momentum in the high-voltage business. The technical facility management business remained dynamic. Building services, related to technologies and automation saw their production fall, in part due to the phasing of projects in the data centre business, which nevertheless benefited from very good trends.

In Central Europe, production decreased overall due to severe restrictions related to the Covid-19 pandemic in Austria and the phasing of contracts in Hungary, while Poland, the Czech Republic and Slovakia recorded good growth as well as strong margins. In Switzerland, production increased despite significant impacts related to Covid-19.

North-Western Europe

Production in the North-Western Europe segment decreased by -7.0%, or €-103.4 million, from €1,484.8 million for the year ended December 31, 2019, restated, to €1,381.4 million for the year ended December 31, 2020, mainly due to the impact of the health crisis in Belgium (strict lockdown) as well as the disposal of the mobile maintenance activities in the United Kingdom (in March).

The segment's organic growth decreased by -2.7% at constant exchange rates, mainly impacted by the decline in business in Belgium affected by a strict lockdown in the first half.

SPIE recorded a solid performance in the Netherlands. The restrictions related to the Covid-19 pandemic had little impact on business levels, which remained solid throughout the year, driven by its customers' investments in the energy transition and modernisation of water management infrastructure. Services related to technical facility management and information and communication remained at a very good level, while services to industry were affected by particularly weak demand from petrochemical customers.

In the United Kingdom, production showed good resilience, supported by dynamic activity in the data centres.

SPIE's business in Belgium, affected by a strict lockdown in the first half of the year, recovered rapidly in the second half. Transport infrastructure services are benefiting from favourable trends and the energy transition is fuelling the positive momentum observed in transmission and distribution network services.

Oil & Gas and Nuclear

Production in the Oil & Gas and Nuclear segment fell by 10.8%, or €56.3 million, going from €522.8 million for the year ended December 31, 2019 to €466.5 million for the year ended December 31, 2020, mainly due to the health crisis.

Organic growth for the entire segment decreased by -9.6% at constant currency in 2020.

In nuclear activities, maintenance services, which are essential to the continuity of electricity supply in France, have shown a solid resilience. A large part of the work related to the Grand Carénage programme had to be postponed due to the constraints related to Covid-19.

Oil & Gas services posted a resilient performance in 2020, in a particularly unfavourable context, combining the constraints related to Covid-19 and a difficult oil market. The organic contraction in production was limited to one digit (upper range), reflecting the priority given to maintenance and operations services as well as the success of our diversification into downstream activities. In the wake of its customers, SPIE is continuing its breakthrough in renewable energy projects.

4.1.1.3 OPERATING EXPENSES

The Group's operating expenses decreased by €237.0 million, or -3.5%, from €6,694.5 million for the financial year ended December 31, 2019 to €6,457.5 million for the financial year ended December 31, 2020, mainly due to their link to the decrease of ordinary activities product.

The table below sets forth the distribution of operating expenses for the financial years ended December 31, 2019 and December 31, 2020:

In thousands of euros	2019 Restated (1)	2020
Purchases consumed	(973,419)	(867,043)
External expenses	(2,993,133)	(2,836,884)
Personnel expenses	(2,521,151)	(2,474,826)
Income and other taxes	(44,848)	(48,410)
Net amortisation, depreciation and provisions	(182,220)	(238,682)
Other operating income and expenses	20,250	8,387
TOTAL OPERATING EXPENSES	**(6,694,521)**	**(6,457,458)**

(1) Reprocessing in application of IFRS 5 (non-current assets held for sale and discontinued operations) (see Note 4 of the notes to the consolidated financial statements for the financial year ended December 31, 2020 included in paragraph 4.4 of this Universal Registration Document).

Purchases consumed

Purchases consumed [1] by the Group decreased/increased by €106.4 million, or -10.9%, from €973.4 million for the financial year ended December 31, 2019 to €867.0 million for the financial year ended December 31, 2020.

External expenses

The Group's external expenses decreased by €156.2 million, or 5.2%, going from €2,993.1 million for the year ended December 31, 2019 to €2,836.9 million for the year ended December 31, 2020.

The change in purchases consumed and external expenses remains correlated with the decrease in revenue from ordinary activities.

Personnel expenses

Personnel expenses fell by €46.4 million, or -1.8%, from €2,521.2 million for the year ended December 31, 2019 to €2,474.8 million for the year ended December 31, 2020.

This decrease is mainly due to the short-time working measures implemented in some countries and the non-replacement of certain departures.

Net amortisation, depreciation and provisions

Net amortisation, depreciation and provisions increased by €56.2 million from €182.2 million for the financial year ended December 31, 2019 to €238.7 million for the financial year ended December 31, 2020.

This increase is mainly due to the application of IFRS 16 - Leases, which led the Group to record depreciation and amortisation charges for the year, rising from €81.8 million for the year ended December 31, 2019 to €135.4 million for the year ended December 31, 2020. Depreciation and amortisation mainly includes the amortisation of allocated goodwill for €54.9 million for the year ended December 31, 2020. This amortisation of allocated goodwill amounted to €62.1 million for the year ended December 31, 2019.

4.1.1.4 GROUP CONSOLIDATED OPERATING INCOME AFTER SHARE OF NET INCOME OF EQUITY AFFILIATES

Group consolidated operating income fell by €144.3 million, or -41.7%, from €345.6 million for the year ended December 31, 2019 to €201.3 million for the year ended December 31, 2020. This increase can be explained by the following major changes:

- operating income from ordinary activities decreased by €74.2 million, or -21.3%, from €348.3 million for the year ended December 31, 2019 to €274.1 million for the year ended December 31, 2020;
- other operating income and expenses, which amount to (€72.7) million for the year ended December 31, 2020 and which mainly include the impact of the disposal of the Trios Group (mobile maintenance business) in the United Kingdom for (€46.2) million, restructuring costs of (€24.2) million, mainly related to reorganisations carried out in the United Kingdom and the Netherlands, at SPIE OGS and more generally in business segments particularly affected by the health crisis (aeronautics, events) in France and Germany.

(1) Purchases consumed include purchase of raw materials, supplies and other consumable supply, as well as purchases of equipment and supplies incorporated in the production.

4.1.1.5 EBITA AND EBITA MARGIN

The Group's consolidated EBITA decreased by -18.9%, from €418.4 million for the year ended December 31, 2019 restated, to €339.2 million for the year ended December 31, 2020, representing €(79.2) million, due in particular to the decline in business due to the health crisis.

The EBITA margin was 5.1%, down by 90 basis points compared to the 6.0% in 2019R.

In the first half of the year, the EBITA margin decreased by 170 basis points due to strict lockdowns and the resulting drop in production. It recovered rapidly in the second half of the year, with a decline of just 20 basis points compared to the second half of 2019 due to cost-cutting measures that were successful and additional expenses caused by the health situation gradually passed on to customers.

The following table shows the EBITA and EBITA margin (as a percentage of production) by operating segment for the periods indicated:

In millions of euros	France	Germany and Central Europe	North-Western Europe	Oil & Gas and Nuclear	Holdings	Total
FY 2020						
EBITA	**112.9**	**120.8**	**48.7**	**43.9**	**12.9**	**339.2**
EBITA (as a% of production)	*4.6%*	*5.1%*	*3.5%*	*9.4%*		*5.1%*
FY 2019R						
EBITA	**171.5**	**140.1**	**41.0**	**53.0**	**12.8**	**418.4**
EBITA (as a% of production)	*6.4%*	*6.1%*	*2.8%*	*10.1%*		*6.0%*

France

EBITA for the *France* segment fell by €-58.6 million, or -34.2%, going from €171.5 million for the financial year ended December 31, 2019 to €112.9 million for the financial year ended December 31, 2020.

The EBITA margin amounted to 4.6%, down 180 basis points, compared to the 2019 level of 6.4%. The EBITA margin was strongly impacted by a weak absorption of fixed costs during the lockdown period in the second quarter, as well as by the additional expenses generated by the health situation, before gradually returning to the level of 2019 in the second half.

Germany and Central Europe

EBITA for the *Germany and Central Europe* segment fell by €-19.3 million, or -13.8%, going from €140.1 million for the financial year ended December 31, 2019 to €120.8 million for the financial year ended December 31, 2020.

The EBITA margin for the segment decreased by 100 basis points, from 6.1% in 2019 to 5.1% in 2020.

The EBITA margin remained robust given the additional expenses generated by the health situation and returned to a level very close to that of 2019 in the fourth quarter.

North-Western Europe

EBITA in the *North-Western Europe* segment increased by €7.7 million, or +18.8%, going from €41.0 million for the financial year ended December 31, 2019 to 48.7 million for the financial year ended December 31, 2020, due mainly to the positive performance in the Netherlands, which is reaping the rewards of performance measures implemented in 2019.

The EBITA margin for the segment increased by 70 basis points, from 2.8% in 2019 to 3.5% in 2020.

Oil & Gas and Nuclear

EBITA for the *Oil & Gas and Nuclear* segment fell by €-9.1 million, or -17.2%, going from €53.0 million for the financial year ended December 31, 2019 to €43.9 million for the financial year ended December 31, 2020.

The EBITA margin for the segment decreased by 70 basis points, from 10.1% in 2019 to 9.4% in 2020.

In Oil & Gas services, the EBITA margin was preserved thanks to the rapid reorganisation of our business and in the nuclear business, the margin remained high.

4.1.1.6 COST OF NET FINANCIAL DEBT

The cost of net financial debt rose by €2.5 million, an increase of 3.8%, from (€65.9) million for the year ended December 31, 2019 to (€68.4) million for the year ended December 31, 2020. This increase is mainly due to the interest expenses recorded in under operational and finance leases recorded in accordance with IFRS 16 - Leases (see Note 21.3 to the Company's consolidated financial statements for the year ended December 31, 2020 included in Section 4.4.1 of this Universal Registration Document).

The following table details the changes in the cost of net financial debt for the financial years ended December 31, 2020 and December 31, 2019:

In thousands of euros	**2019 Restated (1)**	**2020**
Interest expenses and losses on cash equivalents *	(66,012)	(68,561)
Interest income on cash equivalents	114	134
Net proceeds on sale of marketable securities	-	-
Costs of net financial debt	(65,898)	(68,427)

(1) Reprocessing in application of IFRS 5 (non-current assets held for sale and discontinued operations) (see Note 4 of the notes to the consolidated financial statements for the financial year ended December 31, 2020 included in paragraph 4.4 of this Universal Registration Document).

4.1.1.7 PRE-TAX INCOME

Income before tax excluding the impact of disposals of companies and other assets fell by €141.3 million, from €266.3 million for the year ended December 31, 2019 to €125.0 million for the year ended December 31, 2020. This decrease is mainly due to the decrease in consolidated operating income after share of equity-accounted investments, resulting from the decrease in operating income from ordinary activities of (€74.2) million and nonrecurring costs such as: the impact of the disposal of the Trios Group (mobile maintenance business) in the United Kingdom for (€46.2) million and restructuring costs for (€24.2) million.

4.1.1.8 INCOME TAX

Income tax expenses decreased by €35.1 million, going from €105.8 million for the financial year ended December 31, 2019 to €70.7 million for the financial year ended December 31, 2020.

This change is due to a decrease in the current tax expense of €16.5 million and a decrease in the deferred tax expense of €18.6 million.

The decrease in the current tax expense is mainly due to the decrease in the taxable base in relation to the decrease in operating income.

The tax expense breaks down as follows:

In thousands of euros	**2019 Restated (1)**	**2020**
TAX EXPENSE REPORTED IN THE INCOME STATEMENT		
Current tax	(77,240)	(60,782)
Deferred tax	(28,579)	(9,908)
Total income tax reported in the income statement	**(105,819)**	**(70,690)**
TAX EXPENSE REPORTED IN THE STATEMENT OF COMPREHENSIVE INCOME		
Net (loss)/gain on cash flow hedge derivatives	-	-
Net (loss)/gain on post-employment benefits	46,805	(666)
Total income tax reported in the statement of comprehensive income	**46,805**	**(666)**

(1) Reprocessing in application of IFRS 5 (non-current assets held for sale and discontinued operations) (see Note 4 of the notes to the consolidated financial statements for the financial year ended December 31, 2020 included in paragraph 4.4 of this Universal Registration Document).

4.1.1.9 NET INCOME

Net income decreased by €98.3 million. It amounted to €53.7 million for the financial year ended December 31, 2020, compared to €152.0 million for the financial year ended December 31, 2019. This change is mainly due to the decrease in operating income of €144.3 million, the decrease in the cost of debt and other financial income and expenses of €2.5 million, an increase in tax expenses of €35.1 million and an increase of €7.8 million in income from operations that were discontinued or sold.

4.1.1.10 MAIN FACTORS AFFECTING RESULTS

Certain key factors and past events and operations have had, or may continue to have, an impact on the Group's business and operating results. The main factors having an impact on the Group's results are (i) general economic conditions in the Group's markets, (ii) acquisitions, disposals and changes in the scope of consolidation (iii) the Group's cost structure, (iv) purchases of furniture and equipment, (v) the management of the contract portfolio, (vi) the seasonality of working capital and cash requirements, and (vii) exchange rate fluctuations. A more detailed description of each of these factors is provided below.

4.1.1.10.1 General economic conditions in the markets where the Group is present

Demand for services depends on economic conditions such as GDP growth in the countries in which the Group operates. In periods of strong GDP growth, the Group's business is driven by industrial investments and construction projects in the public and tertiary sectors. In periods of very slow growth or recession, the design and construction business loses revenue because of lower capital expenditure by the Group's customers due primarily to falling demand from public entities and firms in the industrial and energy sectors. As a result, over the last three financial years, mostly with respect to multi-technical services, the Group has faced falling demand for installation services from steel producers and carmakers in particular as well as their supply chains. In addition, heavier competition among suppliers during these periods affects the Group's results (*e.g.* pressure to renegotiate pricing terms when contracts are up for renewal, or heavy pressure to lower prices when bidding for contracts). Although customers reduce their capital expenditure in times of recession, demand for maintenance services is not affected and maintains a predictable revenue stream.

4.1.1.10.2 Acquisitions, disposals and changes in scope of consolidation

Acquisitions

Over the past few years, external growth has significantly contributed to the overall activity of the Group; the Group intends to pursue its acquisition strategy to increase its market share, expand its service offering and increase its response capacity.

In line with its strategy, when opportunities arise, the Group makes medium-sized acquisitions so as to establish a foothold in countries where it is not already present or has a limited presence. In addition, it may make more structuring acquisitions in order to strengthen its international presence or expand its service offering.

In 2020, the health crisis and the resulting lockdowns temporarily slowed down SPIE's external growth operations. However, this had resumed at the end of the year and resulted in the signing of the acquisition of Planen & Bauen in Germany (60 employees; production of approximately €10 million in 2019). For more details on this acquisition, see Section 4.1.3 of this Universal Registration Document.

In 2019, the Group agreed or completed 4 acquisitions, representing a total acquired production of approximately €210 million. In 2019, the Group acquired the companies Christof Electrics in Austria, Telba Group and Osmo in Germany and Cimlec Industrie in France.

Disposals of the period

In recent years, the Group has sold various subsidiaries, either because they were not related to the Group's core business or because their prospective performance was no longer in line with Group targets.

In this respect, in 2020, the Group sold TRIOS Group Ltd and its five subsidiaries, which carried out the Group's mobile maintenance activities in the United Kingdom. These activities include facility and property related mobile services for public and private customers operating in the commercial, health, education, leisure, local authorities and retail markets. These activities had recently been placed under strategic review. All of SPIE's remaining facility management activities throughout the UK, focused mainly on-site maintenance and fire & security services, will remain within SPIE.

Changes in the scope of consolidation

More generally, the Group's results may be impacted by changes in the scope of consolidation, such as a significant acquisition (for example, the entry of the SAG group into the scope of consolidation in April 2017) or a change in consolidation methods of a particular company.

4.1.1.10.3 The Group's cost structure

The Group continuously works to reduce the percentage of its fixed costs by putting initiatives in place to improve its cost structure, particularly by outsourcing certain services to subcontractors, using fixed-term contracts and temporary work, and permanently adjusting its staff. These initiatives have allowed the Group to maintain its margins during periods of recession. Variable costs form the majority of the Group's operating expenses (particularly the cost of supplies and equipment used in projects and as part of subcontracting). For the financial year ended December 31, 2020, personnel costs accounted for 39% of the Group's cost structure, costs related to purchases 21%, costs related to outsourcing 25% and temporary work 3%. In total, variable costs represented approximately 57% and fixed costs approximately 43% of the Group's cost structure.

4.1.1.10.4 Purchases of supplies and equipment

The Group purchases supplies and other specific equipment in order to provide services to its customers. The cost of these purchases, which are booked as operating expenses, fluctuates as a function of changes in the Group's business. During periods of strong economic growth, these expenses represent a larger percentage of total costs because installation services, which require the purchase of more supplies and equipment, represent a larger share of the Group's total sales. In periods of economic slowdown, while maintenance services generate more revenue than installation services, these expenses are lower as maintenance services require more limited use of supplies and equipment. Purchases consumed (supplies and equipment) represented 13.4% of total operating expenses on the income statement for the financial year ended December 31, 2019 and 14.6% of total operating expenses on the income statement for the financial year ended December 31, 2019.

4

4.1.1.10.5 Management of the contract portfolio

The Group's business model is based on stable revenue flows from a large number of small projects over several markets. As a result, the Group's production in general is not subject to strong fluctuations from one period to another. However, changes in the markets in which the Group's main customers operate may have an impact on the demand for services and, as a result, on the Group's earnings.

4.1.1.10.6 Seasonality of working capital and cash requirements

The Group's working capital requirement is seasonal yet negative as a result of the structure of its customer contracts and the Group's dynamic policy for invoicing and collecting receivables. Generally, the Group's cash flow is negative in the first half of the year because of the seasonality of the Group's business (which is generally lower in the first half) and because of the payment cycle for certain personnel expenses and social security contributions.

By contrast, cash flow is generally positive in the second half of the year due to the increased level of activities during that period generating higher invoicing and collection.

4.1.1.10.7 Exchange rate fluctuations

The Group's consolidated financial statements are presented in euros. However, in each of the countries in which it operates, the Group generally makes sales and incurs expenses in local currency. These transactions must be translated into euros during the preparation of the financial statements. In the income statement, this translation is made using the average of the exchange rates applicable at the end of the month for each period in question. On the statement of financial position, this translation is made using the exchange rates applicable at the closing date of the statements. As a result, even if the Group has relatively little exposure to transactions in local currencies, changes in foreign exchange rates may have an impact on the value in euros of the Group's production, expenses and results.

The vast majority of the Group's sales and expenses in currencies other than the euro are in pound sterling, Swiss francs or US dollars. For the financial year ended December 31, 2020, 12.8% of the Group's production was recorded in currencies other than the euro, of which 4.4% in pounds sterling and 2.5% in Swiss francs.

4.1.1.11 MAIN ITEMS IN THE INCOME STATEMENT

The main items in the income statement, part of the Group's consolidated financial statements used by the Group's management to analyse its consolidated financial results, are described below:

- **revenue from ordinary activities** represents the amount of work performed during the period in question. It is recognised as soon as it can be reliably estimated. The income from a transaction can be reliably estimated when the amount of revenue from ordinary activities can be reliably valued, when it is probable that the related economic benefits will go to the Company, when the progress of the transaction at the reporting date can be valued reliably, and when the costs incurred to carry out and complete the transaction can be reliably valued (see Note 3.4 to the consolidated financial statements for the financial year ended December 31, 2020 in Section 4.4.1 of this Universal Registration Document);
- **operating expenses** consist of purchases consumed, external expenses, personnel expenses, income and other taxes, net amortisation, depreciation and provisions, and other operating income and expenses;
- **consolidated operating income** consists of operating revenue minus operating expenses incurred for the Company's business. It also includes other revenue and expenses, including the cost of external growth;
- the **cost of net financial debt** consists of interest income and expenses, cash equivalents and the net expenses and net income from sales of marketable securities;
- **income before tax** is equal to operating income including entities accounted for using the equity method, plus financial income and minus financial expenses;
- **income tax** is the tax liability for the financial year consisting of corporate tax payable or deferred, value-added tax for French companies, provisions and provisions renewal for taxes;
- the Group records **deferred tax** on the timing differences between the book value and tax base of assets and liabilities and on tax losses when collection is probable. Deferred taxes are not discounted;
- **net income** is income before tax minus income tax and plus or minus net income from discontinued operations or operations being sold.

4.1.1.12 KEY PERFORMANCE INDICATORS

The Group uses production, EBITA and the cash conversion ratio as its key performance indicators.

Production, as presented in internal reporting, represents the operating activity of the Group's companies, including notably proportionally the share of subsidiaries with minority Shareholders or consolidated using the equity method.

EBITA represents adjusted operating income before amortisation of allocated goodwill, before tax and financial income. EBITA is not a standard accounting measure with a single generally accepted definition. It is not a substitute for operating income, net income, cash flow from operating activities or even a measure of liquidity. Other issuers may calculate EBITA in a different manner from the Group.

The cash conversion ratio for a financial year is the ratio of cash flow from operating activities in the financial year to EBITA in the same financial year. Cash flow from operations in a financial year is the sum of EBITA, amortisation expenses, change in working capital requirement, and provisions related to income and expenses included in EBITA, minus investment flows (excluding acquisitions) for the financial year.

Performance indicators	2019R	2020
Production *(in millions of euros)*	6,967.3	6,641.6
EBITA *(in millions of euros)*	418.4	339.2
Cash conversion ratio	101%	139%

RECONCILIATION BETWEEN PRODUCTION AND REVENUE FROM ORDINARY ACTIVITIES

In millions of euros	2019R	2020
Production	**6,967.3**	**6,641.6**
SONAID (1)	(1.5)	0.0
Holdings activities (2)	22.9	17.6
Other (3)	4.7	(3.8)
Revenue from ordinary costs	**6,993.4**	**6,654.4**

(1) The company SONAID is recognised according to the equity method in the consolidated financial statements and on a proportionate basis (55%) in production.
(2) Non-Group revenue from SPIE Operations and nonoperational entities.
(3) Re-invoicing of services provided by Group entities to non-managed joint ventures; non-Group revenue that does not correspond to operational activity (mainly re-invoicing of expenses incurred on behalf of partners); restatement of production from entities consolidated under the equity method, or not yet consolidated.

RECONCILIATION TABLE BETWEEN EBITA AND GROUP CONSOLIDATED OPERATING INCOME AFTER SHARE OF NET INCOME FROM COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD

In millions of euros	2019R	2020
EBITA	**418.4**	**339.2**
Amortisation of allocated goodwill (1)	(62.1)	(54.9)
Restructuring (2)	(7.0)	(24.2)
Financial commissions	(1.5)	(1.7)
Impact of companies accounted for under the equity method	5.1	(0.2)
Other (3)	(7.3)	(56.9)
GROUP CONSOLIDATED OPERATING INCOME AFTER SHARE OF NET INCOME OF COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD	**345.6**	**201.3**

(1) For the year ended December 31, 2019, the amount relating to the amortisation of allocated goodwill includes an amount of €(34.0) million for SAG.
(2) Costs related to "restructuring" include the following items:
- *For the financial year ended December 31, 2019:*
  (a) restructuring costs in the United Kingdom for €(3.7) million;
  (b) restructuring costs in the Netherlands for €(2.0) million.
- *For the financial year ended December 31, 2020:*
  (a) restructuring costs in the United Kingdom for €(5.0) million;
  (b) restructuring costs in the Netherlands for €(3.6) million;
  (c) restructuring costs at SPIE OGS for €(3.9) million;
  (d) restructuring costs in sectors of activity particularly affected by the health crisis (aeronautics, events, etc.) in France and Germany.

(3) "Other nonrecurring items" correspond mainly to:
- *For the financial year ended December 31, 2019:*
  (a) costs linked to external growth transactions for €(1.5) million;
  (b) costs relating to the employee shareholding plan in application of IFRS 2 for €(4.7) million;
  (c) to the impact of companies accounted for under the equity method for €5.1 million.
- *For the financial year ended December 31, 2020:*
  (a) costs linked to external growth transactions for €(2.2) million;
  (b) costs relating to the employee shareholding plan in application of IFRS 2 for €(4.7) million;
  (c) costs relating to the granting of a performance share plan in application of IFRS 2 (€1.8 million);
  (d) impact of the disposal of the mobile maintenance business in the United Kingdom (-€46.2) million.

RECONCILIATION TABLE BETWEEN ADJUSTED NET INCOME, GROUP SHARE, NET INCOME GROUP SHARE AND EBITA

In order to set the level of dividends it intends to distribute for a given financial year, the Group calculates an adjusted net income attributable to the owners of the parent, in order to neutralise the nonrecurring items. As regards the financial year ended December 31, 2020, the net income attributable to owners of the parent has therefore been adjusted by the following items:

The adjusted net income for 2020 excludes the following items:

- the amortisation of allocated goodwill, as it is an expense without any cash impact;
- exceptional items; and
- the impact on the effective tax rate of the cost (non-tax deductible) of the disposal of the Trios Group (mobile maintenance activities) in the United Kingdom and the impact on deferred taxes of the planned tax rate change in France in 2021.

In millions of euros	2020
EBITA	**339.2**
Costs of net financial debt	(68.4)
Other financial income (expenses)	(9.6)
Normative tax	(84.1)
Non-controlling interests	(0.5)
Adjusted net income attributable to the owners of the parent	**176.6**
Amortisation of allocated goodwill (1)	(54.9)
Restructuring (2)	(24.2)
Other (3)	(57.0)
Normative tax	13.4
Net income from discontinued operations	(0.6)
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	**53.2**

(1) For the year ended December 31, 2020, the amount relating to the "amortisation of allocated goodwill" includes an amount of €(34.0) million for SAG.
(2) Costs related to "restructuring" include the following items:
(a) restructuring costs in the United Kingdom for €(5.0) million;
(b) restructuring costs in the Netherlands for €(3.6) million;
(c) restructuring costs at SPIE OGS for €(3.9) million;
(d) restructuring costs in sectors of activity particularly affected by the health crisis (aeronautics, events, etc.) in France and Germany.
(3) "other nonrecurring items" correspond mainly to:
(a) costs linked to external growth transactions for €(2.2) million;
(b) costs relating to the employee shareholding plan in application of IFRS 2 for €(4.7) million;
(c) costs relating to the granting of a performance share plan in application of IFRS 2 (€1.8 million);
(d) impact of the disposal of the mobile maintenance business in the United Kingdom (-€46.2) million.

RECONCILIATION BETWEEN OPERATING CASH FLOW AND NET CASH FLOW FROM OPERATING ACTIVITIES (IFRS)

In millions of euros	2020
***Operating* cash-flow**	**466.1**
Tax paid	(68.6)
Purchase of property, plant and equipment and intangible assets, net of disposals	57.9
IFRS 16 impacts	140.9
Cash impact of EBITA/operating income reconciliation (1)	(36.1)
NET CASH FLOW FROM (USED IN) OPERATING ACTIVITIES (IFRS)	**560.2**

(1) The cash impact of EBITA/operating income reconciliation includes the following items:
- *restructuring costs for €(14.7) million mainly corresponding to the costs related to the reorganisations in the United Kingdom, the Netherlands and OGS;*
- *the cash impact of discontinued operations for €(12.8) million;*
- *financial commissions for €(1.7) million, acquisition costs for €(0.6) million; and*
- *other items for the remainder.*

RECONCILIATION TABLE BETWEEN OPERATING CASH FLOW AND FREE CASH FLOW

In millions of euros	2020
***Operating* cash-flow**	**466.1**
Tax paid	(68.6)
Net interest paid	(54.4)
Others (1)	(19.8)
FREE CASH-FLOW	**323.3**

(1) Includes the cash impact of restructuring costs and discontinued operations.

4.1.1.13 ORGANIC GROWTH

In this Section of this Universal Registration Document, the Group in particular presents changes in its production in terms of organic growth.

Organic growth represents the production completed during the twelve months of financial year N by all the companies consolidated by the Group for the financial year ended December 31 of year N-1 (excluding any contribution from any companies acquired during financial year N) compared with the production performed during the twelve months of financial year N-1 by the same companies, independently of the date on which they were first consolidated within the Group.

4.1.2 CASH FLOW AND FINANCIAL STRUCTURE

INTRODUCTION

The Group's principal financing requirements include its working capital requirement, capital expenditure (particularly acquisitions), interest payments and repayment of borrowings.

The Group's principal source of liquidity on an ongoing basis consists of its operating cash flows. The Group's ability to generate cash in the future through its operating activities will depend upon its future operating performance which is in turn dependent, to some extent, on economic, financial, competitive, market, regulatory and other factors, most of which are beyond the Group's control (specifically the risk factors in Chapter 2.1 "Risk factors" of this Universal Registration Document). The Group uses its cash and cash equivalents to fund the ongoing requirements of its business. The Group holds cash only in euros.

The Group is also financed through debt, essentially under the Senior Credit Facilities Agreement concluded in 2018 during the refinancing of the credit facility set up at the time of its Initial Public Offering (IPO) and through bond issues. In March 2017, as part of the acquisition of SAG (see Section 4.1.3 of this Universal Registration Document), the Company therefore conducted a bond issue in the amount of €600,000,000, mainly to finance the said acquisition. Such bonds, with a 7-year maturity and a 3.125% interest rate, have been listed on Euronext Paris (ISIN Code FR0013245263). Moreover, in June 2019, the Company conducted a bond issue in the amount of €600,000,000 to refinance one half of the Senior Credit Facilities Agreement and to thereby extent the average maturity of its borrowing. Such bonds, with a 7-year maturity and a 2.625% interest rate, have been listed on Euronext Paris (ISIN Code FR0013426376).

In accordance with Article 19 of regulation (EU) 2017/1129 of the European Parliament and of the Council dated June 14, 2017, the information relating to the Group's liquidity and share capital for the financial year ended December 31, 2020 as presented in Chapter 4.1.2 "Cash flow and financial structure" of the 2020 Universal Registration Document are included by reference in this Universal Registration Document.

4.1.2.1 FINANCIAL RESOURCES AND FINANCIAL LIABILITIES

4.1.2.1.1 Overview

In the past, the Group has principally relied on the following sources of financing:

- **net cash flow from operating activities,** which totalled €432.2 million and €560.2 million respectively for the financial years ended December 31, 2019 and 2020;
- **available cash** with total cash and cash equivalents including assets held for sale at December 31, 2019 and 2020 totalled €866.5 million and €1,179.0 million respectively (see Note 4 of the notes to the consolidated financial statements for the financial year ended December 31, 2020 included in Section 4.4.1 of this Universal Registration Document);
- **debt,** which includes the Senior Credit Facilities Agreement, the bonds issued under the SAG acquisition, the bond issuance completed in June 2019, direct borrowings from banks and other lenders, the Securitisation Facility (see Section 4.1.2.1.2.1 of this Universal Registration Document), interest accrued on the Senior Credit Facilities Agreement and bonds, together with short-term bank credit facilities.

4.1.2.1.2 Financial liabilities

The Group's financial liabilities totalled €2,471.5 million and €2,502.2 million as at December 31, 2019 and 2020 respectively. The following table breaks down the Group's total debt as at the indicated dates:

In millions of euros	**At Dec. 31, 2019**	**At Dec. 31, 2020**
BORROWINGS FROM CREDIT INSTITUTIONS		
Bond (maturity June 18, 2026)	600.0	600.0
Bond – SAG acquisition (maturity March 22, 2024)	600.0	600.0
A Facility of the Senior Credit Facilities Agreement	600.0	600.0
***Revolving* (maturity June 7, 2023)**	**-**	**-**
Other	2.1	0.7
Capitalised borrowing costs	(14.3)	(11.3)
Securitisation	300.0	300.0
BANK OVERDRAFTS		
Bank overdrafts	4.5	13.3
Interests on bank overdrafts	0.2	0.2
OTHER LOANS, BORROWINGS AND FINANCIAL LIABILITIES		
Liabilities on financial leases (pre-existing contracts as at January 1, 2019)	**8.6**	**3.0**
Debt on operating and financial leases	**340.3**	**369.5**
Accrued interest on loans	23.2	23.5
Other loans, borrowings and financial liabilities	6.7	3.1
Derivative financial instruments	0.2	0.1
INTEREST-BEARING LOANS AND BORROWINGS	**2,471.5**	**2,502.2**

As at December 31, 2020 and 2019, the Group's net debt/EBITDA ratio was 2.4x and 2.7x, respectively (excl. IFRS 16).

At December 31, 2020, the Group met all of its covenants under the financing agreements described in this Section.

The above ratios are calculated on the basis of adjusted EBITDA excluding IFRS 16. Adjusted EBITDA is income generated by the Group's permanent operations over 12 months before tax and financial income, including the impacts over 12 months of acquisitions. It is calculated before depreciation and amortisation of fixed assets and allocated goodwill.

The table below presents the reconciliation of EBITA and adjusted EBITDA excluding IFRS 16 for the year ended December 31, 2020:

In millions of euros	At Dec. 31, 2019	At Dec. 31, 2020
Group EBITA (excluding IFRS 16)	**415.7**	**334.2**
Depreciation and amortisation of property, plant and equipment and intangible assets (excluding allocated goodwill)	56.0	53.5
EBITDA (excluding IFRS 16)	**471.7**	**387.6**
Adjustment (12-month effect of acquisitions)	(1.2)	1.4
ADJUSTED EBITDA (EXCLUDING IFRS 16)	**470.5**	**389.1**

The table below breaks down financial liabilities at December 31, 2020:

In thousands of euros	Reduction	Increase	Total at Dec. 31, 2019	Total at Dec. 31, 2020
LOANS AND BORROWINGS FROM BANKING INSTITUTIONS				
Bonds	-	-	1,200,000	1,200,000
A Facility of the Senior Credit Facilities Agreement (term June 7, 2023)	-	-	600,000	600,000
Other	1,464	131	2,071	738
Capitalised borrowing costs	-	3,020	(14,298)	(11,278)
Securitisation	-	-	300,000	300,000
BANK OVERDRAFTS				
Bank overdrafts	-	8,811	4,529	13,340
Interests on bank overdrafts (cash liabilities)	-	14	154	168
OTHER LOANS, BORROWINGS AND FINANCIAL LIABILITIES				
Liabilities on financial leases (pre-existing contracts as at January 1, 2019)	5,636	-	8,648	3,012
Debt on operating and financial leases	136,891	166,048	340,360	369,517
Financial interests	-	263	23,209	23,472
Other loans, borrowings and financial liabilities	3,935	394	6,661	3,120
Derivative financial instruments	37	-	168	131
INTEREST-BEARING LOANS AND BORROWINGS	**147,963**	**178,681**	**2,471,502**	**2,502,220**

The main factors comprising the Group's financial liabilities are detailed below.

4

4.1.2.1.2.1 Senior Credit Facilities Agreement

In the context of the refinancing of the Company's indebtedness, pursuant to the Senior Credit Facilities Agreement executed by the Company at the time of its Initial Public Offering (IPO) in 2015, SPIE SA concluded on June 7, 2018, as borrower, a **Senior Credit Facilities Agreement** with a syndicate of international banks (the "**Lenders**") including BNP Paribas, Crédit Agricole Corporate and Investment Bank, HSBC France, ING Bank NV (acting through its French subsidiary), Natixis and Société Générale Corporate and Investment Bank as Global Coordinators.

CREDIT FACILITIES

The Senior Credit Facilities Agreement provides for two lines of credit totalling €1,800 million and consisting of:

- a €1,200 million first ranking term loan ("A Facility"), drawn down in full, with five-year maturity from June 7, 2018; and
- a revolving credit line (the "Revolving Credit Agreement") for an amount of €600 million, not drawn down, with a maturity of five years from June 7, 2018. The maturity of this revolving credit facility was extended for two years, to 2025 (1);
- on June 18, 2019, SPIE SA issued a bond for an amount of €600 million. Such bonds, with a 7-year maturity and a 2.625% interest rate, have been listed on Euronext Paris (ISIN Code FR0013426376). On the same date, the Group repaid in advance half of its financing line (A Facility of the Senior Credit Facilities Agreement), for an amount of €600 million, initially due on June 7, 2023.

INTEREST AND FEES

Interest is payable on loans under the Senior Credit Facilities Agreement at a floating rate indexed to Euribor in relation to any loan drawn in euros, to LIBOR in relation to any loan drawn in a currency other than euros, and to any appropriate reference rate for loans drawn in Norwegian, Swedish, Danish krone, or Swiss Francs plus in each case the applicable margin. Applicable margins are as follows:

- for A Facility: between 2.25% and 1.25% a year, depending on the indebtedness ratio level of the Group during the last financial year; and
- for the Revolving Credit Facility: between 1.95% and 0.85% a year, depending on the indebtedness ratio level of the Group during the last financial year.

The table below shows the rate spread of each of the credit facilities based on the Group's leverage ratio. As at December 31, 2020, the Group's net debt/EBITDA ratio was 2.4 x (excl. IFRS 16):

Leverage ratio (net debt/EBITDA)	Revolving Credit Line	A Facility
> 4.0X	1.95%	2.25%
≤ 4.0X and > 3.5X	1.60%	2.00%
≤ 3.5X and > 3.0X	1.30%	1.70%
≤ 3.0X and > 2,50X	1.15%	1.55%
≤ 2,5x and > 2,00X	1.00%	1.40%
≤ 2,0X	0.85%	1.25%

SECURITY INTERESTS

The Senior Credit Facilities Agreement does not contain any obligation for the Group to create security interests.

GUARANTEES

The Senior Credit Facilities Agreement does not contain any guarantee.

OBLIGATIONS AND COVENANTS

The Senior Credit Facilities Agreement contains certain negative covenants under which the Group may not:

- change the nature of its business;
- take on additional debt;
- provide illegal financial aid;
- carry out mergers (except for those not involving the Company itself);
- dispose of assets.

The Senior Credit Facilities Agreement also contains positive covenants such as maintaining insurance policies, paying applicable taxes and duties, complying with applicable laws, maintaining the credit's ranking.

Finally, the Senior Credit Facilities Agreement requires compliance with financial covenants, including maintaining certain financial ratios, which will significantly limit the amount of debt Group entities can take on. In particular, the Group must maintain a leverage ratio (defined as the ratio of total net debt to EBITDA) of 4.50: 1 to December 31, 2018 (inclusive), of 4.00: 1 to December 31, 2019 (inclusive) and thereafter, calculated every year in accordance with the total amount of its net debt at that date and the EBITDA prevailing over a 12-month rolling period.

MANDATORY EARLY REPAYMENT

Debt incurred under the Senior Credit Facilities Agreement is automatically repayable (subject to certain exceptions) in whole or part upon the occurrence of certain customary events, including a change of control, a sale of all or a substantial part of the business or assets of the Group, or non-observance of the legislation in force.

Debt under the Senior Credit Facilities Agreement may also be voluntarily prepaid by the borrowers in whole or in part, subject to minimum amounts and observance of a period of notice.

(1) The maximum capacity of the revolving credit facility is €600 million until 2023 and €410 million thereafter.

ACCELERATED MATURITY

The Senior Credit Facilities Agreement allows for a certain number of accelerated maturity events that are relatively customary for this type of financing, namely, payment defaults, cessation of business, failure to comply with the financial covenants or with any other obligations or declarations, cross-defaults, certain early amortisation events in relation to the Securitisation Facility, an insolvency proceeding, material litigation, or qualifications by the Statutory Auditors of the Group as a going concern.

4.1.2.1.2.3 Bond issue with maturity in 2024

On March 22, 2017, as part of the acquisition of SAG (see Section 4.1.3 of this Universal Registration Document), the Company conducted a bond issue in the amount of €600,000,000, mainly to finance the acquisition. The bonds have a maturity of 7 years (term on March 22, 2024) and carry an annual interest rate of 3.125%. Said bonds have been admitted on Euronext Paris' regulated market under the Code ISIN FR0013245263 and are rated BB by Standard & Poor's Ratings Services and B1 by Moody's Investors Service. Moreover, the conditions of the bond include a change of control clause which allows each bond holder to ask for the early repayment or, at the Company's choice, the redemption of the bonds in case of a change of control of the Company (control of the Company by an entity or a group of entities acting together).

4.1.3.1.2.3 Bond issue with maturity in 2026

On June 18, 2019, the Company conducted a bond issue in the amount of €600,000,000 to refinance one half of the Senior Credit Facilities Agreement and to thereby extent the average maturity of its borrowing. The bonds have a maturity of 7 years (term on June 18, 2026) and carry an annual interest rate of 2.625%. Said bonds have been admitted on Euronext Paris' regulated market under the Code ISIN FR0013426376 and are rated BB by Standard & Poor's Global Ratings. Moreover, the conditions of the bond include a change of control clause which allows each bond holder to ask for the early repayment or, at the Company's choice, the redemption of the bonds in case of a change of control of the Company (control of the Company by an entity or a group of entities acting together).

4.1.2.1.2.4 Debt Securitisation Facility

On April 17, 2007, in the course of their business, SPIE SA and some of its French and Belgian subsidiaries (together the "**Sellers**"), with SPIE Operations acting as the centralising agent, set up a debt securitisation facility using a special purpose entity (the "**FCC**"). The FCC was set up by Paris Titrisation as the fund manager with Société Générale acting as the custodian (the "**Securitisation Facility**").

The Securitisation Facility was renewed in 2015 under the following conditions:

- it will run for a period of 5 years from June 11, 2015 (except in the event of early termination or termination by agreement);
- on December 19, 2019, this programme was extended by 3 years, *i.e.* until June 11, 2023;
- it has a maximum funding of €300 million potentially extendable to €450 million.

The main features of the Securitisation Facility at December 31, 2020 are summarised in the following table:

Sellers	Currencies	Maturity	Interest rate	Commitment at December 31, 2020	Gross amount of securitised receivables assigned at December 31, 2020	Outstanding securitised receivables at December 31, 2020
Certain SPIE group entities in Belgium and France	Euro	June 2023	Commercial paper funding costs/Euribor/ EONIA + Margin + commission fees	300 million	561.1 million	300 million

In June 2014, parties to the Securitisation Facility agreed to subject the FCC to rules governing securitisation funds ("FCT") under French law. An FCT is a securitisation fund governed by Articles L. 214-167 to L. 214-186 and R. 214-217 to R. 214-235 of the French Monetary and Financial Code.

The FCT acts as a special purpose vehicle and is not part of the Group. Prior to an event of default, the FCT purchases receivables from the Sellers (subject to certain eligibility criteria) for a payment of an amount equal to the face amount of the receivables. Prior to an event of default, receivables continue to be paid by customers into special assignment accounts owned by the Seller and are regularly transferred to the FCT's bank account (subject to compensation with the purchase price owed for newly sold receivables, except in the case of an event of default). The Sellers, as collectors of the receivables sold to the FCT, remain responsible for their payment and for managing defaults and arrears relating to the receivables.

The FCT obtains funding (i) by issuing securities subscribed by the entities that then issue commercial paper (and that enjoy liquidity facilities granted by financial institutions), and (ii) from SPIE Operations for the portion not funded by said financial institutions.

The Securitisation Facility (aimed at funding the purchase of newly originated receivables) will end on June 11, 2023, subject to the renewal on an annual basis of the liquidity facility provided by the financial institution to its asset-backed commercial paper conduit. The Securitisation Facility is subject to the non-occurrence of certain events whose occurrence would prevent the future financing of newly sold receivables and the early repayment of the existing principal debt amount resulting from the Securitisation Facility. These trigger events include events relating to returns on the receivables, breach of the financial covenants set out in the Senior Credit Facilities Agreement, a limited volume of assigned receivables, and an accelerated maturity condition in view of the Senior Credit Facilities Agreement or following termination of the Senior Credit Facilities Agreement or debt levels exceeding €250 million.

Direct recourse against the Sellers is limited to repurchase of the relevant receivables which are sold to the FCT in terms of the guarantee and payment of compensation for devalued receivables (including a fall in the value of the receivables caused by repayment, credit or compensation). The conduit and/or financial institution providing the liquidity facility also benefits from cash reserves provided by SPIE Operations by means of a credit enhancement.

4.1.2.2 OVERVIEW AND ANALYSIS OF THE MAIN CATEGORIES OF GROUP CASH USE

4.1.2.2.1 Capital expenditures

The Group's capital expenditure falls under the following categories:

- purchasing new entities under the Group's acquisitions policy;
- renewing property, plant and equipment and intangible assets, particularly equipment; and
- investment, net from the sale revenue, in financial assets, the loans variations and advances granted and dividends paid.

The Group's capital expenditures for the financial years ended December 31, 2019 and 2020 totalled €124.2 million and €57.1 million respectively. This decrease is essentially due to decreased external growth. For more information on the Group's historical, current and future capital expenditure, see Section 4.1.3 of this Universal Registration Document.

4.1.2.2.2 Payment of interest and repayment of loans and borrowing

A significant part of the Group's cash flow is allocated to the servicing and repayment of its indebtedness. The Group paid interest of €49.7 million and €62.45 million, respectively, during the financial years ended December 31, 2019 and 2020. In addition, it paid €929.5 million and €745.7 million, respectively, during the financial years ended December 31, 2019 and 2020.

4.1.2.2.3 Financing of working capital requirements

Working capital requirement primarily corresponds to the value of inventory plus trade and other receivables minus trade and other payables.

The Group's working capital requirement was negative for the financial years ended December 31, 2019 and 2020, contributing significantly to financing of operations, specifically through its low inventory, the structure of the agreements entered into with its customers, and its dynamic policy in terms of billing and collecting receivables. The working capital requirement amounted to €(665.0) million at December 31, 2019, and €(813.2) million at December 31, 2020.

4.1.2.3 CONSOLIDATED CASH FLOW

4.1.2.3.1 Group cash flow for the financial years ended December 31, 2019 and 2020

The following table summarises the Group's cash flow for the financial years ended December 31, 2019 and 2020:

	Year ended December 31	
In millions of euros	**2019**	**2020**
Net cash flow from (used in) operating activities	432.2	560.2
Net cash from investing activities	(124.2)	(57.1)
Net cash from financing activities	(222.6)	(183.6)
Impact of changes in exchange rates and accounting method	1.4	(7.0)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**86.8**	**312.5**

4.1.2.3.2 Net cash flow from operating activities

The following table shows items of the Group's cash flow from operating activities for the financial years ended December 31, 2019 and 2020:

	Year ended December 31	
In millions of euros	**2019**	**2020**
Self-financing capacity	486.0	488.8
Tax paid	(65.6)	(68.6)
Impact of changes in working capital requirement	11.4	139.6
Dividends received from companies accounted for under the equity method	0.4	0.4
NET CASH FLOW FROM (USED IN) OPERATING ACTIVITIES	**432.2**	**560.2**

Net cash flow from operating activities totalled €432.2 million for the financial year ended December 31, 2019 and €560.2 million for the financial year ended December 31, 2020. This increase of €128.0 million comes mostly from the change in working capital requirement which went from €11.4 million in 2019 to €139.6 million in 2020, the increase in self-financing capacity which rose from €486.0 million in 2019 to €488.8 million in 2020, offset by the increase in tax paid from €(65.6) million in 2019 to €(68.6) million in 2020.

Self-financing capacity

Self-financing capacity amounted to €486.0 million and €488.8 million in the financial years ended December 31, 2019 and December 31, 2020 respectively. This change is mainly due to the evolution of the consolidated net income in 2020 after elimination of calculated income and expenses (amortisation and provisions).

Tax paid

Income tax paid includes corporate tax paid in all the regions in which the Group operates as well as the CVAE in France, a tax based on business value added.

The amount of taxes paid for the financial year ended December 31, 2020 was €68.6 million, €3.0 million more than in the financial year ended December 31, 2019. This change is explained by an increase of €3.0 million in corporate tax paid in 2020 compared to 2019, and the same amount of French CVAE paid in 2020 as in 2019.

Changes in working capital requirement

The change in working capital requirement related to activity represented a cash increase of €139.6 million for the financial year ended December 31, 2020 compared to a cash increase of €11.4 million for the financial year ended December 31, 2019, a difference of €128.2 million between the two financial years (see Note 20 of the notes to the consolidated financial statements for the financial year ended December 31, 2020 included in Section 4.4.1 of this Universal Registration Document).

4.1.2.3.3 Net cash flow from investing activities

The following table presents cash flow from investing activities for the financial years ended December 31, 2019 and 2020.

	Year ended December 31	
In millions of euros	**2019**	**2020**
Effect of changes in the scope of consolidation	(90.7)	(21.9)
Acquisition of property, plant and equipment and intangible assets	(69.9)	(65.7)
Net investment in financial assets	(0.1)	-
Changes in loans and advances granted	(2.0)	22.7
Proceeds from disposals of property, plant and equipment and intangible assets	38.5	7.8
Proceeds from disposals of financial assets	-	-
Dividends received	-	-
NET CASH FROM INVESTING ACTIVITIES	**(124.2)**	**(57.1)**

Net cash from investing activities represents a cash outflow of €57.1 million in the financial year ended December 31, 2020 and a cash outflow of €124.2 million in the financial year ended December 31, 2019. This change of €67.1 million is explained mainly by a decrease in the impact of changes in scope of consolidation of €68.8 million, a decrease in acquisitions of tangible and intangible fixed assets of €4.2 million and a decrease in disposals of property, plant and equipment and intangible assets of €30.7 million and a decrease in the amount of loans and advances granted of €20.7 million.

Effect of changes in the scope of consolidation

The impact of changes in the scope of consolidation resulted in a cash outflow of €90.7 million and cash outflow of €21.9 million over the financial years ended December 31, 2019 and December 31, 2020 respectively.

The net cash outflow for 2019 is mainly explained by the acquisition of Christof Electrics in Austria, of Telba and Osmo in Germany, of Cimlec in France, as well as by the payment of earn outs related to previous acquisitions.

The net cash outflow for 2020 is mainly due to the acquisition of Planen & Bauen in Germany, as well as by the payment of earn outs related to previous acquisitions.

Acquisition of property, plant and equipment and intangible assets

The acquisition of property, plant and equipment and intangible assets resulted in a cash outflow of €65.7 million for the financial year ended December 31, 2020, compared to an outflow of €69.9 million for the financial year ended December 31, 2019. In 2020, acquisitions of property, plant and equipment amounted to €37.4 million compared to €51.1 million in 2019.

In 2020, acquisitions of intangible fixed assets represented an amount of €28.3 million compared to €18.8 million in 2019.

These investments primarily represent implementation costs of software to optimise the management and control process.

Changes in loans and advances granted

The change in loans and advances granted represented a cash inflow of €22.7 million for the financial year ended December 31, 2020, compared to a cash outflow of €2.0 million for the financial year ended December 31, 2019.

These changes mainly result from the recovery of construction loans in the amount of €20.3 million and changes in financial receivables relating to Public-Private Partnership contracts.

Proceeds from disposals of property, plant and equipment and intangible assets

Cash generated by the disposal of property, plant and equipment and intangible assets decreased by €30.7 million, going from €38.5 million for the financial year ended December 31, 2019 to €7.8 million for the financial year ended December 31, 2020.

The change in €30.7 million recorded in FY 2020 is due to the amount of disposals of property, plant and equipment.

4.1.2.3.4 Net cash flow from financing activities

The following table shows consolidated cash flow from financing activities for the financial years ended December 31, 2019 and 2020.

	Year ended December 31	
In millions of euros	**2019**	**2020**
Share capital increase	22.9	24.9
Loan issue	824.4	600.0
Loan repayments	(929.5)	(745.7)
Net interest paid	(49.7)	(62.4)
Dividends paid to owners of the parent	(90.3)	-
Dividends paid to non-controlling interests	(0.5)	(0.4)
NET CASH FROM FINANCING ACTIVITIES	**(222.6)**	**(183.6)**

Net cash from financing activities represents net disbursements of €183.6 million in the financial ended December 31, 2020 compared with net disbursements of €222.6 million over the financial year ended December 31, 2019.

The change in 2020 is mainly due to the absence of dividends paid in 2020 compared to a cash outflow in this respect of €90.3 million in 2019, and by the increase in 2020 in repayment flows of the leasehold liability, in accordance with IFRS 16, which amounted respectively to €83.1 million and €134.9 million for the years ended December 31, 2019 and 2020.

Share capital increase

A €22.9 million (net of issue expenses) share capital increase was completed during the financial year ended December 31, 2019 and a €24.9 million (net of issue expenses) share capital increase was completed during the financial year ended December 31, 2020, as a result, respectively, of the implementation of the SHARE FOR YOU 2019 and SHARE FOR YOU 2020 employee shareholding plans.

Proceeds from loans and borrowings

Consolidated cash generated by debt issues amounted to €824.4 million and €600.0 million in the financial years ended December 31, 2019 and December 31, 2020 respectively.

In 2019, the cash flow generated by bond issues corresponds to the bond issue totalling €600 million issued on June 18, 2019, to refinance one half of the Senior Credit Facilities Agreement and thereby extend the average maturity of the debt, and also a Revolving Credit Facility totalling €220 million drawn down and repaid in total during 2019.

In 2020, the cash generated by proceeds from loans and borrowings corresponds to the Revolving Credit Facility of €600 million drawn down and repaid in total during 2020.

Repayment of loans and borrowings

Repayments of borrowings resulted in net cash outflows of €929.5 million and €745.7 million in the financial years ended December 31, 2019 and December 31, 2020, respectively.

In 2019, the cash disbursed for repayments of borrowings of €929.5 million is explained mainly by the early repayment of the "A Facility" term loan (term of June 7, 2023) of €600 million in the context of the Group's refinancing, by drawing €220 million on the Revolving Credit Facility which were wholly repaid on December 31, 2019, by the repayment of €83.1 million in debt on the financial leases now recorded as a Liability in the Consolidated Statement of Financial Position in the context of the initial application of IFRS 16 on January 1, 2019, by the payment of financial leases for €10.0 million relating to contracts in place as at December 31, 2018 identified in accordance with IAS 17, by the repayment of loans in an amount of €3.7 million held on the balance sheet of Cimlec in France as of the date of its takeover and repayments of bank lending connected to operating income from ordinary activities totalling €12.7 million.

In 2020, the cash disbursed for repayments of borrowings of €745.7 million is explained by the drawdowns of the Revolving Credit Facility of €600 million and fully repaid at December 31, 2020, by repayment of €134.9 million of debts on financial leases recorded as liabilities in the Consolidated Balance Sheet as part of the application of IFRS 16 since January 1, 2019, by repayments of bank loans related to current operating activities for an amount of €10.8 million.

Net financial interest paid

Net financial interest paid resulted in net cash outflows of €49.7 million and €62.4 million in the financial years ended December 31, 2019 and December 31, 2020, respectively.

In 2019, interest paid on A Facility of the Senior Credit Facilities Agreement dated June 7, 2018 amounted to €14.1 million. Interest paid on the Revolving Credit Facility executed on June 7, 2018 amounted to €1.3 million. Other interest paid is related to the securitisation facility for an amount of €2.6 million, as well as interest paid on bank overdrafts and financial leases. Concerning the second remark, the amount of interest paid for bonds is indeed €18.8 million; the expense of €8.6 million generated by the second bond was not paid in 2019.

In 2020, interest paid on A Facility of the Senior Credit Facilities Agreement executed on June 7, 2018 amounted to €9.5 million. Interest paid on the Revolving Credit Facility executed on June 7, 2018 amounted to €2.0 million. Other interest paid is related to the securitisation facility for an amount of €5.0 million, as well as interest paid on bank overdrafts and financial leases. Interest paid on the 2024 bond amounted to €18.8 million. Interest paid on the 2026 bond amounted to €16.0 million.

Dividends paid to non-controlling interests

The Group paid dividends to non-controlling interests of €0.5 million and €0.4 million for the years ended December 31, 2019 and December 31, 2020 respectively.

In 2019, dividends paid to non-controlling interests cover two German subsidiaries for an amount of €0.4 million, one foreign subsidiary of SPIE Oil & Gas Services and Cimlec in France for the balance of €0.1 million.

In 2020, the dividends paid to non-controlling interests concern two subsidiaries in Germany for an amount of €0.4 million.

4.1.2.4 GOODWILL

At December 31, 2020, goodwill totalled €3,201.0 million.

4.1.2.5 CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET COMMITMENTS

The Group's contractual obligations and off-balance sheet commitments are presented in Note 25 of the notes to the consolidated financial statements of the Company for the financial year ended December 31, 2020 included in Section 4.4.1 of this Universal Registration Document.

4.1.3 INVESTMENTS

INVESTMENTS MADE IN 2020

In 2020, the health crisis and the resulting lockdowns temporarily slowed down SPIE's external growth operations. However, this resumed at the end of the year and resulted in the signing of the acquisition of Planen & Bauen in Germany. Founded in 1997 and located in the Frankfurt region, Planen & Bauen provides engineering services with strong expertise in the field of data centres. Its range of services covers the design, planning and supervision of projects related to data centres and special purpose buildings. With nearly 60 qualified employees, Planen & Bauen generated an output of around €10 million in 2019.

In addition to Company acquisitions, each year the Group purchases or renews its property, plant and equipment and intangible assets.

4

The table below details the Group's total purchases for the last financial two years:

In millions of euros	For the financial year ended, December 31, 2019	For the financial year ended, December 31, 2020
Effect of changes in the scope of consolidation	(90.7)	(21.9)
Purchase of property, plant and equipment and intangible assets	(69.9)	(65.7)
Purchase of financial assets	(0.1)	0.0
TOTAL	**(160.7)**	**(87.6)**

The terms of financing for these investments are detailed in Section 4.1.2 of this Universal Registration Document.

MAIN INVESTMENTS MADE AFTER THE END OF THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

No investments were made after the end of the financial year ended December 31, 2020.

MAIN FUTURE INVESTMENT

The Group intends to continue with its dynamic acquisitions policy in order to strengthen its market coverage and expand its range of products and services, either through small and medium acquisitions in regions where it believes its network is not dense enough or where the range of its products needs to be supplemented, or through large acquisitions to expand its international coverage or diversify its products and services.

4.2 EVENTS AFTER THE REPORTING PERIOD

The following events took place after the reporting period:

On February 4, 2021, SPIE acquired Energotest. Based in Gliwice, Poland, Energotest offers automation solutions for power plants and industrial facilities throughout Poland. Its range of services covers the design, installation and commissioning of automation systems for new installations or renovation projects. With more than 150 qualified employees, Energotest generated revenue of around €12 million in 2019.

4.3 TRENDS AND OBJECTIVES

GROUP OBJECTIVES FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2021

The objectives presented below are based on data, assumptions and estimates considered reasonable by the Group at the date of this Universal Registration Document. These data and assumptions are likely to change or be modified due to uncertainties related in particular to the economic, financial, competitive, regulatory and tax environment or according to other factors of which the Group is not aware at the date of this Universal Registration Document. In addition, the materialisation of certain risks described in paragraph 2.1 "Risk factors" of this Universal Registration Document could have an impact on the Group's business, financial position, results or outlook and thus call into question these objectives. In addition, the achievement of objectives implies the success of the Group's strategy. Therefore, the Group makes no commitment or gives no guarantee that the objectives set out in this section will be achieved. The Group has set its objectives for the financial year ended December 31, 2021 in accordance with the accounting methods applied in the consolidated financial statements for the financial year ended December 31, 2020.

These objectives are mainly based on the following assumptions for 2021:

- the absence of a major deterioration in the situation related to Covid-19 that would prevent the Group from carrying out its services;
- an exchange rate of 1 euro for 1.21 dollars and an exchange rate of 1 euro for 0.90 GBP.

Based on the assumptions described above, the Group has set the following targets for 2021:

- a strong rebound in its production and EBITA margin, both of which are expected to be very close to the levels of 2019;
- annualized production acquired through bolt-on acquisitions of around €200 million;
- continued reduction of the Group's financial leverage (excluding the impact of IFRS 16).

Regarding the dividend, the proposed payout ratio will remain around 40% of adjusted net income, attributable to the owners of the parent.

4.4 CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Article 19 of regulation (EU) No. 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following financial statements are included in this Registration Document by way of reference:

- the consolidated financial statements for the financial year ended December 31, 2019 and the corresponding Statutory Auditors' report set out in Chapter 4 "Analysis of activity and financial statements" of the Company's Registration Document filed with the AMF on April 17, 2020 under number D. 20-0312; and
- the consolidated financial statements for the financial year ended December 31, 2018 and the corresponding Statutory Auditors' report set out in Chapter 4 "Analysis of activity and financial statements" of the Company's Registration Document filed with the AMF on April 17, 2019 under number D. 19-0354.

CONTENTS

4.4.1 GROUP CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

4.4.1.1 CONSOLIDATED INCOME STATEMENT

In thousands of euros	Notes	2019 Restated [1]	2020
Revenue	**7**	**6,993,372**	**6,655,446**
Other income		49,482	76,101
Operating expenses	8.1	(6,694,521)	(6,457,458)
Recurring operating income		**348,333**	**274,089**
Other operating expenses		(30,867)	(83,959)
Other operating income		19,101	11,269
Total other operating income (expenses)	**8.3**	**(11,766)**	**(72,690)**
Operating income		**336,567**	**201,399**
Net income (loss) from companies accounted for under the equity method	21.8	9,030	(52)
Operating income including companies accounted for under the equity method		**345,597**	**201,347**
Interests charges and losses from cash equivalents *		(66,012)	(68,561)
Gains from cash equivalents		114	134
Costs of net financial debt	**9**	**(65,898)**	**(68,427)**
Other financial expenses		(27,807)	(25,959)
Other financial income		14,400	18,071
Other financial income (expenses)	**9**	**(13,408)**	**(7,888)**
Net income before taxes		**266,291**	**125,032**
Income tax expenses	10	(105,819)	(70,690)
Net income from continuing operations		**160,472**	**54,342**
Net income from discontinued operations	11	(8,423)	(615)
NET INCOME		**152,049**	**53,727**
Net income from continuing operations attributable to:			
• Owners of the parent		158,971	53,824
• Non-controlling interests		1,501	518
		160,472	**54,342**
Net income attributable to:			
• Owners of the parent		150,548	53,209
• Non-controlling interests		1,501	518
		152,049	**53,727**
Net income Share of the Group – earning per share	12	0.97	0.34
Net income Share of the Group – diluted earnings per share		0.96	0.34
Dividend per share (proposal for 2020)		**0.17**	**0.44**

(1) Comparative data for 2019 have been restated, See Note 4.

4.4.1.2 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of euros	2019 Restated	2020
Net income recognized in income statement	**152,049**	**53,727**
Actuarial losses on post-employment benefits	(157,897)	694
Tax effect	46,805	(666)
Items that will not be reclassified to income	**(111,091)**	**28**
Currency translation adjustments	1,113	(4,517)
Fair value adjustments on financial instruments		
Tax effect		
Items that may be reclassified to income	**1,113**	**(4,517)**
TOTAL COMPREHENSIVE INCOME	**42,070**	**49,238**
Attributable to:		
• Owners of the parent	40,586	48,751
• Non-controlling interests	1,484	487

4.4.1.3 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of euros	Notes	Dec. 31, 2019	Dec. 31, 2020
NON-CURRENT ASSETS			
Intangible assets	15	999,326	969,854
Goodwill	14	3,211,854	3,201,028
Right of use on operating and financial lease	17	339,980	366,609
Property, plant and equipment	16	173,235	156,314
Investments in companies accounted for under the equity method	21.8	11,929	11,583
Non-consolidated shares and long-term loans	21.7	47,219	38,840
Other non-current financial assets	21.9	5,016	5,011
Deferred tax assets	10	315,303	282,849
Total non-current assets		**5,103,862**	**5,032,088**
CURRENT ASSETS			
Inventories	20	41,188	35,446
Trade receivables	20	1,916,910	1,617,601
Current tax receivables	20	24,539	31,521
Other current assets	20	306,494	347,676
Other current financial assets	21.7	7,370	5,069
Cash management financial assets	21.2	2,791	2,355
Cash and cash equivalents	21.2	869,212	1,189,695
Total current assets from continuing operations		**3,168,504**	**3,229,364**
Assets classified as held for sale	11	22,302	12,299
Total current assets		**3,190,806**	**3,241,662**
TOTAL ASSETS		**8,294,668**	**8,273,750**

In thousands of euros	**Notes**	**Dec. 31, 2019**	**Dec. 31, 2020**
EQUITY			
Share capital	18	74,118	75,266
Share premium		1,211,971	1,236,062
Consolidated reserves		13,444	165,856
Net income attributable to the owners of the parent		150,548	53,209
Equity attributable to owners of the parent		**1,450,081**	**1,530,393**
Non-controlling interests		3,539	3,493
Total equity		**1,453,620**	**1,533,886**
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	21.3	1,797,048	1,795,829
Non-current debt on operating and financial leases		239,103	258,807
Non-current provisions	19	70,662	76,253
Accrued pension and other employee benefits	19	879,458	871,445
Other non-current liabilities	20	7,045	8,912
Deferred tax liabilities	10	354,091	330,838
Total non-current liabilities		**3,347,406**	**3,342,084**
CURRENT LIABILITIES			
Trade payables	20	1,141,349	932,537
Interest-bearing loans and borrowings (current portion)	21.3	334,094	336,874
Current debt on operating and financial leases		101,257	110,710
Current provisions	19	124,313	133,466
Income tax payable	20	55,791	50,819
Other current operating liabilities	20	1,722,722	1,827,184
Total current liabilities from continuing operations		**3,479,526**	**3,391,590**
Liabilities associated with assets classified as held for sale	11	14,116	6,191
Total current liabilities		**3,493,642**	**3,397,781**
TOTAL EQUITY AND LIABILITIES		**8,294,668**	**8,273,750**

4.4.1.4 CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros	Notes	2019	2020
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		**779,751**	**866,522**
OPERATING ACTIVITIES			
Net income		152,049	53,727
Loss from companies accounted for under the equity method		(9,030)	52
Depreciation, amortization, and provisions		178,941	246,122
Proceeds on disposals of assets		(9,021)	45,001
Dividend income		-	-
Income tax expense		111,439	70,620
Elimination of costs of net financial debt		65,931	68,685
Other non-cash items		(4,351)	4,593
Internally generated funds from (used in) operations		**485,958**	**488,800**
Income tax paid		(65,590)	(68,579)
Changes in operating working capital requirements	20.1	11,442	139,631
Dividends received from companies accounted for under the equity method		360	344
Net cash flow from (used in) operating activities		**432,170**	**560,196**
INVESTING ACTIVITIES			
Effect of changes in the scope of consolidation	23.2	(90,696)	(21,853)
Acquisition of property, plant and equipment and intangible assets		(69,931)	(65,736)
Net investment in financial assets		(69)	-
Changes in loans and advances granted		(1,992)	22,692
Proceeds from disposals of property, plant and equipment and intangible assets		38,451	7,840
Proceeds from disposals of financial assets		15	-
Dividends received		-	-
Net cash flow from (used in) investing activities		**(124,223)**	**(57,057)**
FINANCING ACTIVITIES			
Issue of share capital		22,926	24,914
Proceeds from loans and borrowings		824,425	600,012
Repayment of loans and borrowings (i)		(929,523)	(745,652)
Net interest paid (ii)		(49,668)	(62,455)
Dividends paid to owners of the parent		(90,271)	-
Dividends paid to non-controlling interests		(469)	(445)
Net cash flow from (used in) financing activities		**(222,580)**	**(183,626)**
Impact of changes in exchange rates		1,403	(6,994)
Impact of changes in accounting policies		-	-
Net change in cash and cash equivalents		**86,771**	**312,519**
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**21.2**	**866,522**	**1,179,042**

(i) Cash payments for the principal portion of lease payments, according to IFRS 16 amounts to €134,853 thousand in 2020 and €83,085 thousand in 2019 within financing activities.
(ii) Cash payments for the interest portion of lease payments amounts to €8,083 thousand in 2020 and €5,034 thousand in 2019.

4

NOTES TO THE CASH FLOW STATEMENT

The cash flow statement presented above includes discontinued operations or operations held for sale whose impact is described in Note 23.

4.4.1.5 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of euros except for the number of shares	Number of outstanding shares	Share capital	Share premium	Consolidated reserves and Retained earnings	Foreign currency translation reserves	Cash flow hedge reserves	Other and OCI	Equity attributable to owners of the parent	Non-controlling interests	Total equity
AT DECEMBER 31, 2018	**155,547,949**	**73,108**	**1,190,120**	**249,522**	**(5,633)**	**(10)**	**(33,551)**	**1,473,556**	**2,449**	**1,476,005**
Net income				150,548				150,548	1,501	152,049
Other comprehensive income (OCI)					1,129		(111,091)	(109,962)	(17)	(109,979)
Total comprehensive income				**150,548**	**1,129**		**(111,091)**	**40,586**	**1,484**	**42,070**
Distribution of dividends				(90,270)				(90,270)	(464)	(90,734)
Share issue	2,150,175	865	22,097					22,962		22,962
Change in the scope of consolidation and other									70	70
Other movements		145	(246)				3,348	3,247		3,247
AT DECEMBER 31, 2019	**157,698,124**	**74,118**	**1,211,971**	**309,800**	**(4,503)**	**(10)**	**(141,295)**	**1,450,081**	**3,539**	**1,453,620**
Net income				53,209				53,209	518	53,727
Other comprehensive income (OCI)					(4,486)		28	(4,458)	(31)	(4,489)
Total comprehensive income				**53,209**	**(4,486)**		**28**	**48,751**	**487**	**49,238**
Distribution of dividends									(445)	(445)
Share issue	2,441,652	1,148	24,206					25,354		25,354
Change in the scope of consolidation and other					(3)			(3)	(88)	(91)
Other movements			(115)				6,325	6,210		6,210
AT DECEMBER 31, 2020	**160,139,776**	**75,266**	**1,236,062**	**363,009**	**(8,992)**	**(10)**	**(134,942)**	**1,530,393**	**3,493**	**1,533,886**

NOTES TO THE CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

See Note 18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 GENERAL INFORMATION

The SPIE group, operating under the brand name SPIE, is the independent European leader in electrical and mechanical engineering and HVAC services, energy and communication systems.

SPIE SA is a joint-stock company (*société anonyme*) incorporated in Cergy (France), listed on the Euronext Paris regulated market since June 10, 2015. The Company's head office is located at 10 avenue de l'Entreprise, 95 863 Cergy-Pontoise Cedex, France.

The SPIE group consolidated financial statements were authorized for issue by the Board of Directors on March 11, 2021.

NOTE 2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

In accordance with European regulation 1606/2002 dated July 19, 2002 on international accounting standards, the consolidated financial statements of SPIE group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union at December 31, 2020.

The accounting principles used to prepare the consolidated financial statements result from the application of:

- all the standards and interpretations published by the IASB and adopted by the European Union, the application of which is mandatory at December 31, 2020;
- standards that the Group has early-adopted;
- accounting positions adopted in the absence of specific guidance in IFRS.

International Financial Reporting Standards include International Accounting Standards (IAS) and interpretations issued by the Standards Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS-IC).

2.2 ACCOUNTING POLICIES

The accounting policies applied in the preparation of the Group's consolidated financial statements are set out in Note 3.

New standards and interpretations applicable from January 1, 2020

- Amendments to IFRS 3: "Business Combinations".
- Amendments to IFRS 9, IAS 39 and IFRS 17: "Interest Rate Benchmark Reform",
- Amendments to IAS 1 and IAS 8: "Definition of Material".
- Amendments to References to the Conceptual Framework in IFRS Standards.
- Amendment to IFRS 16: "Leases Covid-19 Related Rent Concessions" (early adoption).

These standards, amendments to standards or interpretations do not have a material impact on the Group's consolidated financial statements as of December 31, 2020.

In 2020, no other new standards, amendments and interpretations have been early adopted by the Group.

Published new standards and interpretations for which application is not mandatory as of January 1, 2020

Standards, interpretations and amendments already published by the International Accounting Standards Board (IASB) which are not yet endorsed by the European Union and which can have an impact are as follows:

- Amendments to IAS 1: "Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current – Deferral of Effective Date";
- Amendments to IFRS 3: "Reference to the Conceptual Framework";
- Amendments to IAS 16: "Property, Plant and Equipment: Proceeds before Intended Use";
- Amendments to IAS 37: "Onerous Contracts—Cost of Fulfilling a Contract";
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Interest Rate Benchmark Reform, phase 2";
- "Annual Improvements to IFRS Standards 2018–2020".

The Group is currently assessing the impact and practical implications from the application of the standards and interpretations published by the IASB, but whose application is not yet compulsory.

2.3 CRITICAL JUDGMENT AND ESTIMATES

The preparation of the consolidated financial statements in accordance with IFRS is based on management's estimates and assumptions used to estimate the value of assets and liabilities at the date of the statement of financial position as well as income and expenses for the period. Actual results could be different from those estimates.

The main sources of uncertainty relating to critical judgment and estimates concern the impairment of goodwill, employee benefits, the recognition of revenue and profit margin on long-term service agreements, provisions for contingencies and expenses and the recognition of deferred tax assets.

Management continually reviews its estimates and assumptions on the basis of its past experience and various factors deemed reasonable, which form a basis for its evaluation of the carrying value of assets and liabilities. These estimates and assumptions may be amended in subsequent periods and require adjustments that may affect future revenue and provisions.

Assumptions and estimates used by the Group during year 2020 includes Covid-19 impacts, described in Note 5.1.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 CONSOLIDATION

The Group's consolidated financial statements include all subsidiaries and associates of SPIE SA.

The scope of consolidation comprises 164 companies; the percentages of interest are presented in the table in Note 28 of the present document.

The main amendments to the scope of consolidation that took place during the year are presented in Note 6.

Consolidation methods

According to IFRS 10, "Consolidated Financial Statements", entities controlled directly or indirectly by the Group are consolidated under the full consolidation method. Control is established if the Group has all the following conditions:

- substantive rights enabling it to direct the activities that significantly affect the investee's returns, exposure to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the variable returns.

For each company held directly or indirectly, it was assessed whether or not the Group controls the investee in light of all relevant facts and circumstances.

IFRS 11, "Joint Arrangements", sets out the accounting treatment to be applied when two or more parties have joint control of an investee. Joint control is established if decisions relating to relevant activities require the Shareholders' unanimous agreement.

A joint arrangement falls into one of two categories, generally dependent on the legal form of investee:

- joint ventures: parties that have joint control of the arrangement have rights to its net assets, and are consolidated using the equity method; or
- joint operations: parties that have joint control of the arrangement have direct rights to the assets and direct obligations for the liabilities of the arrangement, the joint operator recognizing its share of the assets, liabilities, revenue and expenses of the joint operation.

Most of the joint arrangements relating to public works are through joint-venture companies (*société en participation* - SEP) that, given their characteristics, fall into the category of joint operations.

As required by IAS 28 (revised), entities over which SPIE exercises significant influence are consolidated using the equity method. The results of enterprises acquired or sold during the year are included in the consolidated financial statements, as from the date of acquisition in the first case or until the date of disposal in the second.

Translation of the financial statements of foreign entities

The Group's consolidated accounts are presented in euros.

In most cases, the functional currency of foreign subsidiaries corresponds to the local currency. The subsidiaries' financial statements are translated at closing rates for statement of financial position items and at annual average rates for income statement items. Exchange gains or losses resulting from the translation of accounts are recognized in equity as currency translation adjustments.

The currency translation rates used by the Group for its main currencies are as follows:

	2019		2020	
	Closing Rate	**Average Rate**	**Closing Rate**	**Average Rate**
Euros – EUR	1	1	1	1
US Dollar – USD	1.1137	1.1226	1.2127	1.1400
Swiss Franc – CHF	1.0939	1.1156	1.0786	1.0716
Great-Britain Pound – GBP	0.8456	0.8802	0.9229	0.8854
CFA Franc – CFA	655.9570	655.9570	655.9570	655.9570

3.2 SEGMENT REPORTING

Operating segments are reported consistently with the internal reporting provided to the Group's Management.

The Group's Chairman and Chief Executive Officer regularly examine segments' operating income to assess their performance and to make resources allocation decisions. He has therefore been identified as the chief operating decision maker of the Group.

The Group's activity is divided into four Operating Segments for analysis and decision-making purposes. The segments are characterized by a standardized economic model, especially in terms of products and offered services. operational organization, customer typology, key success factors and performance evaluation criteria.

The Operating Segments are the following:

- France;
- Germany and Central Europe;
- North Western Europe;
- Oil & Gas and Nuclear.

Quantitative information is presented in Note 7.

3.3 BUSINESS COMBINATIONS AND GOODWILL

The Group applies the "acquisition method" to account for business combinations, as defined in IFRS 3R. The acquisition price, also called "consideration transferred", for the acquisition of a subsidiary is the sum of fair values of the assets transferred and the liabilities incurred by the acquirer at the acquisition date and the equity interests issued by the acquirer. The consideration paid includes contingent consideration, measured and recognized at fair value, at the acquisition date.

In addition:

- non-controlling interests in the acquired company may be valued at either the share in the acquired company's net identifiable assets or at fair value. This option is applied on a case-by-case basis for each acquisition;
- acquisition-related costs are recognized as expenses of the period. These expenses are recognized as "Other operating income and expenses" of the income statement.

Goodwill

Goodwill represents the difference between:

(i) the acquisition price of the shares of the acquired company plus any contingent price adjustments; and

(ii) the Group's share in the fair value of their identifiable net assets on the date of the control being taken.

The temporary fair value of assets and liabilities acquired may be adjusted within a maximum twelve-month period following the date of acquisition (the "evaluation period"), in order to reflect new information about facts and circumstances that existed at acquisition date, and that, if known, would have affected the measurement of amounts recorded at that date. This may result in adjustments to the goodwill determined on a provisional basis. Price adjustments are measured at fair value at acquisition date, with a counterpart through equity, at each closing date. After the end of the one-year allocation period, any further change in this fair value is recognized in income.

Post-acquisition

Further acquisitions or transfers of non-controlling interests, without any change in control, are considered as transactions with the Group's Shareholders. According to this approach, the difference between the price paid to increase the percentage of interest in entities already controlled and the additional proportionate equity interest thus acquired is accounted for in the Group's equity.

Similarly, a reduction in the Group's percentage of interest in an entity that remains controlled by the Group is accounted for as an equity transaction with no impact in income.

For share transfers with a further loss of control, the change in fair value. calculated based on the entire interest at the transaction date, is recognized in gains or losses on disposal of consolidated investments. The remaining equity interest retained, where applicable, is then accounted for at fair value at the date of the loss of control.

For business combination achieved in stages, non-controlling interest previously held in the acquiree is remeasured at fair value at its acquisition-date. Any resulting profit or loss is recognized in income.

Treatment of outstanding representations and warranties

In the context of its business combinations, the Group usually obtains representations and warranties from the sellers.

Regarding business combinations, the outstanding representations and warranties that can be valued individually result in the recognition of an indemnification asset in the accounts of the acquirer. Subsequent changes to these representations and warranties are recorded symmetrically with the liability recorded for the indemnified items. Representations and warranties that are not separately identifiable (general guarantees) are recognized when they become exercisable, through the income statement.

The outstanding representations and warranties are recorded in "Other non-current financial assets".

Impairment test of goodwill

Goodwill is tested for impairment at least once a year and whenever there is an indication of impairment. For this test., goodwill is allocated to cash generating units (CGU) or groups of CGUs corresponding to homogeneous groups which together generate identifiable cash flows. The conditions of the impairment tests conducted on the CGUs are detailed in the Note 3.10.

3.4 RECOGNITION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue relating to contracts defined as per IFRS 15

Since January 1, 2018, the Group applies the principles determined by the IFRS 15 standard for the recognition of ordinary revenue from contracts with customers ("ordinary revenues").

The Group recognizes services contract income and expenses using the percentage of completion method at the end of each monthly reporting period.

The stage of completion is measured with reference to the progress in terms of costs incurred. In the case of maintenance contracts, the progress is measured in terms of invoicing performed. The measurement of the percentage-of-completion method relies on the contracts follow-up and the consideration of hazards assessed based on acquired experience, in order to value the best estimate of future benefits and obligations expected for these contracts. The recognition of revenues from contracts with customers stands when a performance obligation is satisfied and if it fulfills these three criteria:

- customer receive benefits as performed/ another would not need to re-perform;
- the performance creates/enhances an asset customer controls;
- the performance does not create an asset with an alternative use and right to payment for work to date.

No profit margin is recorded if the level of completion is insufficient to provide a reliable outcome at the end of the contract.

If the expected outcome at completion of the project is a loss, a provision for loss on completion is recorded irrespective of the stage of completion of the project. This provision is based on the best estimate of the outcome at completion of the project, measured in a reasonable manner. Provisions for losses on completion are presented as a liability in the statement of financial position.

Revenue relating to Private Finance Initiative (PFI) contracts

Following the IFRIC 12 standard recommendations, the annual revenue under PFI contracts is determined based on the fair value of the services rendered in the financial year measured by applying the estimated margin rates of construction. servicing and maintenance respectively to building costs (initial and renewal) and servicing and maintenance costs.

3.5 OTHER OPERATING INCOME AND EXPENSES

To ensure better understanding of business performance, the Group presents separately "recurring operating income" within operating income which excludes items that have little predictive value because of their nature, their frequency and/or their relative importance. These items, recorded in "other operating income" and "other operating expenses" especially include:

- gains and losses on disposals of assets or operations;
- expenses resulting from restructuring plans or operations disposal plans approved by the Group management;
- expenses relating to nonrecurring impairment of assets;
- expenses of acquiring and integrating companies acquired by the Group;
- any other separately identifiable income/expense, which is of an unusual and material nature.

3.6 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

These assets (or disposal groups) must be available for immediate sale in their present condition and their sale must be highly probable.

Upon initial classification as held for sale, non-current assets and disposal groups are carried at the lower of carrying amount and fair value less costs to sell.

A discontinued operation is a component that has been disposed of or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations, or is part of a single, coordinated plan to separate from a distinct major line of business or geographical area of operations;
- which is a subsidiary acquired exclusively for the purpose of sale.

Discontinued operations are presented on a specific line of the financial statements at the balance sheet date.

Details of discontinued operations or operations held for sale are set out in Note 11.

3.7 LEASE CONTRACTS

Under IFRS 16 an arrangement is or contains a lease component if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To determine this right, the Group assess if throughout the period of use, the customer has the right to obtain substantially all of the economic benefits from use of the identified asset and to direct the use of the identified asset; and if the contract refers to an identified asset by being explicitly specified in a contract. If the supplier has the substantive right or the practical ability to substitute the asset throughout the period of use, then the asset is not identified.

The cost of the right-of-use asset comprises:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee;
- and an estimate of costs to be incurred, to dismantle and remove the underlying asset.

At inception of a contract that contains a lease component, the Group recognizes a right-of-use asset and a lease liability. If the contract that contains several lease components, the Group allocates the consideration in the contract to each lease component based on its relative stand-alone price.

The right-of-use asset is amortized over its useful life for the Group on the straight-line basis, using the effective interest method and the debt is amortized over the finance lease period. These durations reflect the lease modifications in relation with revised lease payment and change of index or discount rate.

Payments received under the lease contract are broken down between the financial expense and the amortization of debt to obtain a constant periodic interest rate over the remaining balance of the liability. The financial expenses are recognized directly in the income statement. Cash payments for the principal and the interest portion of the lease liability are shown within financing activities; cash payments for short-term lease payments, low-value assets and variable lease payments not included in the measurement of the lease liability are shown within operating activities.

3.8 INTANGIBLE ASSETS

Intangible assets (mainly brands, customer relationships and order books) acquired separately or in the context of business combinations are initially measured at their fair value in the statement of financial position. The value of intangible assets is subject to regular monitoring in order to ensure that no impairment should be accounted for.

Brands and customer related assets

The value of customer relationships is measured taking into account a renewal rate of contracts and amortized over the renewal period.

The amortization period of the backlog is defined on a case-by-case basis for each acquisition, after a detailed review.

Brands acquired are amortized over the estimated duration of use of the brand, depending on the Group's brand integration strategy. By exception, SPIE brand has an indefinite useful life and therefore is not amortized.

Internally generated intangible assets

Research costs are recognized in the income statement as expenses of the period.

Development costs are recognized as intangible assets when the following criteria are fulfilled:

- the Group's intention and financial and technical capacity to complete the development project;
- the probability that the Group will enjoy future economic benefits attributable to development expenditure;
- the reliable measure of the cost of this asset.

Capitalized expenditure includes personnel costs and the cost of materials and services used that are directly allocated to the given projects. Capitalized expenditure is amortized over the estimated useful life of the relevant processes. once they have been put into use.

Other intangible assets

Other intangible assets are recognized at cost, net of accumulated amortization and impairment losses, if any. They relate mainly to software and are amortized over a period of three years on a straight-line basis.

3.9 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognized at cost, net of accumulated depreciation and impairment losses, if any.

Depreciation is calculated for each significant part of an item of property, plant and equipment using either the straight-line method or any other method that best represents the economic use of the components over their estimated useful life. The estimated residual values at the end of the depreciation period are zero.

The main average useful lives applied are as follows:

- Buildings 20 to 30 years;
- Site machinery and equipment 4 to 15 years;
- Fixed machinery and equipment 8 to 15 years;
- Transport vehicles 4 to 10 years;
- Office equipment – IT 3 to 10 years.

Land is not depreciated.

The depreciation periods are reviewed annually and may be modified if the expectations are different from the previous estimations.

3.10 IMPAIRMENT OF GOODWILL, PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The recoverable value of property, plant and equipment and intangible assets is tested whenever there is an indication of impairment; this is examined at each closing date.

With regard to goodwill and intangible assets with an indefinite useful life (a category which in the case of the Group is limited to the SPIE brand), this impairment test must be conducted as soon as there is any indication of impairment and at least annually.

Goodwill does not generate any cash inflows on its own and is therefore allocated to the corresponding cash generating units (CGU) (see Note 14).

The recoverable value of these units is the higher of the value in use, determined on the basis of discounted future net cash flow projections, and the fair value less costs to sell, If this value is lower than the net carrying amount of these units. an impairment loss is recorded for the difference, which is allocated in priority to goodwill.

Contrary to potential impairment losses on depreciable property, plant and equipment and amortizable intangible assets, those allocated to goodwill are definitive and cannot be reversed in subsequent financial years.

The cash generating units' (CGU) future cash flows used in the calculation of value in use (Note 14.2. "Impairment test for goodwill") are derived from annual budget and multi-annual forecasts prepared by the Group. The construction of these forecasts is an exercise involving the various players within the CGUs and the projections are validated by the Group's Chief-executive officer. This process requires the use of critical judgment and estimates, especially in the determination of market trends, material costs and pricing policies. Therefore, the actual future cash flows may differ from the estimates used in the calculation of value in use.

Quantitative information is provided in Note 14.

3.11 FINANCIAL ASSETS

The Group classifies its financial assets within the following categories: assets measured at their fair against other comprehensive income, assets measured at fair value and through profit or loss, and assets measured at amortized cost.

The breakdown of financial assets into current and non-current assets is determined at the closing date based on their maturity date being under or over one year.

All regular way purchases/sales of financial assets are recorded at the transaction date.

Assets valued at fair value against other comprehensive income

These assets represent the Group's interests in the capital of non-consolidated entities. They are recorded in the statement of financial position at their fair value. In subsequent periods, changes in the fair value of the instrument are recognized in other comprehensive income. Changes in fair value thus accumulated in equity will not be reclassified to profit or loss in subsequent years. Only dividends are recognized in the income statement when the conditions are met.

Assets at fair value through income statement

These are financial assets held by the Group for the purpose of realizing a short-term gain on disposal. These assets are measured at fair value with changes in value recorded in the income statement.

Assets measured at amortized cost

These include receivables related to investments, "1% public housing" loans and other loans and receivables. These loans and receivables are initially recorded at their fair value plus directly attributable transaction costs. On subsequent closing dates, they are accounted for at the amortized cost calculated using the effective interest rate. The value on the face of the statement of financial position includes the outstanding capital and the unamortized share of transaction costs directly attributable to the acquisition. An expected credit loss is recognized on financial assets measured at amortized cost. Any impairment loss is recognized in the income statement.

The recoverable value of loans and receivables is equal to the value of estimated future cash flows, discounted at the financial assets' original effective interest rate (in other words, at the effective interest rate calculated at the date of initial recognition).

Receivables with a short maturity date are not discounted.

Receivables relating to Private Finance Initiative (PFI) contracts

The Group, as a private operator, has signed Public-Private Partnership contracts. This type of contract is one of a number of public-private contract schemes being used in France.

The "PFI" Contracts are accounted for in accordance with IFRIC 12 "Concessions", when they meet the three following conditions:

- first, the public authority determines the nature of the services that the private operator is required to provide. by means of the infrastructure as well as who is likely to benefit from these services;
- second, the contract stipulates that at the end of the contract. the infrastructure retains a significant residual value which is returned back to the public authority;
- finally, the contract provides for the construction of the infrastructure to be made by the private operator.

In exchange for the construction services provided, the Group is granted rights to receive a financial asset and therefore a receivable is recognized.

Receivables are measured, for each signed contract, using the amortized cost method at an effective interest rate corresponding to the project's internal rate of return.

In subsequent periods, the financial asset is amortized and interest income is recognized using the effective interest rate.

Receivables securitization program

In the course of its operations, some entities of the Group have developed a securitization program for its trade receivables which will end in June 11, 2020. On December 19, 2019, the contract has been extended for a 3 year term, *i.e.* until June 11, 2023.

Under this securitization program, participating companies can transfer full ownership of their trade receivables to the "SPIE Titrisation" Mutual Fund in order to obtain funding amounting up to a maximum of € 300 million, with the possibility to increase the amount to €450 million.

The Group keeps the risks associated to these receivables. Consequently, the financed amount of the transaction is defined as equal to the amount of transferred receivables eligible for the securitization program less, by way of security, the subordinate deposit amount and the additional senior deposit amount applied by the "SPIE Titrisation" Mutual Fund.

In the consolidated accounts, the securitized receivables have been kept as assets in the statement of financial position, the security deposits paid into the funds have been cancelled and in return the value of financing obtained has been recorded in borrowings.

Moreover, SPIE DZE signed in December 2013 a securitization program of discount on notes receivable by which virtually all of the risks and rewards attached to the assigned receivables (credit risks and late payment risks, as the risk of dilution, properly circumscribed, was excluded from the analysis) were transferred to the factor. This program was extended to all German entities acquired together with the SAG group in March 2017. The assigned receivables amount is of €55,838 thousand as of December 31, 2020 and are no longer recognized as assets in the consolidated financial statements.

"Public housing Loans"

In France, employers standing in an industrial or commercial activity and hiring at least 20 employees must invest in housing construction for their employees at least 0.45% of the total payroll. This investment can be realized either directly or by a contribution to the "Comité Interprofessionnel du Logement" (Inter-Professional Housing Committee) or to a Chamber of Commerce and Industry.

The contribution can be booked as granted loan in the assets of the statement of financial position, or as a grant recognized as an expense in the income statement.

"Public housing loans" do not bear interest and are granted for a period of 20 years.

"Public housing loans" are loans granted to employee at low interest rate. In accordance with IFRS 9, these loans are discounted at their initial recognition date and the difference between the nominal value of the loan and its discounted value is recorded as an expense which is granted representing an economic benefit granted to employees.

Subsequently, the loans are accounted for using the amortized cost method which consists in reconstituting the redemption value of the loan, at the end of the 20-year period, by recognizing interest income over the period.

Five subsidiaries signed in 2020 separate assignment contracts for part of their "public housing loans" assets by which virtually all of the risks and rewards attached to the assigned receivables (credit risks and late payment risks, as the risk of dilution, properly circumscribed, was excluded from the analysis) were transferred to the loans buyer. This assignment of long-term loans assets remains specific to the 2020 financial year, without it being renewed during the next financial years. The assigned receivables amount is of €20,286 thousand (net of interests and fees) as of December 31, 2020 and are no longer recognized as assets in the consolidated financial statements.

3.12 FINANCIAL LIABILITIES

The breakdown of financial liabilities into current and non-current liabilities is determined at the closing date by their maturity date. Thus, financial liabilities maturing less than one year are recognized in current liabilities.

Financial liabilities consist of accounts payable, medium and long-term loans and derivative financial instruments.

At the date of their initial recognition, medium and long-term loans are measured at their fair value less directly attributable transaction costs. They are subsequently accounted for at amortized cost using the effective interest rate method. The amortized cost is calculated taking into account all the issuing costs and any discount or redemption premiums directly linked to the financial liability. The difference between the amortized cost and the redemption value is reversed through the income statement using the effective interest rate method over the term of the loans.

When accounts payable have maturity dates of less than one year, their nominal value may be considered to be close to their amortized cost.

3.13 DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments (interest rate swaps and foreign exchange forward contracts) to hedge its exposure to interest rate and foreign exchange risks.

Derivative instruments are recorded in the statement of financial position as current or non-current financial assets and liabilities depending on their maturity dates and accounting designation. They are measured initially at their fair value on the transaction date and remeasured accordingly at each reporting date.

In the case of cash flow hedging, the hedging instrument is recorded in the statement of financial position at its fair value. The effective portion of the unrealized gain or loss on the derivative financial instrument is immediately recognized in other comprehensive income and the ineffective portion of the gain or loss is immediately recognized in the income statement. The amounts recorded in equity are reversed in the income statement in accordance with the accounting policy applied to hedged items. If the Group no longer expects the hedged transaction to occur, the accumulated unrealized gain or loss, which was recorded in equity (for the effective portion), is immediately recognized in the income statement.

In the case of fair value hedging, the hedging instrument is recorded in the statement of financial position at its fair value. Changes in the fair value of the hedging instrument are recorded in the income statement alongside the changes in the fair value of the hedged item attributable to the identified risk.

3.14 INVENTORIES

Inventories, which are essentially made up on-site supplies, are measured at the lower of the cost or net realizable value according to the "first in - first out" method.

The inventories are impaired, where applicable, in order to reflect their probable net realizable value.

3.15 CASH AND CASH EQUIVALENTS

In the consolidated statement of financial position, cash and cash equivalents includes liquid assets in current bank accounts, shares in money market funds and negotiable debt securities which can be mobilized or transferred in the very short term with a known cash value and do not have a significant risk in terms of changes in value. All components are measured at their fair value.

In the consolidated cash flow statement, cash and cash equivalents of the operations held for sale are added to and bank overdrafts are deducted from cash and cash equivalents presented in the statement of financial position.

3.16 INCOME TAXES

The Group calculates income taxes in accordance with prevailing tax legislation in the countries where income is taxable.

Current taxes

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Group's subsidiaries and associates operate and generate taxable income.

Deferred taxes

Deferred taxes are recorded on temporary differences between the carrying amount of assets and liabilities and their tax bases as well as on tax losses according to the liability method. Deferred tax assets are recognized only when it is probable that they will be recovered. In particular, deferred tax assets are recognized on tax loss carry-forwards of the Group, to the extent that it is probable that they can be utilized against future tax profits in the foreseeable future. Deferred taxes are not discounted.

Management's judgment is required to determine the extent to which deferred tax assets can be recognized. Future sources of taxable income and the effects of the Group's global income tax strategies are taken into account in making this determination. This assessment is conducted through a detailed review of deferred tax assets by jurisdiction and takes into account past, current and future operating performance deriving from the existing contracts in the order book. the budget and multi-annual forecasts. and the length of carry back, carry forwards and expiration dates of net operating loss carry forwards over a five-year horizon.

The expected reversal of tax losses is based on the forecast of future results previsions validated by local management and reviewed by the Group's Accounting and Tax Departments.

Distributable earnings

The timeline for receiving of undistributed earnings from foreign subsidiaries is controlled by the Group and the Group does not foresee taxes on the distribution of earnings in the near future.

With regard to the Group's French subsidiaries, the distribution of earnings is subject to a taxation in basis of 1%for the subsidiaries in which the Company owns 95% or more of the outstanding shares (*i.e.* the majority of those).

No deferred tax liability is to be recognized for undistributed earnings from French and foreign subsidiaries.

3.17 PROVISIONS

The Group identifies and analyses on a regular basis legal claims, faults and warranties, onerous contracts and other commitments. A provision is recorded when, at the closing date, the Group has an obligation towards a third party arising from a past event, the settlement of which is likely to require an outflow of resources embodying economic benefits. Provisions are recognized on the basis of the best estimate of the expenditure required to settle the obligation at the reporting date. These estimates take into account information available and different possible outcomes.

In the case of restructuring, an obligation is recorded once the restructuring process has been announced and a detailed plan prepared or once the entity has started to implement the plan, prior to the reporting date.

Provisions are discounted when the effect is material.

Provisions

Depending on the nature of the risk, estimates of the probable expenditure are made with operational staff in charge of the contracts, internal and external lawyers and independent experts whenever necessary.

Quantitative information is set out in Note 19.2.

Contingent liabilities

Contingent liabilities are potential obligations stemming from past events which existence will only be confirmed by the occurrence of uncertain future events which are not within the control of the entity, or current obligations for which an outflow of resources is unlikely. Apart from those resulting from a business combination, they are not recorded in the accounts but are disclosed, when appropriate, in the notes to the financial statements.

3.18 EMPLOYEE BENEFITS

Employee benefits deal with retirement indemnities (including defined contribution plans and defined benefit plans), pension liabilities and other long-term benefits, mainly length-of-service awards.

Defined contribution plans refer to post-employment benefits under which the Group pays defined contributions to various employee funds. Contributions are paid in exchange for the services rendered by employees during the financial year. They are expensed as incurred and the Group has no legal or constructive obligation to pay additional contributions in the event of insufficient assets.

Defined benefit plans refer to post-employment benefit plans other than defined contribution plans. These plans constitute a future obligation for the Group for which a commitment is calculated. A provision is calculated by estimating the value of benefits accumulated by employees in exchange for services rendered during the financial year and in previous financial years.

Within the Group, post-employment benefits and other long-term benefits mainly correspond to defined benefit plans.

Post-employment benefits

Post-employment benefits mainly correspond to retirement indemnities applicable in France and to internally held pension plans in force in other European countries.

The Group's plans are defined contribution plans and defined benefit plans which generally require, in addition to the part financed by the Company, a contribution from each employee defined as a percentage of his or her compensation.

The valuation of these benefits is carried out annually by independent actuaries. The actuarial method used is the Projected Unit Credit Method.

Assumptions mainly include the discount rate, the long-term salary increase rate and the expected rate of the retirement age. Statistical information is mainly related to demographic assumptions such as fatality, employee turnover and disability.

The Group applies the dispositions of IAS 19 amended "Employee Benefits", which introduces several modifications on the accounting of post-employment benefits, including:

- the recognition in the consolidated statement of financial position of all post-employment benefits granted to employees of the Group. The "corridor" option and the possibility to amortize through the income statement the cost of past services over the average vesting period have been cancelled;
- the undiscounted amount of the benefits expected to be paid in respect of service rendered by employees in an accounting period is recognized in that period through the income statement;
- the net interest on the net defined benefit liability or asset has to be determined using the same discount rate as of the defined benefit obligation, at the beginning of the period;
- the remeasurements of the net defined benefit liability or asset, comprising: actuarial gains and losses, return on plan assets and some changes in the effect of the asset ceiling must be booked as other comprehensive items (OCI). These impacts are presented in the consolidated statement of comprehensive income.

These plans are characterized as follows:

- in France, employee benefits correspond to retirement indemnities established in accordance with collective bargaining agreements (estimated based on a percentage of the last salary, according to the seniority and to the applicable collective agreements); Employee benefits correspond to the cost of end-of-career indemnities for active management and ETAM (Employees Technicians Supervisors). Retirement indemnities for blue-collar workers are covered by insurance (Caisse BTP/CNPRO plans);
- in Germany, employee benefits correspond to internally held pension plans, settled in the entities of the SPIE DZE sub-group;
- in Switzerland, employee benefits correspond to internally held pension plans settled in the Swiss companies;
- in the United Kingdom, pension plans are financed through independent pension funds and as such, do not lead to any post-employment obligation recognition.

The value recorded in the statement of financial position for employee benefits and other long-term benefits corresponds to the difference between the discounted value of future obligations and the fair value of plan assets intended to cover them. The obligation corresponding to the net commitment thus established is recorded as a liability.

The net financial cost of retirement indemnities, including the financial cost and the expected return on plan assets, is recognized under "Net financial expenses". The operating expense is recorded in personnel expenses and includes the cost of services provided during the year as well as the impacts of any plan changes, reductions or liquidations.

Actuarial assumptions (economic and demographic) have been determined locally according to each concerned country.

Quantitative information is detailed in Note 19.1.

Other long-term benefits

Other long-term benefits essentially include length-of-service bonuses in the form of "length-of-service awards". The Group recognizes a liability in respect of awards acquired by employees. This provision is calculated according to methods. assumptions and frequency that are identical to those used for provisions for retirement indemnities described above.

Actuarial gains and losses arising from the valuation of length-of-service awards are recognized immediately in the income statement of the financial year of their occurrence.

Optional profit-sharing agreement

Sub-group optional profit-sharing agreements were signed in 2013 within French entities and define the calculation formula and terms for the profit sharing among beneficiaries. A liability is accrued for in personal expenses in respect of the amount of profit to be shared at year-end. payable the year after.

Legal profit-sharing agreement

SPIE Operations and all subsidiaries whose registered office is in France. directly or indirectly owned by more than 50% and irrespective of the number of employees, have entered into a Group legal profit-sharing agreement dated June 6, 2005 in accordance with Articles L4 42-1 and *seq.* of the French Employment Code (*Code du travail*).

Performance Shares

The Shareholders' general meeting of SPIE on May 25, 2016, in its 20th extraordinary resolution, authorized, under certain conditions, the grant of existing or future shares, in favour of corporate officers or employees of the Company or of companies related to the Company in the conditions set forth under article L. 225-197-2 of the French Commercial Code.

Three Performance Shares plan has been issued since the SPIE group was listed on the stock exchange in 2015. The first Performance Shares plan for the period 2016-2018 has been closed on July 29, 2019. The second and the third Performance Shares plan are still active.

The list of the beneficiaries of these plans, as well as the number of performance shares granted to each of them, were decided by the Board of Directors, upon proposal of the Compensation Committee, at its meeting of March 11, 2019 for the second plan 2019-2021 and at its meeting of March 10, 2020 for the third plan 2020-2022.

- The current Performance Shares plan for the period 2019-2021 has been issued on May 31, 2019.
- The current Performance Shares plan for the period 2020-2022 has been issued on November 15, 2020.

The valuation and accounting principles applicable are defined in accordance with IFRS 2 "Share-based payments". Performance shares represent employees' benefits granted to their beneficiaries and, as such, constitute additional remuneration paid by SPIE (see Note 8.2).

As a non-cash transaction, benefits granted are recognized as an expense over the vesting period in return for an increase in equity (see Note 18.3). They are valued by an external actuary on the basis of the fair value of the performance shares, at the grant date.

The performance shares' fair value is not only linked to the performance of the operating segments. Consequently, SPIE considered not necessary to include the corresponding charge in EBITA, which is the measure of the performance of the operating segments, as issued into internal reporting. This charge is read on a separate line of the reconciliation statement between EBITA and consolidated operating income (see Note 7).

NOTE 4 ADJUSTMENTS ON PREVIOUS PERIODS

SPIE UK's total facility management (soft FM activity), previously under a divesture process, was presented as a discontinued operation in accordance with IFRS 5 until December 31, 2019. As part of SPIE UK's reorganization, the divesture process has been stopped and this activity, with a realigned service portfolio, has been reintegrated into the continued activity as of January 1, 2020. As a consequence, the accounts for December 2019 have been restated pursuant to IFRS 5 "non-current assets held for sale and discontinued operations", see Note 11 (c).

The financial statements of December 31, 2019 presented in comparison to December 31, 2020 are restated in accordance to the present Note.

NOTE 5 SIGNIFICANT EVENTS

5.1 COVID-19 IMPACT ON SPIE'S ACTIVITIES

SPIE has faced significant operational disruptions related to the Covid-19 epidemic. In this context, the Group has implemented all the necessary actions to protect its employees and stakeholders, and to limit the consequences on its operations and financial results.

As a consequence of the containment measures put in place mid-March 2020 in Europe, SPIE's activities were abruptly affected by this sanitary crisis during the 2nd quarter of 2020, without however, compromising the continuity of its operations. Since the beginning of containment measures, our business levels in France, in Belgium and in the UK have been strongly affected. So far, the pandemic has had a limited impact on the business in Germany and Central Europa, in the Netherlands and in Switzerland.

From mid-March 2020, continuity plans have been put in place through strong measures, in particular, by:

- keeping as number one priority the health and safety of our employees, subcontractors and customers. SPIE thus assessed with each of its clients activities that could continue during the containment period;
- implementing vigorous cost saving actions to secure net income and cash-flow;
- using special government measures implemented across Europe, such as partial unemployment modulated according to the decline in activity observed in the different geographical areas, fields and markets in which SPIE operates. These measures have resulted in adjusting personnel costs to the lower activity level during the crisis, while in the meantime protecting employment and allowing a quick restart after the containment measures lifting.

Following these events, SPIE has suspended its 2020 guidance through a press release on March 27, 2020. The 2020 guidance had been initially issued on March 11, 2020 together with the publication of the 2019 full-year results. The Dividend distribution policy implied by this context is described in Note 13.

As part of the issuing of its half-year accounts on July 29, 2020, SPIE issued its updated 2020 guidance, with a forecast for a return of the group's production and EBITA margin for the second half of 2020 to levels close to those recorded in the second half of 2019.

In accordance with this updated guidance, SPIE's revenue and margin came back in the 3rd quarter of 2020 to last year's levels, showing a significant sequential improvement compared to the previous quarter, and confirming a strong resilience since the onset of the Covid-19 crisis. Business recovered rapidly in France, and SPIE group experienced good revenue growth in Germany. In its Q3-2020 financial information issued on November 5, 2020 the Group thus confirmed its updated guidance as published in July 2020.

Year-on-year, the Group revenue decline was limited to -4.7% over the 12 months of 2020. The 2020 Group margin recorded to 5.1%, a limited 90 bps compared to 2019 margin.

The impact of the Covid-19 crisis on assets and liabilities in the Group's consolidated balance sheet was examined without any change in valuation.

In this respect, considering the decline in activity observed and the corresponding measures taken, Goodwills' impairment tests were implemented in line with the risk factors identified. Impairment tests do not present any loss in value (see Note 14.2 - Impairment tests of Goodwill).

There are no significant credit losses neither. Deferred taxes assets valuation which depends on future results have been maintained at their balance sheet value.

Furthermore, the recovery of trade receivables remained very strong throughout year 2020.

Contracts valorisation considered as a whole at their termination date has not been affected.

Throughout the year 2020, SPIE has had significant financial headroom to face the sanitary crisis impacts. Liquidity at end of December 2020 remains high, both in terms of its net cash position and its undrawn revolving credit facility for an amount of €600 million.

Finally, the Group is facing no debt maturity before 2023.

5.2 EMPLOYEE SHAREHOLDERS PLAN "SHARE FOR YOU 2020" – INCREASE ON SHARE CAPITAL ON DECEMBER 15, 2020

On July 28, 2020, the Board of Directors decided on the principle to proceed with a share capital increase through an employee Shareholders plan named "Share For You 2020".

This subscription was reserved for eligible current and former employees and corporate officers of the Company and its French and foreign, direct and indirect, subsidiaries, who are members of a *plan d'épargne d'entreprise* of the SPIE group (French company savings plan).

Employee shareholding is part of SPIE's culture. The "Share For You 2020" plan, the fourth since the SPIE group was listed on the stock exchange in 2015, generated strong employee support. Despite the Covid-19 pandemic, employees participation increased significantly: more than 6,000 employees subscribed to the offer and 20% of subscribers are new employee Shareholders.

As a consequence of this new "Share For You" plan, the Group's employees hold 6.1% of the capital (See Note 18.1), which places SPIE among the top 10 SBF 120 companies regarding employee shareholding. By way of comparison, the share of capital held by employees in SBF 120 companies is on average 2.4%.

This success is in line with the SPIE Executive Committee's ambition to give employees regular opportunities to share in the Group's performance. Employees have shown their confidence in SPIE's future and their commitment to forging a close and lasting relationship with SPIE group, despite the current sanitary circumstances.

Under this new iteration of "Share For You", from October 1 to October 21, 2020, the subscription price of one SPIE share was €10.56 after a Group employees' discount rate of 30% applied to the reference price set at €15.08.

Launched in 13 countries, the subscription reached an amount of €25.8 million (after discount).

Upon completion of this operation, SPIE issued 2,441,652 new shares on December 15, 2020. (see Note 18.2).

NOTE 6 ACQUISITIONS AND DISPOSALS

Changes in scope of consolidation include:

- companies acquired during previous periods. which do not have the operational resources necessary to prepare financial statements in line with Group standards within the time allocated. These companies are included in the Group's scope of consolidation once the financial information is available;
- companies acquired during the period;
- newly created entities;
- liquidated or divested entities.

6.1 CHANGES IN SCOPE

6.1.1 Companies acquired during previous period and consolidated in 2020

- The Polish company SPIE Polska Sp. Z.o.o. was acquired on March 31, 2019 by the Group.
- In Germany, the Group acquired a 20% stake in TankE GmbH on June 25, 2019.

These companies have been consolidated in year 2020.

6.1.2 Acquisitions of the period

Nil.

6.1.3 Companies acquired during the period and held as financial assets

- SPIE Building Technology & Automation acquired on December 18, 2020 the German company Planen & Bauen GmbH. Established in 1997 and located in the Frankfurt area, Planen & Bauen provides engineering services with a strong expertise in the field of data centers. Its range of services includes design, execution planning and works supervision for projects related to data centers and special-purpose facilities. With around 60 qualified employees, Planen & Bauen generated revenue of approximately €10 million in 2019. The consideration paid was €7.5 million.

This company will integrate the consolidation scope in 2021, as soon as financial information becomes available.

6.1.4 Created companies

- On March 6, 2020, the Group created the company SPIE OGS Mozambique in Mozambique.
- SPIE Information & Communication Services GmbH and SPIE Central Europe GmbH were created in Germany on November 24, 2020 and December 1, 2020 respectively.

These companies have been consolidated in year 2020.

6.1.5 Companies liquidated or divested in 2020

- SPIE UK, the British subsidiary of SPIE, sold on March 20, 2020 the company Trios Group Ltd and its subsidiaries, which carry its mobile maintenance activities (see Note 8.3 (b)).

These activities included facility and property related mobile services for public and private customers operating in the commercial, health, education, leisure, local authorities and retail markets. These activities had recently been placed under strategic review.

All of SPIE's remaining "facility management activities" throughout the UK, focused mainly on-site maintenance and fire & security services, will remain within SPIE.

- SPIE EPH GmbH, a German subsidiary of SPIE, sold on September 1, 2020 its shareholding in Allied Maintenance AM GmbH.
- The Hungarian company, Car.E. Facility Management KFT, was liquidated on March 13, 2020 by SPIE GmbH.

6.1.6 Changes in consolidation method

Nil.

6.2 IMPACT OF NEWLY CONSOLIDATED COMPANIES

		PPA Adjustments on 2019 acquisitions (IFRS 3R) [b]				
In thousands of euros	Acquisitions 2020 [a]	Christof	Telba	Cimlec	Osmo	Total after adjustments
Intangible assets	846	-	7,185	-	1,589	9,620
Property, plant and equipment	-	-	-	(48)	-	(48)
Equity investments	45	-	-	-	-	45
Deferred tax assets	-	178	1,327	674	358	2,537
Current assets	(27)	-	(2,669)	(290)	(1,291)	(4,277)
Cash and cash equivalents	1	-	787	-	-	788
Total assets acquired at fair value	**865**	**178**	**6,630**	**336**	**656**	**8,665**
Equity	27	-	48	-	3	78
Long-term borrowings	-	-	139	-	-	139
Other non-current liabilities	-	(700)	(2,900)	-	(662)	(4,262)
Deferred tax liabilities	-	-	(1,292)	(145)	-	(1,437)
Short-term borrowings	-	-	(139)	-	-	(139)
Other current liabilities	(1)	(10)	(2,557)	(2,444)	-	(5,012)
Total liabilities assumed at fair value	**26**	**(710)**	**(6,701)**	**(2,589)**	**(659)**	**(10,633)**
Consideration paid	**891**	**-**	**(48)**	**-**	**1,482**	**2,325**
RECOGNIZED GOODWILLS	**-**	**532**	**23**	**2,253**	**1,485**	**4,293**

(a) The "Acquisitions 2020" column includes the telecommunications business acquired by SPIE Comnet in Germany, and fully recognized as backlog according to IFRS 3R.
(b) The "PPA Adjustments (IFRS 3R)" column includes goodwill adjustments related to the purchase price allocation of companies and subgroups acquired during previous period (see Note 14.1).

4

NOTE 7 SEGMENT INFORMATION

Summarized information intended for strategic analysis by general management of the Group for decision-making purposes (the concept of chief operating decision-maker in accordance with IFRS 8) is based on revenue (as per management accounts) and EBITA indicators broken down by operating segment.

7.1 INFORMATION BY OPERATING SEGMENT

Revenue (as per management accounts) represents the operational activities conducted by the Group's companies. while consolidating entities that have minority Shareholders on a proportionate basis or using the equity method.

EBITA, as per management accounts, is the Group operating result. It is calculated before amortization of allocated goodwill (brands, backlogs and customers). The margin is expressed as a percentage of revenue (as per management accounts).

In millions of euros	France	Germany and Central Europe	North-Western Europe	Oil & Gas and Nuclear	Holdings	Total
2020						
Revenue *(as per management accounts)*	**2,429.0**	**2,364.7**	**1,381.4**	**466.5**	**-**	**6,641.6**
EBITA	112.9	120.8	48.7	43.9	12.9	339.2
EBITA as a% of revenue (as per management accounts)	*4.6%*	*5.1%*	*3.5%*	*9.4%*	*n/a*	*5.1%*
2019 RESTATED						
Revenue *(as per management accounts)*	**2,674.0**	**2,285.7**	**1,484.8**	**522.8**	**-**	**6,967.3**
EBITA	171.5	140.1	41.0	53.0	12.8	418.4
EBITA as a% of revenue (as per management accounts)	*6.4%*	*6.1%*	*2.8%*	*10.1%*	*n/a*	*6.0%*

Reconciliation between revenue (as per management accounts) and revenue from contracts with customers

In millions of euros		2019 Restated	2020
Revenue *(as per management accounts)*		**6,967.3**	**6,641.6**
SONAID	(a)	(1.5)	-
Holding activities	(b)	22.9	17.6
Other	(c)	4.7	(3.8)
Revenue from contracts with customers		**6,993.4**	**6,655.4**

(a) SONAID is consolidated using the equity method in the Group's consolidated accounts whereas it is accounted for proportionally (55%) in the management accounts.

(b) Non-Group revenue from the SPIE Operations Group and nonoperational entities.

(c) Re-invoicing of services provided by Group entities to non-managed joint ventures; re-invoicing to non-Group entities that do not correspond to operational activity (essentially re-invoicing of expenses incurred on behalf of partners); restatements of revenues from equity-accounted or non-consolidated entities.

Reconciliation between EBITA and operating income

In millions of euros		2019 Restated	2020
EBITA		**418.4**	**339.2**
Amortization of intangible assets (allocated goodwill)	(a)	(62.1)	(54.9)
Restructuring costs	(b)	(7.0)	(24.2)
Financial commissions		(1.5)	(1.7)
Impact of equity affiliates		5.1	(0.2)
Other nonrecurring items	(c)	(7.3)	(56.9)
Consolidated Operating Income including companies accounted for under the equity method		**345.6**	**201.3**

(a) Amortization of allocated goodwill includes €(41.1) million pertaining to the SAG group in 2019 and €(34.0) million in 2020.

(b) In 2020, restructuring costs mostly relate to the United-Kingdom for €(5.0) million and to the Netherlands (Industry) for €(3.6) million, as well as at SPIE OGS for €(3.9) million, and more generally in sectors of activity particularly affected by the sanitary crisis (aeronautics, events...) in France and Germany.

In 2019, restructuring costs mostly relate to the United-Kingdom for €(3.7) million and to the Netherlands for €(2.0) million.

(c) In 2020, the "other nonrecurring items" mainly corresponds to impact of the sale of Trios Group (mobile maintenance activities) in the United Kingdom €(46.2) million, costs relating the employee Shareholders plan "Share For You 2020", in accordance with IFRS 2 for €(4.7) million, performance share allocation plan under IFRS 2 for €(1.8) million and to costs relating to external growth projects for €(2.2) million.

In 2019, the "other nonrecurring items" mainly corresponds to costs relating the employee Shareholders plan "Share For You 2019", in accordance with IFRS 2 for €(4.7) million, to costs relating to external growth projects for €(1.5) million, and to the impact of the IFRS 16 standard application for €2.9 million.

7.2 PRO-FORMA INDICATORS

Pro-forma indicators are intended to provide a more comprehensive economic vision which incorporates the income statement over 12 months of companies acquired during the financial year irrespective of the initial consolidation date.

In millions of euros	2019 Restated	2020
Revenue (as per management accounts)	6,967.3	6,641.6
Pro-forma adjustments (12 months effect of acquisitions)	95.3	9.7
Pro-forma revenue (as per management accounts)	**7,062.6**	**6,651.3**
EBITA	418.4	339.2
Pro-forma adjustments (12 months effect of acquisitions)	(2.2)	1.4
EBITA pro-forma	**416.2**	**340.6**
As a% of pro-forma revenue	*5.9%*	*5.1%*

7.3 NON-CURRENT ASSETS BY OPERATING SEGMENT

Non-current assets include intangible assets. property. plant and equipment. and goodwill allocated to cash generating units.

In thousands of euros	France	Germany & CE	North-Western Europe	Oil & Gas - Nuclear	Holdings	Total
December 31, 2020	**522,152**	**1,555,033**	**231,550**	**63,143**	**2,321,928**	**4,693,805**
December 31, 2019	478,351	1,593,046	253,070	74,376	2,325,552	4,724,395

Accordingly, with the IFRS 16, the assets recognized as right of use are included in the related operational segments representing a global amount of €367 million as at December 31, 2020.

As of December 31, 2019, this amount was €340 million.

7.4 PERFORMANCE BY GEOGRAPHIC AREA

Revenue from contracts with customers is broken down by geographical location of customers.

In thousands of euros	France	Germany	Rest of the world	Total
2020				
Revenue from ordinary activities	**2,673,860**	**1,959,024**	**2,022,562**	**6,655,446**
2019 RESTATED				
Revenue from ordinary activities	2,977,363	1,873,482	2,142,527	6,993,372

Unfulfilled or partially fulfilled benefit obligations amount to €5,423 million as of December 31, 2020. The group expects to recognize €3,113 million in 2021, the rest, €2,310 million, will be recognized beyond one year.

7.5 INFORMATION ABOUT MAJOR CUSTOMERS

No external customer individually represents 10% or more of the Group's consolidated revenue.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

NOTE 8 OPERATING EXPENSES AND OTHER INCOME

8.1 OPERATING EXPENSES

In thousands of euros	Note	2019 Restated	2020
Purchases consumed		(973,419)	(867,043)
External services		(2,993,133)	(2,836,884)
Employment cost	8.2	(2,521,151)	(2,474,826)
Taxes		(44,848)	(48,410)
Net amortization and depreciation expenses and provisions		(182,220)	(238,682)
Other operating income and expenses		20,250	8,387
Operating expenses		**(6,694,521)**	**(6,457,458)**

In 2020, the expenses related to short-term lease payments and low-value assets are of €(153,724) thousand.

In addition, the line "Net amortization and depreciation expenses and provisions" includes the net impairment losses on financial and contract assets, as detailed in the Note 22.6.

8.2 EMPLOYEE COST

Breakdown of employee cost

In thousands of euros	Note	2019 Restated	2020
Wages and salaries		(1,823,098)	(1,791,896)
Social security costs		(672,877)	(656,420)
Employee benefits	(a)	(10,568)	(18,742)
Employee profit-sharing		(14,609)	(7,768)
Employee costs		**(2,521,151)**	**(2,474,826)**

(a) Employee benefits include the share of long-term post-employment benefit reserved for retirement benefit and other long-term employee benefits.

Performance Shares

2019-2021 PLAN

On May 31, 2019, SPIE has issued a first Performance Shares plan with the following characteristics:

	At original date May 31, 2019	Dec. 31, 2019	Dec. 31, 2020
Beneficiary population	255	243	206
Acquisition date	2022-03-15	2022-03-15	2022-03-15
Number of granted shares at origin	530,629	530,629	530,629
Number of granted shares cancelled	-	(26,956)	(92,784)
Number of granted shares under performance conditions at year end	**530,629**	**503,673**	**437,845**

The vesting of performance shares is under condition of presence of the beneficiary throughout the three-year duration of the acquisition period.

Thus, the fair value valuation of the performance shares takes into consideration a turnover rate of the beneficiaries as read per country in the employers' companies.

The fair value of the performance shares valued to €4,191 thousand as at December 31, 2020, is amortized over the three-years vesting period. Thus, a charge for an amount of €1,369 thousand was booked in 2020.

Applicable taxes and employer contributions, due by employer companies in their own countries, are accrued as expenses over the period 2019-2021 for a cumulative amount of €694 thousand, with an expense of €213 thousand for the current year.

2020-2022 PLAN

On November 15, 2020, SPIE has issued a second Performance Shares plan with the following characteristics:

	At original date November 15, 2020	Dec. 31, 2020
Number of beneficiaries	241	241
Acquisition date	2023-03-15	2023-03-15
Number of granted shares under performance conditions	500,773	500,773
Number of granted shares cancelled	-	-
Number of granted shares under performance conditions	**500,773**	**500,773**

The vesting of performance shares is under condition of presence of the beneficiary throughout the three-year duration of the acquisition period.

Thus, the fair value valuation of the performance shares takes into consideration a turnover rate of the beneficiaries as read per country in the employers' companies.

The fair value of the performance shares valued to €3,779 thousand as at December 31, 2020, is amortized over the three-years vesting period. Thus, a charge for an amount of €202 thousand was booked in 2020.

Applicable taxes and employer contributions, due by employer companies in their own countries, are accrued as expenses over the period 2020-2022 for a cumulative amount of €676 thousand, with an expense of €36 thousand for the current year.

Breakdown of average number of Group employees

	2019	2020
Engineers and executive management	6,665	6,209
Lower and middle management	21,329	20,908
Other employees	19,452	18,734
Average number of Group employees	**47,446**	**45,851**

Headcount does not include any temporary people.

8.3 OTHER OPERATING INCOME (LOSS)

Other operating income and expenses break down as follows:

In thousands of euros	Notes	2019 Restated	2020
Business combination acquisition costs	(a)	(1,451)	(1,768)
Net book value of financial assets and security disposals	(b)	(205)	(46,244)
Net book value of assets		(12,721)	(6,395)
Other operating expenses	(c)	(16,490)	(29,552)
Total other operating expenses		**(30,867)**	**(83,959)**
Gain on security disposals		148	150
Gains on asset disposals		14,609	7,670
Other operating income	(c)	4,344	3,449
Total other operating income		**19,101**	**11,269**
OTHER OPERATING INCOME AND EXPENSES		**(11,766)**	**(72,690)**

(a) In 2020 "business combination acquisition costs" relate to the previous year acquisitions of Telba and Osmo's groups by SPIE DZE and Inmeco's group by SPIE Netherlands B.V.

In 2019 "business combination acquisition costs" relate to the acquisitions of Telba and Osmo's groups by SPIE DZE and Cimlec's group by SPIE Industrie et Tertiaire.

(b) In 2020, the "net book value of financial assets and security disposals" relates to the disposal on March 20, 2020, of Trios Group (mobile maintenance business) in the United-Kingdom for an amount of €46,212 thousand.

(c) In 2020, "other operating expenses" correspond for EUR 24,216 thousand to reorganization costs of which €5,017 thousand carried out in the United Kingdom, €3,617 thousand in the Netherlands (Industry), €3,850 thousand at SPIE OGS, and more generally in sectors of activity particularly affected by the sanitary crisis (aeronautics, events, etc.) in France and in Germany.

The "other operating expenses" are mainly related to exceptional expenses on management operations.

In 2019, the "other operating expenses" are essentially reorganization costs deriving from the reorganizations performed in United Kingdom and Netherlands, and to diverse market penalties.

(d) In 2020, as for 2019, the "other operating income" mostly correspond to penalties and to provisions' utilization.

NOTE 9 NET FINANCIAL COST AND FINANCIAL INCOME AND EXPENSES

Cost of net debt and other financial income and expenses are broken down in the table below:

In thousands of euros	Notes	2019 Restated	2020
Interest expenses	(a)	(60,780)	(60,294)
Interest expenses on financial leases		(5,064)	(7,873)
Interest expenses on cash equivalents		(168)	(394)
Interest expenses and losses on cash equivalents		**(66,012)**	**(68,561)**
Interest income on cash equivalents		114	134
Net proceeds on sale of marketable securities		-	-
Gains on cash and cash equivalents		**114**	**134**
Costs of net financial debt		**(65,898)**	**(68,427)**
Loss on exchange rates	(b)	(10,788)	(13,935)
Allowance for financial provisions for pensions		(13,301)	(7,415)
Other financial expenses		(3,718)	(4,609)
Total other financial expenses		**(27,807)**	**(25,959)**
Gain on exchange rates		12,191	11,532
Gains on financial assets excl. cash and cash equivalents		226	138
Allowance/Reversal on financial assets		136	36
Other financial income		1,847	6,365
Total other financial income		**14,400**	**18,071**
OTHER FINANCIAL INCOME AND EXPENSES		**(13,408)**	**(7,888)**

(a) The interest expenses mainly include the interest charges related to existing loans during the year 2020.

In 2019, they also include the recognition in the income statement of non-amortized balance amount costs related to the repayment of the Group's loans see Note 21.3, for an amount of €3,963 thousand.

(b) In 2020, gains and losses on exchange rates mostly relate to subgroups:

- SPIE OGS, for a total of €7,905 thousand in losses and €6,964 thousand in gains mainly due to evolution of currency translations between Angolan kwanza and euro,
- SPIE DZE for a loss of €3,016 thousand and €2,154 thousand in foreign exchange gains under the Polish Zloty and the Hungarian Forint,
- SPIE Operations for a total of €1,680 thousand in losses and €767 thousand in profits under the Pound Sterling.

NOTE 10 INCOME TAX

10.1 TAX RATE

Tax rate

The Group applies a tax reference of 32.02%. Furthermore. prevailing tax rates in the main European countries in Group businesses are the followings:

Income tax rate used by the Group	2019	2020
France	34.43%	32.02%
Germany	30.70%	30.70%
United Kingdom	19.00%	19.00%
Belgium	29.58%	25.00%
Netherlands	25.00%	25.00%
Switzerland	21.00%	19.00%

10.2 CONSOLIDATED INCOME TAX EXPENSE

Income taxes are detailed as follows:

In thousands of euros	Notes	2019 Restated	2020
INCOME TAX EXPENSE REPORTED IN THE INCOME STATEMENT			
Current income tax		(77,240)	(60,782)
Deferred income tax		(28,579)	(9,908)
TOTAL INCOME TAX REPORTED IN THE INCOME STATEMENT	**10.5**	**(105,819)**	**(70,690)**
INCOME TAX EXPENSE REPORTED IN THE STATEMENT OF COMPREHENSIVE INCOME			
Net (loss)/gain on cash flow hedge derivatives		-	-
Net (loss)/gain on post-employment benefits		46,805	(666)
TOTAL INCOME TAX REPORTED IN THE STATEMENT OF COMPREHENSIVE INCOME		**46,805**	**(666)**

10.3 DEFERRED TAX ASSETS AND LIABILITIES

Before of setting deferred tax assets and liabilities by fiscal entity the components of deferred tax are as follows:

In thousands of euros	Assets	Liabilities	Dec. 31, 2020
Derivatives	184		184
Employee benefits	165,129		165,129
Provisions for contingencies and expenses nondeductible for tax purpose	37,788		37,788
Tax loss carry forward	16,226		16,226
Revaluation of long-term assets	16,455	(284,643)	(268,188)
Deferred tax liabilities on finance leases	1,114	(185)	929
Other temporary differences	45,953	(46,010)	(57)
TOTAL DEFERRED TAX – NET	**282,849**	**(330,838)**	**(47,989)**

4

Deferred tax assets and liabilities by nature for 2019 are detailed below:

In thousands of euros	Assets	Liabilities	Dec. 31, 2019
Derivatives	150		150
Employee benefits	172,149		172,149
Provisions for contingencies and expenses nondeductible for tax purpose	53,067		53,067
Tax loss carry forward	21,650		21,650
Revaluation of long-term assets	19,166	(297,883)	(278,717)
Deferred tax liabilities on finance leases	312	(178)	134
Other temporary differences	48,809	(56,030)	(7,221)
TOTAL DEFERRED TAX – NET	**315,303**	**(354,091)**	**(38,788)**

The breakdown of deferred tax variations for the period according to their impact on the income statement or on the statement of financial position is the following:

		Changes for 2020						
In thousands of euros	31 Dec. 2019	Income statement	Equity & OCI	Translation differences	Reclassifications	Other/ Changes in scope [(a)]	IFRS 5	31 Dec. 2020
Derivatives	150	34	-	-	-	-	-	184
Employee benefits	172,149	(6,444)	(666)	90	-	-	-	165,129
Provisions for contingencies and expenses nondeductible for tax purpose	53,067	(11,852)	-	(81)	163	(1,570)	(1,939)	37,788
Tax loss carry forward [(b)]	21,650	(5,436)	-	(759)	-	771	-	16,226
Revaluation of long-term assets	(278,717)	8,827	-	2,735	(1,688)	660	(5)	(268,188)
Deferred tax liabilities on finance leases	134	780	-	(2)	(16)	(2)	35	929
Other temporary differences [(c)]	(7,221)	4,183	-	(52)	1,541	1,979	(487)	(57)
TOTAL DEFERRED TAX – NET	**(38,788)**	**(9,908)**	**(666)**	**1,931**	**-**	**1,838**	**(2,396)**	**(47,989)**

(a) The "others/changes in scope" mainly correspond to the deferred taxes provided by the incoming entities of the Group during the year, and to the ongoing process of purchase price allocation,

(b) The tax loss carry forward impacting the income statement mainly relate to the tax loss carry forwards used at SPIE group level, in particular in the level of the German scope for €(4,388) thousand, the Dutch scope for €(1,624) thousand, the French scope for €(617) thousand and a complementary activation of tax loss carry forwards in Switzerland of €1,193 thousand.

(c) The "Other temporary differences" include the other differences such as restatements on change from completion method to progression method, on borrowing costs, deferred taxes on acquisition cost of securities and nondeductible provisions.
The change of the period mainly relates to SPIE Operations for €(2,247) thousand including €(1,446) thousand of changes about public housing loans transferred to the loans buyer, and on Germany scope for €7,566 thousand mainly due to restatements on change from completion method to progression method, impacting the Income Statement.

10.4 TAX LOSS CARRIED FORWARD

Tax losses carried forward within the tax group in France were entirely consumed during the 2019 financial year.

As at December 31, 2020, unrecognized tax losses in France amount to €80,292 thousand and relate mainly to pre-integration losses in the Group's French subsidiaries.

All tax losses carried forward in the United-Kingdom, which timeline for the relief of carry forward tax losses has been estimated at less than 5 years, amount to £ 37,879 (*i.e.* €42,217 thousand). The amount of deferred tax assets finally recognized is of £ 7,197 thousand (*i.e.* €8,126 thousand).

The deferred tax corresponding to the tax losses carried forward in Germany were fully activated for €6,760 thousand, on a basis of a 5 years plan relief.

The tax losses carried forward in the Netherlands as at December 31, 2020, stands at €3,368 thousand. The corresponding amount of deferred tax assets finally recognized is of €842 thousand.

As at December 31, 2020 all tax losses carried forward in Switzerland amount (in basis) to 23,986 thousand of Swiss Francs (CHF) (*i.e.* €22,383 thousand). They have been subject to the recognition for an amount of 21,437 thousand of Swiss Francs (CHF) (*i.e.* €20,005 thousand) and a deferred tax accounted for an amount of CHF 2,711 thousand (*i.e.* €2,530 thousand).

10.5 RECONCILIATION BETWEEN PROVISION FOR INCOME TAXES AND PRE-TAX INCOME

In thousands of euros	Notes	2019 Restated	2020
Consolidated net income		152,049	53,727
(-) Net income from discontinued operations		8,423	615
Provision for income taxes		105,819	70,690
Pre-tax income		**266,291**	**125,032**
(-) Net income (loss) from companies accounted for under the equity method		(9,030)	52
Pre-tax income excl. companies accounted for under the equity method		**257,261**	**125,084**
Theoretical French statutory tax rate		34.43%	32.02%
Theoretical tax charge		**(88,575)**	**(40,052)**
Permanent differences and other differences	(a)	(16,428)	(16,365)
French CVAE	(b)	(13,755)	(13,005)
Tax loss carry-forward	(c)	3,057	73
Difference between French and foreign income tax rates		6,576	2,392
Difference on French income tax rate (Finance Act)	10.1	832	(3,027)
Tax provisions	(d)	2,474	(706)
Net provision for income taxes, including discontinued activities		**(105,819)**	**(70,690)**
Effective tax rate		**41.10%**	**56.54%**
EFFECTIVE TAX RATE EXCLUDING FRENCH CVAE	**(e)**	**32.95%**	**41.24%**

(a) In 2020, the permanent differences and other differences mainly include share on sale of Trios Group securities for €(14,687) thousand, permanent difference on dividends and withholding tax for €(6,368) thousand, discount of 30% related to the employee Shareholders' plan "Share for You" for €2,627 thousand and tax prior year for €2,013 thousand.

In 2019, the permanent differences and other differences mainly included the tax prior year for €(11,643) thousand, withholding tax for €(2,421) thousand, share on sale of securities for €(2,285) thousand, permanent difference on dividends for €(2,103) thousand and discount of 30% related to Share for You for €1,120 thousand.

(b) In France, the Company value-added contribution (*cotisation sur la valeur ajoutée des entreprises* – CVAE) is due based on added value stemming from individual financial statements. The Group opted for the option of booking CVAE in income tax in order to ensure consistency with the accounting treatment of similar taxes in other countries. Accordingly, CVAE is presented as a component of the income tax expense. As CVAE is tax deductible, its amount has been restated net of income tax for reconciliation purposes.

(c) The tax loss carry-forward comprise altogether tax losses realized in 2020 and not activated, for an amount of €(2,478) thousand, the utilization of tax loss carry-forwards not activated for an amount of €4,081 thousand, the deactivation of tax loss carry-forwards previously activated for €(3,492) thousand and the activation of tax loss carry-forwards for €2,437 thousand.

(d) Tax provisions comprise the reversal of tax outstanding debts on SPIE Oil and Gas scope.

(e) In 2020, if the impact following the share on sale of securities and the impact of tax rate change expected in France in 2021 for deferred tax had not been taken into account, the effective tax rate of the Group would have been of 32.22% excluding French CVAE and 47.52% including the CVAE.

In 2019, if the impact following the adoption of the 2018 Finance Act in France had not been taken into account, the effective tax rate of the Group would have been of 35.42% excluding French CVAE and 43.57% including the CVAE.

NOTE 11 DISCONTINUED OPERATIONS

In thousands of euros	Notes	2019 Restated Revenue	2019 Restated Contribution to net income	2020 Revenue	2020 Contribution to net income
SPIE Industrie & Tertiaire – MSI business	(a)	883	(732)	87	(55)
SPIE UK – underground utilities services	(b)	114	1,263	-	43
SPIE UK – soft FM activity	(c)	-	-	-	-
SPIE SAG - Gas & Offshore Services	(d)	130,380	(8,697)	3,458	(373)
SPIE Industrie & Tertiaire – "housing market projects" activity	(e)	(105)	(220)	(65)	(187)
SPIE DZE – Services Solutions business in Greece		-	(4)	-	(8)
SPIE OGS – Algeria business		-	(1)	-	-
SPIE Holdings – SGTE Ingénierie		-	(32)	-	(35)
TOTAL		**131,272**	**(8,423)**	**3,480**	**(615)**

(a) The conception and assembly of specialized equipment for aeronautics activity (MSI) of SPIE Industrie & Tertiaire (formerly SPIE South-West). The disposal process has been initiated during the second half of 2017. The disposal has been concluded on September 28, 2018. The 2019 and 2020 movements derive from non-transferred contracts to be completed by SPIE.

(b) Underground utilities services in the United Kingdom (water and gas networks). A divesture process has been initiated during the third quarter of 2017 and the disposal has been concluded on June 26, 2018. The 2019 and 2020 movements derive from non-transferred contracts to be completed by SPIE.

(c) "Total facility management" activities in the United Kingdom (soft FM activity), include technical maintenance services combined to one or several nontechnical services (cleaning, etc.). A divesture process has been initiated during the second quarter of 2018. The positive effects of a realigned portfolio, led the Group to stop the divesture process and to reintegrate these services into continued activity as of January 1, 2020 (see Note 4).

(d) The Gas & Off-shore business of SAG, for which a disposal process has been initiated during the second quarter of 2017. On December 21, 2018 an agreement was signed with Royal Boskalis Westminster NV for the sale of its nearshore cabling activities, and the completion of the operation took place in April 1, 2019. The remaining Gas & Offshore division included a construction activity and a "Gas Technology" activity for which a separate sale process was conducted. On November 4, 2019, SPIE signed an agreement with Friedrich Vorwerk KG GmbH & Co. ("Vorwerk") for the sale of these activities, excluding some contracts which are to be completed by SPIE. The completion of the operation took place in December 10, 2019. The 2020 movements derive from non-transferred contracts to be completed by SPIE.

(e) Activities in "Housing market Projects" of the French company SPIE Industrie & Tertiaire (formerly SPIE IDF North-West). The discontinued process was initiated in the second half of the year 2016 and was still in progress as at December 31, 2020.

As a result, as at December 31, 2020, all of these activities have been reclassified in a separate line on the income statement, representing the contribution to net income of these operations.

The assets and liabilities of these operations have been respectively reclassified as "Assets classified as held for sale" and "Liabilities associated with assets classified as held for sale" in the consolidated statement of financial position as at December 31, 2020, Assets and liabilities of these activities have been valued at the lower of their accounting value and their fair value less potential costs of sale of the assets. Unsold contracts of the Gas & Offshore activity, currently under completion by SPIE, are no longer in a disposal process; consequently, their respective assets and liabilities have been reclassified as at December 31, 2019 under ongoing activity, according to the IFRS 5 standard.

NOTE 12 EARNINGS PER SHARE

12.1 DISTRIBUTABLE EARNINGS

In thousands of euros	Dec. 31, 2019 Restated	Dec. 31, 2020
CONTINUING OPERATIONS		
Basic earnings from continuing operations attributable to owners of the parent (excluding minority Shareholders)	158,971	53,824
(-) Basic earnings attributable to preferential owners		
Earnings from continuing operations distributable to Shareholders of the Company, used for the calculation of the earnings per share	**158,971**	**53,824**
Earnings from discontinued operations distributable to Shareholders of the Company, used for the calculation of the earnings per share	(8,423)	(615)
Total operations		
Basic earnings from continuing operations attributable to owners of the parent (excluding minority Shareholders)	150,548	53,209
(-) Basic earnings attributable to preferential owners		
EARNINGS DISTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY, USED FOR THE CALCULATION OF THE EARNINGS PER SHARE	**150,548**	**53,209**

12.2 NUMBER OF SHARES

	Dec. 31, 2019	Dec. 31, 2020
Average number of shares used for the calculation of earnings per share	**155,781,242**	**157,811,534**
Effect of the diluting instruments	474,142	525,217
Average number of diluted shares used for the calculation of earnings per share	**156,255,383**	**158,336,751**

In compliance with "IAS 33- Earnings per share", the weighted average number of ordinary shares during the year 2020 (and for all presently shown periods) has been adjusted by taken into account events that impacted the number of outstanding shares without having a corresponding impact on the entity's resources.

Changes in the number of shares during the year 2020 are as follows:

On November 15, 2020, SPIE has issued a new Performance Shares plan which consequently dilutes the average number of shares (see Note 8.2).

On December 15, 2020, a SPIE capital increase has been realized with the issuance of a total amount of 2,441,652 new ordinary shares, through an employee Shareholders plan "Share For You 2020" (see Note 18.2).

12.3 EARNINGS PER SHARE

In thousands of euros	Dec. 31, 2019	Dec. 31, 2020
CONTINUING OPERATIONS		
Basic earnings per share	1.02	0.34
Diluted earnings per share	1.02	0.34
Discontinued operations		
Basic earnings per share	(0.06)	(0.00)
Diluted earnings per share	(0.06)	(0.00)
TOTAL OPERATIONS		
Basic earnings per share	**0.97**	**0.34**
Diluted earnings per share	**0.96**	**0.34**

NOTE 13 DIVIDENDS

SPIE's Board of Directors proposed, on March 11, 2020, a dividend payment of €0.61 per share based on 2019 year's results, representing a 5.2% increase on 2018.

As an interim dividend of €0.17 per share had been paid in September 2019, this dividend proposal implied a final dividend of €0.44 per share, to be paid on 2020, subject to Shareholders approval at the May 29, 2020 Shareholders' General Meeting.

The group is fully aware of its societal responsibilities in this context of the Covid-19 crisis and its effects on all our stakeholders, SPIE's Board of Directors has decided, on April 8, 2020, to propose to the Shareholders' Meeting not to pay a final dividend for 2019.

The General Shareholders' Meeting held on May 29, 2020 approved this proposal for a payment of a total dividend limited to €0.17 per share, strictly corresponding to the interim dividend which was paid in September 2019.

Besides, the Group indicated in its press release issued on March 11, 2020 that the Board of Directors intended to pay an interim dividend in September 2020, amounting to 30% of the approved dividend for 2019. Due to the Group's commitment not to pay dividends in 2020, by decision of the Board of Directors on July 28, 2020, no interim dividend has been paid in 2020.

The decision to cancel the payment of dividends for 2020 is by no means the reflection of cash concerns for the Group. It is caused by the exceptional context of the sanitary crisis, and dividend remains at the heart of SPIE's capital allocation policy going forward.

Thus, based on 2020 year's results, the Board of Directors will propose to the General Shareholders' Meeting to pay in 2021 a dividend of €0.44 per share.

Then, the Board of Directors intends to pay an interim dividend, in September 2021.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

The following notes relate to the assets and liabilities of continuing operations as at December 31, 2020.

Assets and liabilities of operations held for sale are presented in a separate line "Activities held for sale" in the statement of financial position.

NOTE 14 GOODWILLS

14.1 CHANGES IN GOODWILLS

The value of the Group's goodwills as at December 31, 2020 stands at €3,201 million. This value was of €2,136 million at IPO date, on June 10, 2015, and included an amount of €1,805 million relating to the previous Leverage Buy Out conducted in 2011.

The following table shows the changes in carrying amount of goodwill by cash generating unit:

In thousands of euros	Dec. 31, 2019	Acquisitions and adjustments of preliminary goodwill	Disposals	Changes in consolidation method	Changes in scope of consolidation and other	Translation adjustments	Dec. 31, 2020
SPIE Industrie & Tertiaire	620,120	2,253					622,373
SPIE CityNetworks	244,767						244,767
SPIE Facilities	177,525						177,525
SPIE ICS (France)	180,194						180,194
SPIE DZE	1,069,445	2,040				(184)	1,071,301
SPIE ICS (Suisse)	49,781					706	50,487
SPIE UK	200,305		(12,094)			(3,548)	184,664
SPIE Nederland	176,896						176,896
SPIE Belgium	109,550						109,550
SPIE Nucléaire	130,045						130,045
SPIE OGS	253,226						253,226
TOTAL GOODWILL	**3,211,854**	**4,293**	**(12,094)**			**(3,025)**	**3,201,028**

Acquisitions and goodwill adjustments which occurred between January 1 and December 31, 2020 mainly relate to the temporary allocations of goodwill and to the ongoing processes of purchase price allocation for the different acquisitions of the period, *i.e.*:

- in France, as part of the finalisation of the goodwill allocation process:
  - €2,253 thousand for the Cimlec company acquired by SPIE Industrie & Tertiaire in July 2019;
- in Germany, as part of the finalisation of the goodwill allocation process:
  - €532 thousand for the Christoph group acquired in May 2019,
  - €23 thousand for the Telba group acquired in June 2019,
  - €1,485 thousand for the Osmo group acquired on September 2019;
- In the United Kingdom, €(12,094) thousand relate to the disposal of the Trios companies (see Note 6.1.5).

For comparative purpose, the carrying amounts of the Group goodwill as of December 31, 2019 were the following:

In thousands of euros	Dec. 31, 2018	Acquisitions and adjustments of preliminary goodwill	Disposals	Change in consolidation method	Change in scope of consolidation and other	Translation adjustments	Dec. 31, 2019
SPIE Industrie & Tertiaire	593,580	27,401			(861)		620,120
SPIE CityNetworks	244,767						244,767
SPIE Facilities	176,664				861		177,525
SPIE ICS (France)	180,194						180,194
SPIE DZE	992,617	76,834				(7)	1,069,445
SPIE ICS (Suisse)	48,246					1,535	49,781
SPIE UK	197,814					2,492	200,305
SPIE Nederland	176,896						176,896
SPIE Belgium	108,640	910					109,550
SPIE Nucléaire	130,045						130,045
SPIE OGS	253,226						253,226
TOTAL GOODWILL	**3,102,689**	**105,145**				**4,020**	**3,211,854**

Acquisitions and goodwill adjustments which occurred between January 1 and December 31, 2019 mainly relate to the temporary allocations of goodwill and to the ongoing processes of purchase price allocation for the different acquisitions of the period, *i.e.*:

- in France:
  - €25,336 thousand for the Cimlec company acquired by SPIE Industrie & Tertiaire in July 2019,
  - €1,356 thousand for the Siétar & VTI company acquired in August 2018 relating to the finalization of the goodwill allocation process,
  - €709 thousand for the Buchet company acquired by SPIE industrie & Tertiaire in July 2018 relating to the finalization of the goodwill allocation process;
- in Germany:
  - €933 thousand for the entity FLM acquired in November 2018 relating to the finalization of the goodwill allocation process,
  - €17,239 thousand for the Christof group acquired in May 2019,
  - €21,292 thousand for the Telba group acquired in June 2019,
  - €37,368 thousand for the Osmo group acquired in September 2019;
- in Belgium:
  - €910 thousand for the Systemat group acquired in February 2018 relating to the finalization of the goodwill allocation process.

“Changes in scope of consolidation and other” relate to transfers of goodwill of the Petrotech business between SPIE Industrie & Tertiaire and SPIE Facilities in France.

14.2 IMPAIRMENT TEST FOR GOODWILL

In the context of the Covid-19 sanitary crisis, Goodwills' impairment tests were implemented in line with the risk factors identified.

To carry out annual impairment tests, goodwill was allocated to the relevant cash generating units (CGU), without any amendment of these CGU compared to the previous year (see Note 3.10 “Impairment of goodwill”).

These tests were carried out based on the most recent forecasts taking into consideration the impacts of the sanitary crisis observed in 2020 and those expected beyond 2020, as per geographic area, based on reasonable and realistic estimates and assumptions. They were developed based on the most recent budgets available and a Business Plan taking into account cash flows over years 2020 to 2023 included, and projections for Year+4 and Year+5 (these additional years are extrapolated from forecasts) to which is added a terminal value, calculated with a growth rate reduced to 1.5% (vs 2.0% in 2019).

As the SPIE UK CGU operates outside the Eurozone, the future cash flows are estimated in GBP and then discounted using the Group's discount rate. All other CGUs estimate their future cash flows in euros.

The construction of these forecasts is an exercise involving the various players within the CGUs and the projections are validated by the Group's Chief-executive officer. This process requires the use of critical judgment and estimates, especially in the determination of market trends, activity and profitability levels. Therefore, the actual future cash flows may differ from the estimates used in the calculation of value in use.

The discount rate after tax for all CGUs amount to 8.0% (vs 7.4% in 2019) for all CGUs of the Group.

Impairment tests do not present any loss in value.

The value of all operating segments subject to impairment testing is higher than the book value.

Sensitivity Test

The value in use is mainly driven by the terminal value which is sensitive to changes in the assumptions regarding discount rates and the cash flows generated.

The sensitivity to indicators used are the followings: a decrease by 0.2% of the long-term growth rate, a decrease by 0.5% of the margin level expected for the terminal year, and an increase by 0.5% of the discount rate (WACC).

The sensitivity tests would present a potential loss in value for the SPIE OGS CGU in the case of an increase of the WACC by +0.5% and a decrease by 0.2% of the long-term growth rate. Under these only two assumptions, the impairment could reach a maximum amount representing -3% to -9% of the corresponding Goodwill.

Similarly, the sensitivity tests would present a potential loss in value for the SPIE Facilities CGU under the assumptions of a deterioration of the three indicators used for sensitivity tests. The impairment could reach a maximum amount representing -1% to -10% of the corresponding Goodwill.

Consequently, it has been decided not to impair the related goodwills, but to keep these two CGU under watch for 2021.

Sensitivity tests on all other CGUs do not present any indication of impairment.

NOTE 15 INTANGIBLE ASSETS

15.1 INTANGIBLE ASSETS – GROSS VALUES

In thousands of euros	Concessions, patents, licenses	Brands	Backlog and customer relationship	Others	Total
GROSS VALUES					
At Dec. 31, 2018	**9,186**	**892,775**	**391,041**	**123,272**	**1,416,275**
Business combination effect	68	7,393	15,553	590	23,604
Other acquisitions in the period	436	-	-	18,581	19,017
Disposals and divestures of the period	(178)	-	-	(930)	(1,108)
Exchange difference	11	647	896	401	1,955
Other movements	192	-	1,006	(395)	803
Assets held for sale	-	-	-	74	74
At Dec. 31, 2019	**9,715**	**900,815**	**408,496**	**141,593**	**1,460,619**
Business combination effect	-	1,408	7,366	-	8,774
Other acquisitions in the period	634	-	919	26,479	28,032
Disposals and divestures of the period	(30)	-	(3,023)	(4,079)	(7,132)
Exchange difference	(16)	(646)	(556)	(462)	(1,680)
Other movements	3,341	-	-	946	4,287
Assets held for sale	-	-	-	-	-
AT DEC. 31, 2020	**13,645**	**901,577**	**413,202**	**164,478**	**1,492,901**

Period ended December 31, 2020

Brands mainly correspond to the value of the SPIE brand for €731 million, which has an indefinite useful life and is tested for impairment at least once a year or whenever there is an indication of impairment.

The SPIE brand is allocated to each of the cash generating units and is valued on the basis of an implied average royalty rate, as a percentage of each CGU's contribution to Group revenues.

The line "Business combination effect", which concerns the brands, and backlog and customer relationships, corresponded in 2020 to the impacts of the purchase price allocation processes for the company acquired in 2019, and in particular to Osmo and Telba, for the following amounts:

- €1,408 thousand for Telba in brand;
- €5,510 thousand for Telba in backlog;
- €267 thousand for Telba and €1,589 thousand for Osmo in customer relationship asset.

The "Other acquisitions in the period", representing €26,479 thousand, corresponded in 2020 to:

- on the one hand to intangible assets under development: implementation of an ERP in France;
- and on the other hand to other commissioned intangible assets: ERP implementation projects in Germany and in Netherlands.

15.2 INTANGIBLE ASSETS – AMORTIZATION AND NET VALUES

In thousands of euros	Concessions, patents, licenses	Brands [(a)]	Backlog and customer relationship [(b)]	Others	Total
AMORTIZATIONS					
At Dec. 31, 2018	**(7,146)**	**(103,966)**	**(191,600)**	**(85,257)**	**(387,969)**
Amortization for the period	(1,007)	(17,497)	(44,581)	(9,488)	(72,573)
Reversal of impairment losses	-	-	-	-	-
Disposals and divestures of the period	178	-	-	752	930
Exchange difference	(7)	(647)	(694)	(264)	(1,613)
Other movements	(3)	-	-	-	(3)
Assets held for sale	-	-	-	(67)	(67)
At Dec. 31, 2019	**(7,984)**	**(122,110)**	**(236,876)**	**(94,323)**	**(461,293)**
Amortization for the period	(1,340)	(17,610)	(37,329)	(9,628)	(65,907)
Reversal of impairment losses	-	-	-	-	-
Disposals and divestures of the period	23	-	1,639	3,688	5,350
Exchange difference	14	646	490	336	1,486
Other movements	5	-	-	(2,688)	(2,683)
Assets held for sale	-	-	-	-	-
AT DEC. 31, 2020	**(9,283)**	**(139,074)**	**(272,077)**	**(102,614)**	**(523,048)**
NET VALUE					
At Dec. 31, 2018	**2,041**	**788,809**	**199,441**	**38,017**	**1,028,308**
At Dec. 31, 2019	**1,731**	**778,705**	**171,620**	**47,270**	**999,326**
AT DEC. 31, 2020	**4,362**	**762,503**	**141,125**	**61,864**	**969,854**

4

Period ended December 31, 2020

Amortization of intangible assets during the period includes:

(a) The amortization of SAG brand for €14,952 thousand (amortization over 9 years), Telba for €1,031 thousand (amortization over 3 years), Systemat for €350 thousand (amortization over 5 years), Osmo for €749 thousand (amortization over 3 years), S-Cube for €203 thousand (amortization over 4 years) and Cimlec for €325 thousand (amortization over 3 years).

(b) The amortization of the customer relationship assets and backlogs of the Group' acquisitions, and in particular of the SAG group for €19,055 thousand.

NOTE 16 PROPERTY, PLANT AND EQUIPMENT

16.1 PROPERTY, PLANT AND EQUIPMENT – GROSS VALUES

In thousands of euros	Land	Buildings	Plant and machinery	Others	Total
GROSS VALUES					
At Dec. 31, 2018	**23,862**	**54,968**	**173,213**	**196,419**	**448,464**
Business combination effect	184	1,131	1,624	2,743	5,682
Other acquisitions of the period	44	3,700	12,409	35,072	51,226
Disposals and divestures of the period	(68)	(4,199)	(11,520)	(33,801)	(49,587)
Exchange differences	3	331	158	324	817
Other movements	-	629	(324)	(1,378)	(1,073)
Assets held for sale	501	290	12	698	1,501
At Dec. 31, 2019	**24,526**	**56,851**	**175,573**	**200,078**	**457,029**
Business combination effect	-	(48)	-	-	(48)
Other acquisitions of the period	2	2,789	10,225	23,479	36,496
Disposals and divestures of the period	(1,072)	(3,409)	(14,979)	(12,062)	(31,522)
Exchange differences	(51)	(602)	(261)	(624)	(1,539)
Other movements	72	517	(1,200)	(2,317)	(2,928)
Assets held for sale	-	-	-	-	-
AT DEC. 31, 2020	**23,476**	**56,098**	**169,359**	**208,554**	**457,488**

Other property, plant and equipment correspond to office and computer equipment and transport equipment.

16.2 PROPERTY, PLANT AND EQUIPMENT – DEPRECIATION & NET VALUES

In thousands of euros	Land	Buildings	Plant and machinery	Others	Total
DEPRECIATIONS					
At Dec. 31, 2018	**(368)**	**(26,306)**	**(112,647)**	**(135,056)**	**(274,377)**
Depreciation of the period	(19)	(4,586)	(16,193)	(24,571)	(45,370)
Reversal of impairment losses	8	161	-	-	169
Disposals and divestures of the period	-	4,061	6,772	25,900	36,732
Exchange differences	-	(177)	(130)	(188)	(495)
Other movements	(93)	92	264	(18)	244
Assets held for sale	(82)	(46)	(6)	(564)	(697)
At Dec. 31, 2019	**(554)**	**(26,801)**	**(121,940)**	**(134,498)**	**(283,794)**
Depreciation of the period	(166)	(4,983)	(14,743)	(23,120)	(43,012)
Reversal of impairment losses	379	156	-	40	575
Disposals and divestures of the period	-	2,172	13,371	9,255	24,798
Exchange differences	1	311	179	366	857
Other movements	1	37	309	(945)	(598)
Assets held for sale	-	-	-	-	-
AT DEC. 31, 2020	**(339)**	**(29,107)**	**(122,823)**	**(148,904)**	**(301,174)**
NET VALUE					
At Dec. 31, 2018	**23,494**	**28,662**	**60,566**	**61,364**	**174,087**
At Dec. 31, 2019	**23,972**	**30,050**	**53,633**	**65,579**	**173,235**
AT DEC. 31, 2020	**23,137**	**26,990**	**46,536**	**59,651**	**156,314**

NOTE 17 RIGHT OF USE ON OPERATING AND FINANCIAL LEASE

17.1 RIGHT OF USE – GROSS VALUES

In thousands of euros	Buildings	Cars & trucks	Total
GROSS VALUES			
At Dec. 31, 2018	**-**	**-**	**-**
Initial application of IFRS 16	216,993	90,389	307,382
Other acquisitions of the period	40,859	86,310	127,169
Disposals and divestures of the period	(8,280)	(5,241)	(13,521)
Exchange differences	679	216	896
Terminations, changes of contracts and other movements	-	-	-
At Dec. 31, 2019	**250,251**	**171,674**	**421,926**
Other acquisitions of the period	81,136	121,276	202,412
Disposals and divestures of the period	(861)	(14)	(875)
Exchange differences	(1,259)	(575)	(1,834)
Terminations, changes of contracts and other movements	(28,256)	(45,469)	(73,724)
AT DEC. 31, 2020	**301,012**	**246,892**	**547,904**

17.2 RIGHT OF USE – DEPRECIATION & NET VALUES

In thousands of euros	Buildings	Cars & trucks	Total
DEPRECIATIONS			
At Dec. 31, 2018	**-**	**-**	**-**
Depreciation of the period	(33,606)	(48,190)	(81,796)
Reversal of impairment losses	-	-	-
Disposals and divestures of the period	676	379	1,055
Exchange differences	(169)	(40)	(209)
Terminations, changes of contracts and other movements	(780)	(217)	(996)
At Dec. 31, 2019	**(33,879)**	**(48,068)**	**(81,947)**
Depreciation of the period	(56,906)	(78,775)	(135,680)
Reversal of impairment losses	-	-	-
Disposals and divestures of the period	140	4	145
Exchange differences	482	227	709
Terminations, changes of contracts and other movements	11,744	23,733	35,477
AT DEC. 31, 2020	**(78,417)**	**(102,879)**	**(181,296)**
NET VALUE			
At Dec. 31, 2018	**-**	**-**	**-**
At Dec. 31, 2019	**216,373**	**123,606**	**339,980**
AT DEC. 31, 2020	**222,595**	**144,014**	**366,609**

NOTE 18 EQUITY

18.1 SHARE CAPITAL

As at December 31, 2020 the share capital of SPIE SA stands at €75,265,694.72 divided into 160,139,776 ordinary shares, all of the same class, with a nominal value of €0.47.

The allocation of SPIE SA capital's ownership is as follows:

	Holding percentage
Caisse de Dépôt et Placement du Québec	11.7%
Société Foncière Financière et de Participation (FFP Invest)	5.3%
Managers (1)	2.5%
Employee shareholding (2)	6.1%
Public (3)	74.4%
Treasury shares	0.0%
TOTAL	**100.0%**

(1) Managers and senior executives, current and former, of the Group (as at December 31, 2020).
(2) Stake held by the Group employees, directly or through the FCPE SPIE Actionnariat (as at December 31, 2020).
(3) Based on the information disclosed on December 31, 2020 for the shares held by managers and employees.

18.2 EMPLOYEE SHAREHOLDERS PLAN "SHARE FOR YOU 2020"

On July 28, 2020, the Board of Directors, upon delegation of the Mixed Shareholders' General Meeting held on May 29, 2020, decided on the principle to proceed with a share capital increase reserved for eligible current and former employees and corporate officers of the Company and its French and foreign, direct and indirect, subsidiaries, who are members of a *plan d'épargne d'entreprise* of the SPIE group (French company savings plan), within the limit for a maximum nominal amount of €1,850,000.

The Board of Directors delegated authority to the CEO for the completion of this transaction. Acting under this delegation, the CEO set forth the definitive terms of the offer in a decision dated September 25, 2020 and set in particular (i) the dates of the subscription period opened from October 1 to October 21, 2020 (included) and (ii) the subscription price of one SPIE share at €10.56 after a Group employees' discount rate of 30% applied to the reference price set at €15.08. The 30% discount on the SPIE share price was calculated on the basis of the average opening price of SPIE shares on the Euronext Paris stock exchange over twenty trading days between August 28 and September 24, 2020 inclusive.

In a decision dated December 15, 2020, the CEO recognized definitive completion of the capital increase through the issuance of a total amount of 2,441,652 new ordinary shares at unit price of €10.56, hence an increase of the SPIE SA total nominal share capital of €1,147,576.44, and the booking of an issuance premium in local books of €24,091,003.31 on which it has been decided to deduct the necessary amounts to be allocated to (i) the statutory reserve for an amount of €114,757.64, and (ii) to charge the expense of the share capital increase.

The discount rate on the subscription date of the shares constitutes an immediate charge to be recognized in full in the consolidated income statement of the issuing company. As such, a loss of €4,678 thousand has been booked in the statement of income relating to the 30% discount.

Launched in 13 countries, the subscription reached an amount of €25.8 million (after discount). More than 6,000 employees subscribed for shares as part of "SHARE FOR YOU 2020", of which 20% of them are new employee Shareholders.

18.3 PERFORMANCE SHARES

The two current Performance Shares Plans for periods 2019-2021 and 2020-2022 grants, under certain conditions, performance shares in favour of corporate officers or employees of the Group (see Note 3.18 and Note 8.2).

As a non-cash transaction, benefits granted are recognized as an expense over the vesting period in return for an increase in equity for an amount of €1,571 thousands relating to the year 2020.

NOTE 19 PROVISIONS

19.1 PROVISIONS FOR EMPLOYEE BENEFIT OBLIGATIONS

Employee benefits relate to retirement benefits, pension obligations and other long-term benefits mainly relate to length-of-service awards.

In thousands of euros	Dec. 31, 2019	Dec. 31, 2020
Retirement benefits	847,413	840,681
Other long-term employee benefits	32,044	30,764
Employee benefits	**879,458**	**871,445**

In thousands of euros	2019	2020
EXPENSE RECOGNIZED THROUGH INCOME IN THE PERIOD		
Retirement benefits	18,835	20,600
Other long-term employee benefits	5,279	5,795
Total	**24,114**	**26,394**

The obligations relate to the German (78.3%), French (16.2%), Swiss (5.3%) and Belgian subsidiaries and comprise the local obligations for pensions.

Actuarial assumptions

The actuarial assumptions used to estimate the retirement benefits of the French entities are as follows:

France assumptions	Dec. 31, 2019	Dec. 31, 2020
Discount rate	0.75%	0.50%
Type of retirement	Voluntary departure	Voluntary departure
Age of retirement	Upon acquiring the necessary entitlements to retire on full benefits (in accordance with the 2013 law reform) + later retirement scheme	Upon acquiring the necessary entitlements to retire on full benefits (in accordance with the 2013 law reform) + later retirement scheme
Future salary increase	2.75% for executive staff	2.75% for executive staff
	2.00% for non-executive staff	2.00% for non-executive staff
Generated average rate of turnover	Tables 2019	Tables 2019
	Executive staff: 5.5%	Executive staff: 5.44%
	Non-executive staff: 5.4%	Non-executive staff: 5.34%
Rate of employer's social charges	50% for executive staff 44% for non-executive staff	50% for executive staff 44% for non-executive staff
Mortality table	TGH/TGF 05	TGH/TGF 05
Age at start of career (in years)	Executive staff: 23 years old	Executive staff: 23 years old
	Non-executive staff: 20 years old	Non-executive staff: 20 years old

Germany assumptions	Dec. 31, 2019	Dec. 31, 2020
Discount rate	0.95%	1.01%
Type of retirement	Voluntary departure	Voluntary departure
Age of retirement	64 years old (63 under exception)	64 years old (63 under exception)
Future salary increase	2.75% for all staff	2.75% for all staff
Generated average rate of turnover	Average rate: 5% For all categories of staff	Average rate: 5% For all categories of staff
Mortality table	RT Heubeck 2018 G	RT Heubeck 2018 G

4

Switzerland assumptions	**Dec. 31, 2019**	**Dec. 31, 2020**
Discount rate	0.15%	0.05%
Type of retirement	Voluntary departure	Voluntary departure
Age of retirement	Males: 65 years old Females: 64 years old	Males: 65 years old Females: 64 years old
Future salary increase	1.50% for all staff	1.15% for all staff
Generated average rate of turnover	Official charts BVG 2015	Official charts BVG 2015
Choice of lump-sum payments at departure date	Males: 25% Females: 25%	Males: 25% Females: 25%
Mortality table	BVG 2015	BVG 2015
Age at start of career (in years)	25 years old for all staff	25 years old for all staff

Belgium assumptions	**Dec. 31, 2019**	**Dec. 31, 2020**
Discount rate	0.70%	0.40%
Type of retirement	Collective insurance	Collective insurance
Age of retirement	65 years old	65 years old
Future salary increase	3.1% for all staff	3.0% for all staff
Generated average rate of turnover	15% per year up to 44 years old 6% per year up to 49 years old 3% per year up to 59 years old 0% per year up to 64 years old	15% per year up to 44 years old 6% per year up to 49 years old 3% per year up to 59 years old 0% per year up to 64 years old
Mortality table	MR/FR-5 ans	MR/FR-5 ans
Age at start of career (in years)	25 years old for all staff	25 years old for all staff

Post-employment benefits

Changes in the provision are as follows:

In thousands of euros	**2019**	**2020**	**Of which France**	**Of which Germany**	**Of which Switzerland**	**Of which others**
Benefit liability at the beginning of the year	688,951	847,413	130,096	673,090	43,171	1,056
Effect of changes in the scope of consolidation	5,697					
Operations discontinued or held for sale						
Expense for the period	18,835	20,600	3,834	12,706	3,008	1,052
Actuarial gain or loss to be recognized in OCI	157,921	(691)	9,228	(12,830)	1,988	923
Benefits paid	(19,882)	(21,641)	(6,960)	(14,918)		237
Contributions paid to the fund	(5,186)	(6,000)			(4,622)	(1,378)
Currency translation differences	1,210	590		(20)	610	
Other changes	(131)	410		410		
BENEFIT OBLIGATION AS OF DECEMBER 31, 2020	**847,413**	**840,681**	**136,198**	**658,438**	**44,155**	**1,890**

The expense in the financial year is analyzed as follows:

In thousands of euros	2019	2020	Of which France	Of which Germany	Of which Switzerland	Of which others
SERVICE COST DURING THE YEAR						
Current service cost	18,750	20,910	8,286	6,274	5,298	1,052
Past service costs (plan, changes and reductions)	(8,917)	(2,480)	(180)	50	(2,350)	
Plan curtailments/settlements	(4,311)	(5,244)	(5,244)			
NET INTEREST EXPENSE						
Interest expense	15,297	8,017	972	6,983	183	(128)
Expected return on assets	(1,983)	(596)		(601)	(123)	128
EXPENSE IN THE PERIOD	**18,835**	**20,600**	**3,834**	**12,706**	**3,008**	**1,052**
Of which:						
• Personal costs	5,521	13,186	2,862	6,324	2,948	1,052
• Financial costs	13,314	7,414	972	6,382	60	

The reconciliation with the financial statements is provided below:

In thousands of euros	2019	2020	Of which France	Of which Germany	Of which Switzerland	Of which others
Projected Benefit Obligation liability	1,019,264	1,023,253	145,488	724,717	128,168	24,880
Plan assets	171,850	182,572	9,290	66,279	84,013	22,990
BENEFIT OBLIGATION	**847,413**	**840,681**	**136,198**	**658,438**	**44,155**	**1,890**

Sensitivity to changes in discount rates

The table below shows the sensitivity of the obligation with discount rates of +/-0.25% and +/-0.50% for all entities:

Discount rates *In thousands of euros*	-0.50%	-0.25%	0.00%	0.25%	0.50%
Present benefit obligation - Dec. 31, 2020	**1,112,321**	**1,066,593**	**1,023,253**	**983,526**	**945,926**
Difference - In thousands of euros	89,068	43,340		(39,727)	(77,327)
Difference - %	*8.70%*	*4.24%*		*-3.88%*	*-7.56%*

Other long-term employee benefits

Changes in the provision are as follows:

In thousands of euros	Dec. 31, 2019	Dec. 31, 2020
Benefit liability as of January 1	26,024	32,044
Business combination	727	-
Disposals of companies and other assets	-	-
Expense of the period	5,279	5,790
Benefits paid to beneficiaries	(6,955)	(7,046)
Contributions paid to funds	-	(24)
Other changes	6,967	-
BENEFIT OBLIGATION AS OF DECEMBER 31	**32,044**	**30,764**

There are no plan assets for other long-term employee benefits.

The expense in the financial year is analyzed as follows:

In thousands of euros	2019	2020
Current service cost	6,057	4,915
Amortization of actuarial gains and losses	(1,025)	847
Interest expense	512	221
Plan curtailments/settlements	(283)	(328)
Amortization of past service costs	17	135
EXPENSE FOR THE PERIOD	**5,279**	**5,790**
Of which:		
Personal costs	4,767	5,569
Financial costs	512	221

19.2 OTHER PROVISIONS

Provisions include:

- provisions for contingent liabilities against specific risks in business combinations;
- provisions for restructuring;
- provisions for lawsuits with employees and labour cases;
- provisions for litigation still pending on contracts and activities.

The short-term portion of provisions is presented under "Current provisions" and beyond this time horizon; provisions are presented as "Non-current provisions".

In thousands of euros	Dec. 31, 2019	Incoming entities	Increases during the period	Decreases during the period	Translation adjustments	Assets held for sale/ discontinued	Others	Dec. 31, 2020
Provisions for vendor warranties	1,604							1,604
Tax provisions and litigations	7,648		1,655	(2,383)	(10)			6,909
Restructuring	14,135	2,000	12,121	(8,576)	(13)		(74)	19,594
Litigations	45,233	1,021	17,529	(19,818)	(39)		1,801	45,727
Losses at completion	59,576	2,192	39,705	(39,443)	(59)		(16)	61,956
Social provisions and disputes	12,268	63	6,800	(4,982)	1		(115)	14,035
Warranties and claims on completed contracts	54,510	1,521	19,887	(14,117)	(371)		(1,536)	59,895
PROVISIONS FOR LOSSES AND CONTINGENCIES	**194,975**	**6,797**	**97,697**	**(89,318)**	**(491)**		**60**	**209,719**
Current	*124,313*	*1,978*	*67,385*	*(61,976)*	*(295)*		*2,061*	*133,466*
Non-current	*70,662*	*4,819*	*30,311*	*(27,342)*	*(196)*		*(2,001)*	*76,253*

Provisions comprise a large number of items each with low values. Related reversals are considered as used. However, the incurred and assigned amounts in provisions that stand out due to their significant value are closely monitored.

On 2020, reversals of unused provisions amounted to €6,544 thousand.

The breakdown into current and non-current by category of provisions for the current period is as follows:

In thousands of euros	Dec. 31, 2020	Non-current	Current
Provisions for warranty liabilities	1,604	1,604	
Tax provisions and litigations	6,909	6	6,903
Restructuring	19,594		19,594
Litigations	45,727	11,109	34,618
Losses at completion	61,956	36,373	25,583
Social provisions and disputes	14,035	3,574	10,461
Warranties and claims on completed contracts	59,895	23,586	36,308
Provisions for losses and contingencies	**209,719**	**76,253**	**133,466**

For purposes of comparison, provisions accounted for as at December 31, 2019 were as follows:

In thousands of euros	Dec. 31, 2018	Incoming entities	Increases during the period	Decreases during the period	Translation adjustments	Assets held for sale/ discontinued	Others	Dec. 31, 2019
Provisions for warranty liabilities	1,904			(300)				1,604
Tax provisions and litigations [(a)]	30,320	261	1,518	(4,003)	34		(20,482)	7,648
Restructuring [(b)]	9,694		3,121	(8,430)		11,262	(1,512)	14,135
Litigations	49,382	2,243	12,617	(18,475)	27	78	639	45,233
Losses at completion [(c)]	44,397	13,682	35,531	(34,086)	47	5		59,576
Social provisions and disputes	10,123	34	6,934	(4,953)			130	12,268
Warranties and claims on completed contracts	50,414	5,368	17,482	(20,452)	282	459	958	54,510
Provisions for losses and contingencies	**196,235**	**21,588**	**77,203**	**(90,700)**	**389**	**11,804**	**(21,545)**	**194,975**
Current	*143,061*	*5,001*	*53,444*	*(70,197)*	*315*	*11,576*	*(18,888)*	*124,313*
Non-current	*53,173*	*16,587*	*23,759*	*(20,503)*	*74*	*228*	*(2,657)*	*70,662*

(a) The €(20,482) thousand of "tax provisions and litigations" presented in "others" reflect a reclassification due to the application of IFRIC 23's interpretation, from tax provisions to debts (income tax payable).
(b) The €11,262 thousand of provision for restructuring presented in "assets held for sale" relate to the non-disposed assets of SAG's Gas & Offshore division. These provisions are reclassified as ongoing activities (see Note 11 (d)).
(c) The €13,682 thousand of provision for losses at completion presented in "incoming entities" relate primarily to the acquisition of OSMO's group €13,424 thousand.

The breakdown into current and non-current by category of provisions for 2019 is as follows:

In thousands of euros	Dec. 31, 2019	Non-current	Current
Provisions for warranty liabilities	1,604	1,604	
Tax provisions and litigations	7,648	289	7,358
Restructuring	14,135	27	14,108
Litigations	45,233	13,165	32,069
Losses at completion	59,576	29,073	30,503
Social provisions and disputes	12,268	4,053	8,215
Warranties and claims on completed contracts	54,510	22,451	32,059
Provisions for losses and contingencies	**194,975**	**70,662**	**124,313**

NOTE 20 WORKING CAPITAL REQUIREMENT

In thousands of euros	Notes	Dec 31, 2019	Change in Working capital related to activity (1)	Other changes of the period: Change in scope (2)	Other changes of the period: Currency translation & Fair values	Other changes of the period: Change in Method	Dec 31, 2020
INVENTORIES AND RECEIVABLES							
Inventories		41,188	(3,247)	(2,369)	(126)		35,446
Trade receivables	(a)	1,916,910	(313,689)	17,028	(10,938)	8,290	1,617,601
Current tax receivables		24,539	3,690	4,472	(1,180)		31,521
Other current assets	(b)	306,494	44,483	(1,666)	(1,699)	64	347,676
Other non-current assets	(c)	4,827	(37)				4,790
LIABILITIES							
Trade payables	(d)	(1,141,349)	197,157	6,864	7,044	(2,253)	(932,537)
Income tax payable		(55,791)	3,743	(561)	1,790		(50,819)
Other long-term employee benefits	(e)	(32,046)	1,256		24		(30,766)
Other current liabilities	(f)	(1,722,722)	(72,528)	(35,637)	8,514	(4,811)	(1,827,184)
Other non-current liabilities		(7,045)	(1,750)	(175)	58		(8,912)
Working capital requirement		**(664,995)**	**(140,921)**	**(12,044)**	**3,486**	**1,290**	**(813,184)**

(1) Include the flows of incoming entities as at control date.
(2) Working capital presented at date of control for incoming entities and working capital presented at date of loss of control for outgoing entities.

(a) Receivables include accrued income.

(b) The other current assets mainly include tax receivables and accrued expenses recognized on contracts accounted according to the percentage of completion method.

(c) Other non-current assets mainly correspond to exercisable vendor warranties. They represent the amount identified in business combinations that can be contractually claimed from vendors.

(d) Trade payables include accrued expenses.

(e) Other long-term employee benefits correspond to length-of-service awards.

(f) The detail of the other current liabilities is presented below:

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Social and tax liabilities	(725,533)	(811,737)
Deferred revenue	(411,665)	(464,069)
Advance and down-payments	(344,248)	(297,315)
Others	(241,278)	(254,063)
Other current liabilities *	**(1,722,722)**	**(1,827,184)**

** The "other current liabilities" of the working capital do not include the dividends to be paid included in the consolidated statement of financial position.*

4

20.1 CHANGE IN WORKING CAPITAL: RECONCILIATION BETWEEN BALANCE SHEET AND CASH FLOW STATEMENT

The reconciliation between the working capital accounts presented in the balance sheet and the change in working capital presented in the cash flow statement is detailed hereafter:

			Other movements of the period			
In thousands of euros	Dec 31, 2019	Changes in WC related to business	Changes in scope	Currency translation & Fair values	Changes in methods	Dec 31, 2020
Working Capital	**(664,995)**	**(140,921)**	**(12,044)**	**3,486**	**1,290**	**(813,184)**
(-) Accounts payables & receivables on purchased assets	5,582	(3,366)		(37)		2,179
(-) Tax receivables [(a)]	(24,539)	(3,692)	(4,472)	1,181		(31,522)
(-) Tax payables [(b)]	56,912	(3,358)	4	(1,804)	68	51,822
Working capital excl. acc. payables on purchased assets, excl. tax receivables and payables	**(627,040)**	**(151,337)**	**(16,512)**	**2,826**	**1,358**	**(790,705)**
(-) Assets held for sale		10,661				
(-) Other non-cash operations which impact the working capital as per balance sheet		1,045				
CHANGES IN WORKING CAPITAL AS PRESENTED IN CFS		**(139,631)**				

(a) Of which current tax receivables for an amount of € 31,522 thousand as at December 31, 2020.
(b) Of which current tax payables for an amount of € 30,422 thousand as at December 31, 2020.

20.2 TRADE AND OTHER RECEIVABLES

Current trade and other receivables break down as follows:

			Dec 31, 2020		
In thousands of euros	Note	Dec 31, 2019	Gross	Provisions	Net
Trade receivables		983,722	938,632	(40,051)	898,581
Notes receivables		1,615	1,102		1,102
Contract assets	(a)	931,573	717,918		717,918
Trade receivables and contract assets		**1,916,910**	**1,657,653**	**(40,051)**	**1,617,601**

(a) Contract assets include accrued income which stem mainly from contracts recorded using the percentage of completion method.

As at December 31, the ageing analysis of net trade receivables is as follows:

			Past due per maturity		
In thousands of euros	Dec 31	Not past due	< 6 months	6 to 12 months	> 12 months
2020	**898,581**	**715,595**	**157,062**	**10,241**	**15,683**
2019	983,722	767,047	179,669	23,086	13,918

Trade receivables past due but not written down correspond mainly to public sector receivables.

The following table presents the detail of trade receivables, contract assets and contract liabilities relating to contracts with customers:

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Trade receivables and notes receivables	985,337	899,683
Trade receivables included in assets held for sale	5,009	21
Contract assets [(i)]	931,573	717,918
Contract liabilities [(ii)]	(769,026)	(775,639)

(i) Contract assets correspond to accrued income.

(ii) The detail of contract liabilities is presented below:

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Prepaid income	(411,743)	(464,098)
Down payments received from customers	(344,248)	(297,315)
Contract guaranties provisions	(13,036)	(14,226)
CONTRACT LIABILITIES	**(769,026)**	**(775,639)**

20.3 ACCOUNTS PAYABLE

Current trade and other payables break down as follows:

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Accounts payables	(695,344)	(481,956)
Notes payables	(3,274)	(3,573)
Accrued invoices	(442,731)	(447,007)
ACCOUNTS PAYABLE	**(1,141,349)**	**(932,537)**

NOTE 21 FINANCIAL ASSETS AND LIABILITIES

21.1 NON-CONSOLIDATED SHARES

As at December 31, non-consolidated shares stand as follows:

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Equity securities	2,118	9,589
Depreciation of securities	(1,058)	(1,164)
NET VALUE OF SECURITIES	**1,060**	**8,424**

As at December 31, 2020, securities included the shares of Planen & Bauen GmbH acquired on December 18, 2020 for € 7,541 thousand, SPIE Enertrans for € 676 thousand (fully depreciated), SB Nigeria for € 252 thousand and SPIE Venezuela for € 195 thousand (fully depreciated). The other non-consolidated shares include numerous securities which do not exceed € 100 thousand each.

As at December 31, 2019, securities included the shares of SPIE Enertrans for € 676 thousand (fully depreciated), SB Nigeria for € 252 thousand and SPIE Venezuela for € 195 thousand (fully depreciated).

21.2 NET CASH AND CASH EQUIVALENTS

As at December 31, net cash and cash equivalents break down as follows:

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Marketable securities – Cash equivalents	2,791	2,355
Fixed investments (current)	-	-
Cash management financial assets	**2,791**	**2,355**
Cash and cash equivalents	869,212	1,189,695
Total cash and cash equivalents	**872,003**	**1,192,050**
(-) Bank overdrafts and accrued interests	(4,683)	(13,508)
Net cash and short term deposits of the Balance Sheet	**867,320**	**1,178,543**
(+) Cash and cash equivalents from discontinued operations	(950)	331
(-) Accrued interests not yet disbursed	153	168
CASH AND CASH EQUIVALENTS FROM THE CFS AT THE END OF THE PERIOD	**866,522**	**1,179,042**

21.3 BREAKDOWN OF NET DEBT

Interest-bearing loans and borrowings break down as follows:

In thousands of euros	Notes	Dec 31, 2019	Dec 31, 2020
LOANS AND BORROWINGS FROM BANKING INSTITUTIONS			
Bond (maturity March 22, 2024)	(a)	600,000	600,000
Bond (maturity June 18, 2026)	(b)	600,000	600,000
Facility A (maturity June 07, 2023)	(b)	600,000	600,000
Revolving (maturity June 07, 2025)	(b)	-	-
Others		2,071	738
Capitalization of loans and borrowing costs	(c)	(14,298)	(11,278)
Securitization	(d)	300,000	300,000
TOTAL BANK OVERDRAFTS (CASH LIABILITIES)			
Bank overdrafts (cash liabilities)		4,529	13,340
Interests on bank overdrafts (cash liabilities)		154	168
OTHER LOANS, BORROWINGS AND FINANCIAL LIABILITIES			
Finance leases		8,648	3,012
Current debt on operating and financial leases	(e)	340,360	369,517
Accrued interest on loans		23,209	23,472
Other loans, borrowings and financial liabilities		6,661	3,120
Derivatives		168	131
Interest-bearing loans and borrowings		**2,471,502**	**2,502,220**
Of which			
Current		435,351	447,584
Non-current		2,036,151	2,054,636

The Group loans are detailed hereafter:

(a) on March 22, 2017, SPIE issued a € 600 million fixed-rated euro-dominated bond, with a 7-year maturity and an annual coupon of 3.125%. The bond is listed on the regulated market of Euronext Paris. This issuance allowed SPIE to acquire the SAG group in Germany;

(b) as part of the refinancing of its bank debt, related to the senior term loan established by the Group following its IPO in 2015, SPIE concluded a credit agreement on June 7, 2018 for a global amount of € 1,800 million through two new financing credit lines:

- a term loan of € 1,200 million maturing on June 7, 2023, of which € 600 million have been repaid on June 18, 2019,
- a "Revolving Credit Facility (RCF)" line, not drawn as at December 31, 2020, aiming to finance the current activities of the Group along with external growth, for an amount of € 600 million maturing on June 7, 2023, and for amount of €410.6 million maturing on June 7, 2025.

On June 18, 2019, SPIE issued a € 600 million fixed-rated euro-dominated bond, with a 7-year maturity and an annual coupon of 2.625%. The bond is listed on the regulated market of Euronext Paris. This issuance allowed SPIE to refinance half of its senior term loan "Facility A" and to extend the average maturity of its debt.

The revolving line has the following characteristics:

In thousands of euros	Repayment	Fixed/floating rate	December 31, 2020
Revolving Credit Facility	At maturity	Floating - 1 month Euribor +1.15%	Un-drawn
LOANS AND BORROWINGS FROM BANKING INSTITUTIONS			**UN-DRAWN**

The Senior term Agreement has now the following characteristics:

In thousands of euros	Repayment	Fixed/floating rate	December 31, 2020
Facility A	At maturity	Floating - 1 month Euribor +1.55%	600,000
LOANS AND BORROWINGS FROM BANKING INSTITUTIONS			**600,000**

These two loans “Facility A” and “Revolving Credit Facility (RCF)”, contracted under the “New Senior Credit Agreement” as established on June 7, 2018, bare interests at a floating rate indexed to Euribor for advances in euros, a floating rate indexed to Libor for advances denominated in a currency other than the euro, and at a floating rate indexed to any appropriate reference rate for advances denominated in Norwegian or Danish Krone or Swedish Krona, plus the applicable margin. Applicable margins are as follows:

- for the Senior Term Loan Facility (“Facility A”): between 2.25% and 1.25% per year, according to the level of the Group’s leverage ratio (Net Debt/EBITDA) during the last closed year;
- for the Revolving Facility: between 1.95% and 0.85% per year, according to the level of the Group’s leverage ratio (Net Debt/ EBITDA) during the last closed year.

As at December 31, 2020, a quarterly financial commitment fee for 0.4025% is applied to the unwithdrawn portion of the Revolving Credit Facility line.

A quarterly financial commitment fee also applies on the withdrawn portion of the RCF under following conditions:

- utilization between 0% et 33% = 0.10% + margin;
- utilization between 33% and 66% = 0.20% + margin;
- utilization higher than 66% = 0.40% + margin.

(c) Financial liabilities are presented for their contractual amount. Transaction costs that are directly attributable to the issuance of financial debt instruments have been deducted, for their total amount, from the nominal amount of the respective debt instruments. The balance as at December 31, 2020 is of € 11.3 million and relates to the two credit lines and to the two bonds.

(d) The securitization program established in 2007 with a maturity at June 11, 2023, has been renewed under the conditions below:

- the duration of the Securitization program is a period of five years from June 11, 2015 (except in the event of early termination or termination by agreement),
- on December 19, 2019, this contract has been extended for a 3-year term, *i.e.* until June 11, 2023,
- a maximum funding of € 450 million.

The Securitization program represented funding of € 300 million as at December 31, 2020.

(e) the debt on financial leases relating to pre-existing contracts as at January 1st, 2020, are still included in the determination of the published net debt as at December 31, 2020 as disclosed in the Note 21.4.

21.4 NET DEBT

The financial reconciliation between consolidated financial indebtedness and net debt as reported is as follows:

In millions of euros	Dec 31, 2019	Dec 31, 2020
Loans and borrowings as per balance sheet	**2,471.5**	**2,502.2**
Debt on operating and financial leases - continued activities	(340.4)	(369.5)
Capitalized borrowing costs	14.3	11.3
Others	(23.5)	(23.8)
Gross financial debt (a)	**2,121.9**	**2,120.2**
Cash management financial assets as per balance sheet	2.8	2.3
Cash and cash equivalents as per balance sheet	869.2	1,189.7
Accrued interests	-	-
Gross cash (b)	**872.0**	**1,192.0**
Consolidated net debt (a) - (b)	**1,249.9**	**928.2**
Net debt in discontinued activities	1.0	(0.3)
Unconsolidated net debt	-	(1.3)
Published net debt *	**1,250.9**	**926.5**
Debt on operating and financial leases – continued activities	340.4	369.5
NET DEBT INCLUDING IFRS 16 IMPACT	**1,591.3**	**1,296.0**

** Excluding IFRS 16.*
(a) The “other” line of the gross financial debt corresponds to the accrued interests on the Bond mainly for € 23.2 million in 2019 and for € 23.5 million in 2020.

21.5 RECONCILIATION WITH THE CASH FLOW STATEMENT POSITIONS

The reconciliation between the financial debt of the Group (see Note 21.3) and the cash flows presented in the cash flow statement (see Chart 4) is detailed hereafter:

		Cash flows (corresponding to the CFS)			Non-Cash flows			
In thousands of euros	**Dec 31, 2019**	**Loan issue**	**Loan repayments**	**Changes**	**Changes in scope**	**Others [(a)]**	**Currency and fair values changes**	**Dec 31, 2020**
Bond (maturity June 18, 2026)	595,871					928		596,799
Bond (maturity March 22, 2024)	596,676					478		597,154
Facility A (maturity June 07, 2023)	596,558					987		597,545
Revolving (maturity June 07, 2025)	(3,403)	599,589	(600,000)			1,038		(2,776)
Securitization	300,000							300,000
Others	2,071	131	(1,463)					738
Other loans, borrowings and financial liabilities	6,661	292	(3,935)				102	3,120
Finance leases	8,648		(5,401)			(210)	(25)	3,012
Current debt on operating and financial leases	340,360		(134,853)		(698)	166,046	(1,340)	369,515
Financial instruments	168					(37)		131
FINANCIAL INDEBTEDNESS AS PER CFS	**2,443,610**	**600,012**	**(745,652)**		**(698)**	**169,230**	**(1,263)**	**2,465,239**
(-) Financial interests	23,209	46,174	(45,911)					23,472
(+) Bank overdrafts	4,683			8,919			(93)	13,509
CONSOLIDATED FINANCIAL INDEBTEDNESS	**2,471,502**	**646,186**	**(791,563)**	**8,919**	**(698)**	**169,230**	**(1,356)**	**2,502,220**

(a) The "Others" non-cash movements relate to the restatement of borrowing costs, to the new finance lease contracts and to changes on the assets held for sale and discontinued operations.

21.6 SCHEDULED PAYMENTS FOR FINANCIAL LIABILITIES

The scheduled payments for financial liabilities based on the capital redemption table are as follows:

In thousands of euros	Less than 1 year	From 2 to 5 years	Over 5 years	Dec 31, 2020
LOANS AND BORROWINGS FROM BANKING INSTITUTIONS				
Bond (maturity June 18, 2026)			600,000	600,000
Bond (maturity March 22, 2024)		600,000		600,000
Facility A (maturity June 07, 2023)		600,000		600,000
Revolving (maturity June 07, 2025)				-
Others	387	351		738
Capitalization of loans and borrowing costs	(3,518)	(7,504)	(256)	(11,278)
Securitization	300,000			300,000
TOTAL BANK OVERDRAFTS (CASH LIABILITIES)				
Bank overdrafts (cash liabilities)	13,340			13,340
Interests on bank overdrafts (cash liabilities)	168			168
OTHER LOANS, BORROWINGS AND FINANCIAL LIABILITIES				
Finance leases	1,075	1,937		3,012
Current debt on operating and financial leases	110,710	210,357	48,450	369,517
Accrued interest on loans	23,472			23,472
Other loans, borrowings and financial liabilities	1,859	1,257	4	3,120
Derivatives	91	40		131
Interest-bearing loans and borrowings	**447,584**	**1,406,438**	**648,198**	**2,502,220**
Of which:				
Fixed rate	*134,377*	*809,557*	*648,198*	*1,592,132*
Variable rate	*313,207*	*596,881*		*910,088*

21.7 OTHER FINANCIAL ASSETS

In thousands of euros	Notes	Dec 31, 2019	Dec 31, 2020
Non-consolidated shares and associated receivables *		2,322	9,785
Long-term borrowings		38,152	22,562
Derivatives		57	9
Long-term receivables from service concession arrangement ("PFI")		9,028	7,039
Long-term deposits and guarantees		4,969	4,454
Other		60	60
OTHER FINANCIAL ASSETS		**54,589**	**43,909**
Of which:			
Current		*7,370*	*5,069*
Non-current		*47,219*	*38,840*

* *See Note 21.1 Non-consolidated shares for further details.*

21.8 FINANCIAL DISCLOSURES FROM COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD

The companies of the Group accounted for under the equity method, following the IFRS 11 standard requirements, are the following:

- Gietwalsonderhoudcombinatie (GWOC) BV held at 50% by SPIE Nederland;
- Cinergy SAS held at 50% by SPIE France;
- Host GmbH (Hospital Service + Technik) held at 25.1% by SPIE DZE;
- TankE GmbH held at 20% par SPIE DZE;
- SONAID company held at 55% by SPIE OGS;
- Grand Poitiers Lumière held at 50% by SPIE France.

The carrying amount of the Group's equity securities is as follows:

In thousands of euros	Dec 31, 2019	Dec 31, 2020 *
Value of shares at the beginning of the period	**3,151**	**11,929**
Effect of changes in the scope of consolidation	-	(46)
Capital increase	37	440
Net income attributable to the Group	9,030	(52)
Impact of currency translations	71	(344)
Dividends paid	(360)	(344)
VALUE OF SHARES AT THE END OF THE PERIOD	**11,929**	**11,583**

** Based on available 2019 information for Host GmbH and TankE GmbH.*

Financial information relating to Group companies consolidated under the equity method is as follows:

In thousands of euros	Dec 31, 2019	Dec 31, 2020 *
Non-current assets	5,716	5,045
Current assets	86,068	83,015
Non-current liabilities	(42,849)	(41,546)
Current liabilities	(35,253)	(33,328)
NET ASSET	**13,682**	**13,186**
INCOME STATEMENT		
Revenue	68,641	58,089
Net income	22,333	282

** Based on available 2019 information for Host GmbH and TankE GmbH.*

21.9 CARRYING AND FAIR VALUE OF FINANCIAL INSTRUMENTS BY ACCOUNTING CATEGORY

Reconciliation between accounting categories and IFRS 9 categories

	FV/P&L	FV/E	Receivables and loans at amortized cost	Financial liabilities at amortized cost	Dec 31, 2020
ASSETS					
Non-consolidated shares and long-term borrowings	8,484		30,356		38,840
Other non-current financial assets			5,011		5,011
Other current financial assets (excl. derivatives)			5,065		5,065
Derivatives	4				4
Trade receivables			1,617,601		1,617,601
Other current assets			347,676		347,676
Cash and short-term deposits	2,355		1,189,695		1,192,050
TOTAL - FINANCIAL ASSETS	**10,843**		**3,195,404**		**3,206,247**
LIABILITIES					
Borrowings and loans (excl. derivatives)				1,795,789	1,795,789
Non-current debt on operating and financial leases				258,807	258,807
Derivatives	131				131
Other long-term liabilities				8,912	8,912
Current interest-bearing loans and borrowings				336,783	336,783
Current debt on operating and financial leases				110,710	110,710
Trade payables				932,537	932,537
Other current liabilities				1,827,184	1,827,184
TOTAL - FINANCIAL LIABILITIES	**131**			**5,270,722**	**5,270,853**

FV/P&L: fair value through Profit and Loss, FV/E: fair value through Equity.

4

Carrying value and fair value of financial instruments

In thousands of euros	Book value Dec 31, 2019	Book value Dec 31, 2020	Fair value Dec 31, 2019	Fair value Dec 31, 2020
ASSETS				
Non-consolidated shares and long-term borrowings	47,219	38,840	49,890	43,366
Other non-current financial assets	5,016	5,011	5,016	5,011
Other current financial assets (excl. derivatives)	7,313	5,065	7,313	5,065
Derivatives	57	4	57	4
Trade receivables	1,916,910	1,617,601	1,916,910	1,617,601
Other current assets	306,494	347,676	307,113	347,850
Cash and short-term deposits	872,003	1,192,050	872,003	1,192,050
TOTAL - FINANCIAL ASSETS	**3,155,012**	**3,206,247**	**3,158,302**	**3,210,947**
LIABILITIES				
Borrowings and loans (excl. derivatives)	1,797,048	1,795,789	1,797,048	1,795,789
Non-current interest-bearing loans and borrowings	239,103	258,807	239,103	258,807
Derivatives	168	131	168	131
Other long-term liabilities	7,045	8,912	7,045	8,912
Current interest-bearing loans and borrowings	333,926	336,783	333,926	336,783
Current debt on operating and financial leases	101,257	110,710	101,257	110,710
Trade payables	1,141,349	932,537	1,141,349	932,537
Other current liabilities	1,722,722	1,827,184	1,722,722	1,827,184
TOTAL - FINANCIAL LIABILITIES	**5,342,618**	**5,270,853**	**5,342,618**	**5,270,853**

Classification by asset or liability level at fair value:

In thousands of euros	Dec 31, 2020 Fair value	Level 1	Level 2	Level 3
ASSETS				
Cash and short-term deposits	2,355	2,355		
Derivatives	4		4	
TOTAL - FINANCIAL ASSETS	**2,359**	**2,355**	**4**	
LIABILITIES				
Derivatives	131		131	
TOTAL - FINANCIAL LIABILITIES	**131**		**131**	

- Level 1 corresponding to listed prices;
- Level 2 corresponding to internal model based on external observable factors;
- Level 3 corresponding to internal model not based external on observable factors.

NOTE 22 FINANCIAL RISK MANAGEMENT

22.1 DERIVATIVE FINANCIAL INSTRUMENTS

The Group is mainly exposed to interest rate, foreign exchange and credit risks within the framework of its export activities. In the context of its risk management policy, the Group uses derivative financial instruments to hedge risks related to fluctuations in interest rates and foreign exchange rates.

		Forward rate agreement in foreign currency						
	Fair value *(In thousands of euros)*	**Under 1 year**	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**Over 5 years**	**Total**
Asset derivatives qualified for designation as cash flow hedges (a)								
Forward sales - CHF	4	412						412
	4							
Liability derivatives qualified for designation as cash flow hedges (b)								
Forward purchase - USD	(131)	7,207						7,207
	(131)							
Total net derivative qualified for designation as cash flow hedges (a)+(b)	**(127)**							
Liability derivatives not qualified for designation as cash flow hedges								
Forward purchases - GBP	0	0						0
Total fair value of qualified and not qualified derivatives	**(127)**							

Main derivatives deal with forward purchases and sales to cover operations in US Dollars, Sterling pounds and Swiss francs.

These derivative hedging instruments are accounted for at their fair value. Their valuation stands at level 2 according to IFRS 13, as they are not listed on a regulated market, but based on a generic model and on observable market data for similar transactions.

22.2 INTEREST RATE RISK

Financial assets or liabilities with a fixed rate are not subject to transactions intended to convert them into floating rates. Interest rate risks on underlying items with floating rates are considered on a case-by-case basis. When the decision is made to hedge these risks, they are hedged by SPIE Operations by means of an Internal Interest Rate Shortfall Guarantee according to market conditions.

According to IFRS 13 relating to the credit risk to be taken into account when valuing the financial assets and liabilities, the estimation made for derivatives is based on default probabilities from secondary market data (mainly required credit spread) for which a recovery rate is applied.

As at December 31, 2020, given the evolution of variable rates (negative Euribor), no interest rate swap has been established for the hedging of the bank loans.

22.3 FOREIGN EXCHANGE RISK

Foreign exchange risks associated with French subsidiaries' transactions are managed centrally by the intermediate holding, SPIE Operations:

- through an Internal Exchange Shortfall Guarantee Agreement for currency flows corresponding to 100% of SPIE group's operations;
- by intermediation for currency flows corresponding to equity operations.

In both cases SPIE Operations hedges itself through forward contracts.

The Group's exposition to the exchange risk relating to the US dollar, to the Swiss Franc and to the Sterling pound is presented hereafter:

In thousands of euros **Currencies**	**December 31, 2020** USD (American Dollar)	CHF (Swiss Franc)	GBP (Sterling Pound)
Closing rate	**1.2271**	**1.0802**	**0.8990**
Risks	(7,225)	322	958
Hedges	7,218	84	-
Net positions excluding options	**(7)**	**406**	**958**
SENSITIVITY TO THE CURRENCY RATE -10% VS EURO			
P&L Impact	(653)	84	(119)
Equity Impact	(653)	42	n/a
SENSITIVITY TO THE CURRENCY RATE +10% VS EURO			
P&L Impact	534	(69)	(97)
Equity Impact	534	(35)	n/a

The estimated amount of credit risk on currency hedging as at December 31, 2020 is not significant (the risk of fluctuation during 2020 is also not significant).

22.4 COUNTERPARTY RISK

The Group is not exposed to any significant counterparty risk. Counterparty risks are primarily related to:

- cash investments;
- trade receivables;
- loans granted;
- derivative instruments.

The Group makes most of its cash investments in money market funds invested in European government securities with banks and financial institutions.

Existing derivatives in the Group (see Note 22.3) relating to:

- forward purchases for USD 7,207 thousand;
- forward sales for CHF 412 thousand;

are distributed as follows at December 31, 2020:

- CDN: 74%;
- Natixis: 19%;
- BNP: 4%;
- CA-CIB: 3%.

22.5 LIQUIDITY RISK

As at December 31, 2020, the unused amount of the revolving credit facility (RCF) line stands at € 600 million.

The Group introduced a securitization program on its trade receivables which has the following characteristics:

- nine of the Group's subsidiaries act as assignors in the securitization program in which assets are transferred to a securitization mutual fund named SPIE Titrisation;
- SPIE Operations is involved in this securitization program as a centralizing entity on behalf of the Group in relation to the depository bank.

This receivables securitization program allows participating companies to transfer full ownership of their trade receivables to the SPIE Titrisation mutual fund allowing them to obtain funding for a total amount of € 300 million, with the possibility to increase the amount to € 450 million.

The use of this program is accompanied by early repayment clauses for certain bank loans.

As at December 31, 2020 transferred receivables represented a total amount of € 561.1 million with financing obtained amounting to € 300 million.

22.6 CREDIT RISK

The main credit policies and procedures are defined at Group level. They are coordinated by the Group's Financial Division and monitored both by the latter and by the various Financial Divisions within each of its subsidiaries.

Credit risk management remains decentralized at Group level. Within each entity, credit risk is coordinated by the Credit Management function which is underpinned by the "Group Credit Management" policy and a shared Best Practices Manual. Payment terms are defined by the general terms of business applied within the Group.

Consequently, the Credit Management Department manages and monitors credit activity, risks and results and is in charge of collecting trade receivables regardless of whether or not they have been transferred.

Monthly management charts are used to monitor, among other things, customer financing at operational level. These provide the means to assess customer credit taking into account pre-tax invoicing and production data as well as customer data (overdue debts and advances) calculated in terms of the number of billing days.

The policy to improve working capital requirements implemented by General Management plays an important role in improving cash flow, serving more particularly to reduce overdue payments. Other actions have focused primarily on improving the invoicing process, introducing the securitization program and improving the information systems used to manage the trade item.

The net impairment losses on financial and contract assets are presented below:

In thousands of euros	Dec 31, 2019	Dec 31, 2020	Of which France	Of which Germany & Central Europe	Of which others
Impairment losses on contract assets	(20,797)	(15,640)	(6,888)	(5,643)	(3,109)
Write-back of impairment losses on contract assets	20,409	24,518	10,094	12,642	1,782
Impairment losses on financial assets					
Write-back of impairment losses on financial assets					
NET IMPAIRMENT LOSSES ON FINANCIAL AND CONTRACT ASSETS	**(388)**	**8,878**	**3,206**	**6,999**	**(1,327)**

NOTE 23 NOTES TO THE CASH FLOW STATEMENT

23.1 RECONCILIATION WITH CASH ITEMS OF THE STATEMENT OF FINANCIAL POSITION

The following table reconciles the cash position from the cash flow statement (a) and the cash position from the statement of financial position (b) of the Group:

In thousands of euros	Notes	Dec 31, 2019	Dec 31, 2020
Marketable securities and other investments		2,791	2,355
Cash		868,260	1,190,026
Bank overdraft		(4,529)	(13,340)
CASH AND CASH EQUIVALENTS AT YEAR-END INCLUDING ASSETS HELD FOR SALE	**(a)**	**866,522**	**1,179,042**
(-) Cash and cash equivalents of assets held for sale	(c)	950	(331)
(-) Accrued interests not yet due		(153)	(167)
(+) Trading securities (short-term)		-	-
CASH AND CASH EQUIVALENTS AT YEAR-END EXCLUDING ASSETS HELD FOR SALE	**(b)**	**867,320**	**1,178,544**

(c) See Note 21.2.

23.2 IMPACT OF CHANGES IN THE SCOPE OF CONSOLIDATION

The impact of changes in the scope of consolidation can be summarized as follows:

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Consideration paid	(138,364)	(12,475)
Cash and cash equivalents provided	46,930	851
Cash and cash equivalents transferred	(4,653)	(10,379)
Transfer price of consolidated investments	5,390	150
EFFECT OF CHANGE IN SCOPE OF CONSOLIDATION ON CASH & CASH EQUIVALENTS	**(90,696)**	**(21,853)**

23.3 IMPACT OF OPERATIONS HELD FOR SALE

The impact on the cash flow statement of operations classified as discontinued is summarized as follows:

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Net cash flow from operating activities	(19,801)	3,425
Net cash flow used in investing activities	23,559	11
Net cash flow from financing activities	(2,910)	(2,133)
Effect of change in exchange rates	(42)	(7)
Effect of change in accounting principles	(50)	(15)
CHANGE IN CASH AND CASH EQUIVALENTS	**756**	**1,281**
RECONCILIATION		
Cash and cash equivalents at beginning of the period	(1,706)	(950)
Cash and cash equivalents at end of the period	(950)	331

OTHER NOTES

NOTE 24 RELATED PARTY TRANSACTIONS

24.1 DEFINITIONS

Are considered as transactions with related parties the three following categories:

- the transactions between a fully consolidated company and its influential minority Shareholders;
- the outstanding transactions non eliminated in the consolidated accounts with companies accounted for under equity method;
- the transactions with key management personnel and with companies held by these key persons and companies on which they exercise any control.

There has been no significant modifications between related parties described in the notes to the consolidated financial statements ended December 31, 2019.

24.2 REMUNERATIONS AND BENEFITS TO MEMBERS OF THE GOVERNING BODIES

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Salaries, social charges and short-term benefits	1,971	1,947
Other benefits – performance share plan	(79)	224
Post-employment benefits	641	621
EXECUTIVE COMPENSATIONS	**2,533**	**2,792**

24.3 ATTENDANCE FEES

In 2020, the Board of Directors was composed of seven independent Administrators, receiving remuneration (directors who are employed or have no remuneration as employees or managers). These independent Administrators are each member of at least one of the Committees set up by the Board of Directors, *i.e.*: Audit Committee, nomination and remuneration committee, CSR and Governance Committee, strategic and acquisition Committee.

In accordance with their mandates and their functions within the Group, the independent Administrators receive attendance fees.

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Attendance fees	387	378
Other remunerations and fringe benefits		
DIRECTORS REMUNERATIONS	**387**	**378**

The amount of attendance fees corresponds to a gross amount before tax deduction withheld at source by the Company.

24.4 INVESTMENTS IN ASSOCIATES

The Group has investments in proportionally recognized joint ventures. The table below sets out the Group's proportionate interest in the assets, liabilities and net income of these entities:

In thousands of euros	Dec 31, 2019	Dec 31, 2020
Non-current assets	-	-
Current assets	45,057	46,461
Non-current liabilities	(1)	(1)
Current liabilities	(36,452)	(39,006)
NET ASSETS	**8,605**	**7,454**
INCOME STATEMENT		
Income	55,622	50,251
Expenses	(47,017)	(42,797)

24.5 TAX GROUP AGREEMENTS

SPIE SA set up a tax consolidation group on July 1, 2011, including, in addition to itself, the French companies (directly or indirectly) held at 95% or more.

According to the terms of the agreements signed between SPIE SA and each of the companies included in the tax consolidation group, SPIE SA can use the carry-forward deficits of the various individual companies. If one of the subsidiaries leaves the tax consolidation group, the parties to the agreement concerned reserve their negotiation rights to decide whether the former subsidiary should be indemnified.

The Group also has a tax group in Germany, consisting of SPIE DZE and its German subsidiaries, in the United Kingdom consisting of SPIE UK Ltd and its UK subsidiaries, and in the Netherlands consisting of SPIE Nederland BV and its Dutch subsidiaries.

NOTE 25 CONTRACTUAL OBLIGATIONS AND OFF BALANCE SHEET COMMITMENTS

25.1 OPERATIONAL GUARANTEES

In the course of its operations, the Group SPIE is required to provide a certain number of commitments in terms of guarantees for the completion of work, the redemption of advances or the repayment of retention money or parent company guarantees.

In thousands of euros	Dec 31, 2019	Dec 31, 2020
COMMITMENTS GIVEN		
Bank guarantees	447,800	498,342
Insurance guarantees	432,518	471,136
Parent company guarantees *	585,943	567,033
TOTAL COMMITMENTS GIVEN	**1,466,261**	**1,536,511**
Commitments received		
Endorsement, guarantees and warranties received	10,071	9,388
TOTAL COMMITMENTS RECEIVED	**10,071**	**9,388**

* *The "parent company guarantees" exclude a share of bank and insurance guarantees given by the parent company. These commitments respectively represented for 2020 and 2019, € 607,465 thousand and € 525,110 thousand.*

25.2 OTHER COMMITMENTS GIVEN AND RECEIVED

Individual Employee Training Rights for the Group's French Companies

Act no. 2004-391 of May 4, 2004 relating to life-long professional training and social dialogue amending Articles L. 9 33-1 to L. 933-6 of the French Employment Code entitles employees with open-ended employment contracts under private law to a right to individual training (acronym: DIF) for a minimum of 20 hours per year, which can be accumulated over a period of six years (capped at 120 hours).

As of 1 January 2015, the Personnel Training Account (acronym: CPF) replaces the DIF and allows each employee throughout his career have an individual right to training which will aggregate to its maximum, 120 to 150 hours of training over 9 years (20 hours per year the first 6 years and 10 hours per year for the following three years).

Employees' rights to DIF are retained and continue to exist alongside the CPF: the rights to DIF can be used to exhaustion and initially up to 2020 at the most. Due to the sanitary crisis on 2020, this deadline has been postponed up to end of June 2021.

Since January 1, 2019, the hours recorded by the CPF have been converted to euros, with a parity of € 15 per hour. The CPF increases every year by € 500 per beneficiary, up to a limit of € 5,000, accumulated. However, the Group has no financial commitment in terms of funding the CPF of its employees.

Tracking the number of hours of training accumulated corresponding to rights acquired under the DIF and the CPF and the monitoring of the volume of training hours which has not been used are now decentralized and available through an internet portal accessible only by employees as holders of a CPF account.

Consequently, no measurement can be performed regarding this commitment due to the difficulty in obtaining a reliable estimate. In any case, this commitment will be released on June 2021.

Pledging of shares

As at December 31, 2020, no shares were pledged.

NOTE 26 STATUTORY AUDITORS' FEES

In accordance with the ANC 2017-09 and ANC 2017-10 regulation, the fees relating to auditors of SPIE SA booked in the consolidated income statement are the followings:

In thousands of euros	EY	PwC
Statutory audit at SPIE SA level	292	292
Statutory audit at level of subsidiaries fully consolidated	1,201	565
Other services *	6	65
TOTAL	**1,499**	**922**

* *These fees relate to works carried out for the bond emission and for independent third-party works.*

NOTE 27 SUBSEQUENT EVENTS

27.1 EXTERNAL GROWTH

On February 4th, 2021, SPIE acquired the company **Energotest**. Headquartered in Gliwice in Poland, Energotest provides automation services for power and industrial plants across the whole of Poland.

Its range of services includes the design, installation and commissioning of power automation and automation systems for new and modernized plants. With more than 150 qualified employees, the Company generated revenue of approximately €12 million in 2019.

NOTE 28 SCOPE OF CONSOLIDATION

The purpose of the Company, in France and abroad, is to serve as a holding company with all kinds of financial interests (majority or non-controlling) in French or foreign entities and firms, and provide consulting and support services in the fields of commerce, finance, accounting, law, tax, technical work, administration and IT, in negotiating all types of contracts and in management, and providing any other type of services to the benefit of firms, entities or groups.

Generally, the Company is authorised to perform any commercial, industrial or financial operation that may be directly or indirectly related, in whole or in part, to the purpose cited above or to all other related or complementary activities or those which could contribute to its expansion or development.

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
HEADQUARTER SUB GROUP						
SPIE SA	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	Mother Company	100.00	Mother Company	100.00
FINANCIÈRE SPIE	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
SPIE OPERATIONS	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
SPIE INTERNATIONAL	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
SGTE INGÉNIERIE	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
SBTP	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
SPIE BATIGNOLLES TP HOCH UND TIEFBAU GmbH	Unter den linden 21 10117 Berlin - Germany	EUR	FC	100.00	FC	100.00
SPIE INFRASTRUKTUR GmbH (EX S GmbH)	Rudolfstrasse 9 10245 Berlin - Germany	EUR	FC	100.00	FC	100.00
SPIE RAIL (DE) GmbH	Unter den linden 21 10117 Berlin - Germany	EUR	FC	100.00	FC	100.00
SPIE SPEZIALTIEFBAU GmbH	Unter den linden 21 10117 Berlin - Germany	EUR	FC	100.00	FC	100.00
SPIE ENERTRANS	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
SPIE FRANCE SUB GROUP						
SPIE FRANCE	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
SPIE INDUSTRIE & TERTIAIRE						
SPIE INDUSTRIE & TERTIAIRE	4, avenue Jean-Jaurès - BP 19 69320 Feyzin	EUR	FC	100.00	FC	100.00
BUCHET	40 Rue Auguste Gal 06300 Nice	EUR	FC	100.00	FC	100.00
SIPECT	229, Rue du Docteur Guichard - BP 91004 49010 Angers Cedex 1	EUR	FC	100.00	FC	100.00
J.M. ÉLECTRICITÉ	248, chemin de la Banastiere-La Garrigue de Chalancon 84270 Vedene	EUR	FC	100.00	FC	100.00
ANQUETIL CLIMATICIENS	2, route de Lingolsheim BP 70330 - Geispolsheim	EUR	FC	100.00	FC	100.00
ENELAT SUD-OUEST	70, chemin de Payssat - Zone industrielle de Montaudran 31400 Toulouse	EUR	FC	100.00	FC	100.00

** Conso methods: FC: full consolidation/EM: equity method.*

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
CIMLEC INDUSTRIAL	Sat Argeselu Comuna Maracineni Hala 1 Platforma Europa 4 115300 Judet Arges - Roumanie	RON	FC	100.00	FC	100.00
COMMERCY ROBOTICA	Poligono Industrial Multiva Baja calle B numero 45 31192 Multiva-Valle de Aranguren - Espagne	EUR	FC	90.00	FC	90.00
CIMLEC INDUSTRIE	1-3, rue Chappe ZI des Garennes 78130 Les Mureaux	EUR	FC	100.00	FC	100.00
COMMERCY ROBOTIQUE	10, route de Boncourt 55200 Commercy	EUR	FC	100.00	Merger	-
TENWHIL	1-3, rue Chappe ZI des Garennes 78130 Les Mureaux	EUR	FC	100.00	Merger	-
SOCIÉTÉ BOISSON	Zone Artisanale 34130 Mudaison	EUR	FC	100.00	FC	100.00
ENELAT OUEST	ZAC de la Lorie, Immeuble Berlioz, 31 rue Bonny Sands 44800 Saint-Herblain	EUR	FC	100.00	FC	100.00
LIONS	Chemin du Badaffier - ZAC Sainte- Anne Est 84700 Sorgues	EUR	FC	100.00	FC	100.00
PROJELEC	25, allée Evariste Gallois 18000 Bourges	EUR	FC	100.00	FC	100.00
THERMAT	2, rue de l'Euro 74960 Meythet	EUR	FC	100.00	FC	100.00
VILLANOVA	ZAC de Chazaleix - Rue Emmanuel Chabrier 63730 Les Martres de Veyre	EUR	FC	100.00	FC	100.00
PROBIA INGÉNIERIE	21, Rue Marcelin Berthelot - Zone de Kerivin -29600 Saint-Martin- des-Champs	EUR	FC	100.00	FC	100.00
SIETAR & VTI	Zone Artisanale de Kerfontaine 56400 Pluneret	EUR	FC	100.00	FC	100.00
SOCIÉTÉ NOUVELLE HENRI CONRAUX	2, route de Lingolsheim BP 70330 - Geispolsheim	EUR	FC	100.00	FC	100.00
SPIE CITYNETWORKS						
SPIE CITYNETWORKS	1/3 place de la Berline 93287 Saint-Denis Cedex	EUR	FC	100.00	FC	100.00
GRAND POITIERS LUMIÈRE	1 rue des Entreprises 86440 Migne Auxances	EUR	EM	50.00	EM	50.00
VAL DE LUM	Parc d'activités de la Fringale - Voie de l'Institut 27100 Val de Reuil	EUR	FC	85.00	FC	85.00
ENTREPRISE TRENTO	Route de Camaret 84100 Orange	EUR	FC	100.00	Merger	-
CINERGY SAS	27 Avenue du Gros Chêne 95614 Eragny-sur-Oise	EUR	EM	50.00	EM	50.00
SAG VIGILEC S.A.S.	Les Paltrats 03500 Saint-Pourcain sur Sioule - France	EUR	FC	100.00	Merger	-
SAG FRANCE S.A.S.	45, Route de Metz 57130 Jouy-aux-Arches - France	EUR	FC	100.00	FC	100.00

** Conso methods: FC: full consolidation/EM: equity method.*

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
SOGETRALEC SAS	Domaine de Poussan le Haut, Route de Lespignan 34500 Béziers - France	EUR	FC	100.00	FC	100.00
ELCARE	Avenue du Maine 72190 Saint-Pavace	EUR	FC	100.00	FC	100.00
SPIE FACILITIES						
SPIE FACILITIES	1/3 place de la Berline 93287 Saint-Denis Cedex	EUR	FC	100.00	FC	100.00
SPIE NUCLÉAIRE						
SPIE NUCLÉAIRE	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
MAINTENANCE MESURE CONTROLE – MMC	2, avenue Gabriel Lippmann 57970 Yutz	EUR	FC	100.00	FC	100.00
FLUIGETEC	1, allée Vasco de Gama Zone industrielle Daudel 26700 Pierrelatte	EUR	FC	100.00	FC	100.00
ATMN INDUSTRIE	Le Marais - Route industrielle EST 76430 Saint-Vigor-d'Ymonville	EUR	FC	100.00	FC	100.00
SPIE POSTES HTB	Parc scientifique de la Haute Borne 10, avenue de l'Harmonie CS 20292 59665 Villeneuve-d'Ascq Cedex	EUR	FC	100.00	FC	100.00
SAG ENERGY SYSTEMS IBERICA S.L.U.	Paseo Sarasate 38, 1° planta 31001 Pamplona-Espagne	EUR	FC	100.00	FC	100.00
SPIE THEPAULT	45, Route de Metz 57130 Jouy-aux-Arches - France	EUR	FC	100.00	FC	100.00
SPIE ICS						
SPIE ICS	148 Avenue Pierre Brossolette CS 20032 -92247 Malakoff Cedex	EUR	FC	100.00	FC	100.00
S-CUBE	148 Avenue Pierre Brossolette CS 20032 -92247 Malakoff Cedex	EUR	FC	100.00	FC	100.00
SPIE CLOUD SERVICES	148 Avenue Pierre Brossolette CS 20032 -92247 Malakoff Cedex	EUR	FC	100.00	FC	100.00
SPIE INFOSERVICES	148 Avenue Pierre Brossolette CS 20032 -92247 Malakoff Cedex	EUR	FC	100.00	FC	100.00
SPIE BELGIUM SUB GROUP						
SPIE BELGIUM	Rue des deux gares 150 1070 Bruxelles - Belgique	EUR	FC	100.00	FC	100.00
SYSTEMAT LUXEMBOURG PSF S.A	Parc d'activités Capellen 77-79 8308 Capellen - Luxembourg	EUR	FC	100.00	FC	100.00
SYSTEMAT EIS S.A	Parc d'activités Capellen 77-79 8308 Capellen - Luxembourg	EUR	FC	100.00	FC	100.00
INCA DIGITAL S.A	Kleine Mechelsebaan 52 3200 Aarschot - Belgique	EUR	FC	100.00	Merger	-
SYSTEMAT BELUX S.A	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	FC	100.00
EVERUN IT S.P.R.L	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	Merger	-
SPIE ICS FINANCIAL SOLUTIONS (Ex Systemat Renting Management)	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	FC	100.00
SPIE ICS IT TALENT SOLUTIONS (Ex Systemat Expert S.A)	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	FC	100.00

** Conso methods: FC: full consolidation/EM: equity method.*

4

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
MIMEOS LOGISTICS S.P.R.L	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	Merger	-
SPIE ICS DOCUMENT SOLUTIONS (Ex MIMEOS S.A)	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	FC	100.00
SYSTEMAT NUMERIC SUPPORT S.A	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	Merger	-
SPIE ICS CLOUD SOLUTIONS (Ex Systemat Digital Hub)	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	FC	100.00
SPIE ICS INFRASTRUCTURE SOLUTIONS (Ex Systemat Sourcing Center S.A)	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	FC	100.00
BIZZ4PARTNERS S.A	Chaussée de Louvain 431C 1380 Lasne - Belgique	EUR	FC	100.00	FC	100.00
ELEREP	Lammerdries3 2440 Geel - Belgique	EUR	FC	100.00	FC	100.00
SPIE NEDERLAND SUB GROUP						
SPIE NEDERLAND B.V.	Huifakkerstraat, 15 4800 CG Breda - Netherlands	EUR	FC	100.00	FC	100.00
SPIE INFRATECHNIEK BV	Nieuwe Plein 1B 6811 KN Arnhem - Netherlands	EUR	FC	100.00	FC	100.00
JANSEN VENNEBOER ADVIES B.V.	Industrieweg 4 NL 8131VZ WIJHE- Netherlands	EUR	FC	100.00	FC	100.00
ZIUT INSTALLATIETECHNIEK B.V.	Nieuwe Plein 1B 6811 KN Arnhem - Netherlands	EUR	FC	100.00	FC	100.00
MER ICT B.V.	Burgemeester Drijbersingel 25 NL 8021 DA Zwolle, Netherlands	EUR	FC	100.00	FC	100.00
INMECO B.V.	Scheijdelveweg 8 e, 3214VN Zuidland - Netherlands	EUR	FC	100.00	FC	100.00
SPIE KABEL-EN LEIDINGTECHNIEK B.V.	Pieter Mastebroekweg 8, 7942JZ Meppel - Netherlands	EUR	FC	100.00	FC	100.00
GIETWALSONDER-HOUDCOMBINATIE	Staalstraat, 150 1951 JP Velsen-Nord 4815 PN Breda - Netherlands	EUR	EM	50.00	EM	50.00
INFRASTRUCTURE SERVICES & PROJECTS B.V.	Kromme Schaft 3 NL 3991 Ar Houten - Netherlands	EUR	FC	100.00	FC	100.00
SPIE UK SUB GROUP						
SPIE LIMITED (EX SPIE MATTHEW HALL LIMITED)	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	FC	100.00
SPIE UK LTD	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	FC	100.00
SPIE WHS LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	FC	100.00
GARSIDE AND LAYCOCK LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	FC	100.00
GARSIDE AND LAYCOCK (GROUP) LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	FC	100.00
SPIE FS NORTHERN (UK) LTD	Centre Park - WA1 1RL Warrington Cheshire - Royaume-Uni	GBP	FC	100.00	FC	100.00

** Conso methods: FC: full consolidation/EM: equity method.*

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
SPIE SCOTSHIELD LTD	McCafferty House 99 Firhill road G20 7BE Glasgow - Royaume-Uni	GBP	FC	100.00	FC	100.00
SPIE LEVEN ENERGY SERVICES LIMITED	CNA House Sanfold Lane - Levenchulme M19 3BJ Manchester - Royaume-Uni	GBP	FC	100.00	FC	100.00
ENVIRONMENTAL ENGINEERING LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	FC	100.00
SPIE ENVIRONMENTAL ENGINEERING (UK) LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	FC	100.00
SPIE MSS CLEAN TECHNOLOGY LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	FC	100.00
TRIOS COMPLIANCE LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	Disposal	-
TRIOS GROUP LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	Disposal	-
SPIE FACILITIES LIMITED (EX TRIOS PROPERTY LIMITED)	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	Disposal	-
TRIOS SECURE LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	Disposal	-
TRIOS SKILZ LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	Disposal	-
TRIOS FACILITIES LIMITED	33 Gracechurch Street 2nd Floor - EC3V OBT London - Royaume-Uni	GBP	FC	100.00	Disposal	-
SPIE DZE SUB GROUP						
SPIE DEUTSCHLAND & ZENTRALEUROPA GmbH	Balcke-Durr-Allee 7 40882 Ratingen - Germany	EUR	FC	100.00	FC	100.00
SPIE PERSONALMANAGEMENT GmbH (Ex Lück Personalmanagement Gmbh)	Leihgesterner Weg 37 D-35392 Giessen - Germany	EUR	FC	100.00	FC	100.00
SPIE LÜCK GmbH (Ex Lück Gebäudetechnik Gmbh)	Blumenstrasse 28 D-35423 Lich - Germany	EUR	FC	100.00	FC	100.00
LS PLAN GmbH	An den Weiden 7 D-57078 Siegen - Germany	EUR	FC	100.00	Merger	-
SPIE BUCHMANN GmbH (ex Elektro Buchmann GmbH)	Niederlosheimer Strasse 85 D-66679 Losheim am See - Germany	EUR	FC	100.00	FC	100.00
SPIE LÜCK BERATUNG GmbH (ex Lück Beratung GmbH)	Leihgesterner Weg 37 D-35392 Giessen - Germany	EUR	FC	100.00	Merger	-
TANKE GmbH	Rhein Energie AG Köln - Germany	EUR	-	-	EM	20.00
SPIE PULTE VERWALTUNGS GmbH (ex Pulte Elektrotechnik Verwaltungs GmbH)	Obere Illbach 2-4 D-56412 Heiligenroth - Germany	EUR	FC	100.00	Merger	-
SPIE PULTE GmbH (ex SPIE Pulte GmbH & Co. KG)	Obere Illbach 2-4 D-56412 Heiligenroth - Germany	EUR	FC	100.00	FC	100.00

** Conso methods: FC: full consolidation/EM: equity method.*

4

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
SPIE NUHN GmbH (ex Nuhn Gebäudetechnik GmbH)	Speyerer Schlag 8 D-67547 Worms - Germany	EUR	FC	100.00	FC	100.00
SPIE BUILDING TECHNOLOGY & AUTOMATION (ex SPIE Lück Holding GmbH)	Leihgesterner Weg 37 D-35392 Giessen - Germany	EUR	FC	100.00	FC	100.00
SPIE VERTEILNETZE GmbH	Pittlerstraße 44 63225 Langen (Essen) - Germany	EUR	FC	100.00	FC	100.00
SPIE INFOGRAPH GISMOBIL GmbH	Am Stutzenwald 25 66877 Ramstein-Miesenbach- Germany	EUR	FC	100.00	FC	100.00
SPIE SAG GmbH	Pittlerstraße 44 63225 Langen (Essen) - Germany	EUR	FC	100.00	FC	100.00
SPIE IMMOBILIEN GmbH (ex SAG Immobilien GmbH)	Pittlerstraße 44 63225 Langen (Essen) - Germany	EUR	FC	100.00	FC	100.00
SPIE EPH GmbH	Großmoorbogen 21 21079 Hamburg - Germany	EUR	FC	100.00	FC	100.00
SPIE VERSORGUNGSTECHNIK GmbH	Pittlerstraße 44 63225 Langen (Essen) - Germany	EUR	FC	100.00	FC	100.00
SPIE SAG GROUP GmbH	Pittlerstraße 44 63225 Langen (Essen) - Germany	EUR	FC	100.00	FC	100.00
BOHLEN & DOYEN GmbH	Hauptstraße 248 26639 Wiesmoor - Germany	EUR	FC	100.00	FC	100.00
SEG LIPRO ENERGIETECHNIK GmbH	Bayrische Straße 12 06679 Zorbau - Germany	EUR	FC	100.00	FC	100.00
ELEKTROVOD, AS, BRÜNN/ TSCHECHIEN	Trat'ová 574/1619 00 Brno - Czeck Republic	CZK	FC	100.00	FC	100.00
SPIE ELBUD GDANSK SA, DANZIG/POLEN	Ul. Marynarke Polskej 87 80-557 Gdansk-Poland	PLN	FC	100.00	FC	100.00
SPIE HUNGARIA KFT, BUDAPEST/UNGARN	Mezökövesd út 5-7 01116 Budapest-Hungary	HUF	FC	100.00	FC	100.00
SPIE ELEKTROVOD, AS, BRATISLAVA/SLOVAKEI	Prievozská 4C 821 09 Bratislava-Slovakia	EUR	FC	100.00	FC	100.00
SPIE ELBUD KRAKOW SP ZOO, KRAKAU/POLEN	Ul. Płk. St. Dąbka 8 30-732 Kraków-Poland	PLN	FC	100.00	Merger	-
SPIE FLM GmbH (ex FLM Freileitungsmontagen GmbH)	Leisach 138 9909 Leisach - Austria	EUR	FC	100.00	FC	100.00
DATA PROTECTION GmbH	Lyoner Strasse 9 60528 Franckfurt am Main	EUR	FC	100.00	FC	100.00
SPIE CEA GmbH & Co. KG	Lastenstrasse 19 1230 Wien	EUR	FC	100.00	Merger	-
SPIE CMA GmbH	Mulhenstrasse 3 4470 Enns	EUR	FC	100.00	FC	100.00
SPIE CEA GmbH (ex SPIE Verwaltungs GmbH)	Mulhenstrasse 3 4470 Enns	EUR	FC	100.00	FC	100.00

** Conso methods: FC: full consolidation/EM: equity method.*

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
SPIE IMMOBILIEN VERWALTUNGSGESELLSCHAFT MBH	Balcke-Duerr-Allee 7 40882 Ratingen - Germany	EUR	FC	100.00	FC	100.00
SPIE SAG IMMOBILIEN GmbH & Co. KG	Balcke-Duerr-Allee 7 40882 Ratingen - Germany	EUR	FC	100.00	FC	100.00
TELBA RHEIN-RHUR GmbH	Essener str. 2-24 46047 Oberhausen Germany	EUR	FC	100.00	Merger	-
SPIE TELBA GROUP GmbH (ex Telba AG)	In der Steel 23 40599 Dusseldorf Germany	EUR	FC	100.00	FC	100.00
TELBA MUNSTERLAND GmbH	In der Steel 23 40599 Dusseldorf Germany	EUR	FC	100.00	Merger	-
SPIE TELBA GmbH (ex Telba GmbH)	Alte Straße 5 4626 Löbichau Deutschland	EUR	FC	100.00	FC	100.00
LEWRON GmbH	Teltowkanalstrasse 2 12247 Berlin Germany	EUR	FC	100.00	FC	100.00
LEWRON IT - VERKABELUNG GmbH	Gewerbeparkstrasse 13a 03099 Kolkwitz Germany	EUR	FC	51.00	Merger	-
OSMO GmbH (ex Osmo-Anlagenbau GmbH)	Bielefelder Straße 10, 49124 Georgsmarienhütte Germany	EUR	FC	100.00	FC	100.00
OSMO GmbH VERWALTUNG	Bielefelder Straße 10, 49124 Georgsmarienhütte - Germany	EUR	FC	100.00	Merger	-
SPIE GASTECHNISCHER SERVICE GmbH	Hauptstraße 248 26639 Wiesmoor - Germany	EUR	FC	100.00	FC	100.00
BODO SHARED SERVICES GmbH	Hauptstraße 248 26639 Wiesmoor - Germany	EUR	FC	100.00	FC	100.00
SPIE AGIS FIRE & SECURITY KFT, BUDAPEST/UNGARN	Montevideo u. 3a 1037 Budapest - Hungary	HUF	FC	100.00	FC	100.00
SPIE BUILDING SOLUTIONS SP ZOO (ex Agis Fire & Security SP ZOO)	Ul. Palisadowa 20/22 01-940 Warsaw - Poland	PLN	FC	100.00	FC	100.00
SPIE GFT GmbH (ex GFT - Gesellschaft fur Elektro)	Am Lichtbogen 40 45141 Essen - Germany	EUR	FC	100.00	FC	100.00
SPIE COMNET GmbH (ex SPIE ICS GmbH)	Alfredstrasse 236 45133 Essen - Germany	EUR	FC	100.00	FC	100.00
SPIE GmbH	Balcke-Durr-Allee 7 40882 Ratingen - Germany	EUR	FC	100.00	FC	100.00
ADVAGO SA., ATHEN/ GRIECHENLAND	4 Zalogou Str & Mesogeion Ave Agia Paraskevi - Greece	EUR	FC	51.00	FC	51.00
CAR.E FACILITY MANAGEMENT KFT, GYÖR, UNGARN	VACI UT 76 1133 Budapest - Hungary	HUF	FC	100.00	Disposal	-

** Conso methods: FC: full consolidation/EM: equity method.*

4

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
FMGO! Gmbh	Gedonstrasse 8 80802 Munich - Germany	EUR	FC	74.90	FC	74.90
HOST GmbH HOSPITAL SERVICE + TECHNIK	Theodor - Stern - Kai 7 60596 Francfort-sur-le-Main - Germany	EUR	EM	25.10	EM	25.10
SPIE POLSKA SP ZOO	Ul. Marynarki Polskiej 87, 80-557 Gdansk Polen - Poland	EUR	-	-	FC	100.00
SPIE ENERGY SOLUTIONS GmbH	Alfredstrasse 236 45133 ESSEN - GERMANY	EUR	FC	100.00	FC	100.00
SPIE ENERGY SOLUTIONS HARBURG GmbH	Fuhlsbüttler Strasse 399 22309 Hambourg - Germany	EUR	FC	65.00	FC	65.00
SPIE CENTRAL EUROPE GmbH	Balcke-Durr-Allee 7 40882 Ratingen - Germany	EUR	-	-	FC	100.00
SPIE FLEISCHHAUER GmbH	Oldenburger Allee 36 30659 Hannover - Germany	EUR	FC	100.00	FC	100.00
SPIE INFORMATION & COMMUNICATION SERVICES	Oldenburger Allee 36 30659 Hannover - Germany	EUR	-	-	FC	100.00
AM ALLIED MAINTENANCE GmbH	König-Georg-Stieg 8-10 21107 Hamburg - Germany	EUR	EM	25.00	Disposal	-
SPIE ICS AG SUB GROUP						
SPIE SCHWEIZ AG	Industriestrasse 50a 8304 Wallisellen - Suisse	CHF	FC	100.00	FC	100.00
SPIE ICS AG (ex Connectis)	Sonnenplatz 6 6020 Emmenbrücke - Suisse	CHF	FC	100.00	FC	100.00
SPIE MTS SA (ex SPIE Suisse SA)	Chemin des Léchères 3 1217 Meyrin - Suisse	CHF	FC	100.00	FC	100.00
VISTA CONCEPT SA	En reutet B 1868 Collombey Muraz - Suisse	CHF	FC	100.00	FC	100.00
SPIE OIL GAS & SERVICES SUB GROUP						
SPIE OIL & GAS SERVICES	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
SPIE OIL & GAS SERVICES SÉNÉGAL	29, Avenue Pasteur Dakar, Sénégal	XOF	FC	100.00	FC	100.00
SPIE TURBOMACHINERY (ex Gemco International)	5, Avenue des Frères Wright ZI du Pont Long - 64140 Lons	EUR	FC	100.00	FC	100.00
SPIE OGS DOHA LLC	Doha State of Qatar with PO Box 14670 - Qatar	QAR	FC	100.00	FC	100.00
ALMAZ SPIE OGS	PO Box 18123 Sana' a Republic of Yemen	USD	FC	80.00	FC	80.00
SPIE OGS CONGO	Section H - Parcelle 47 bis ZI de la Pointe Noire Pointe Noire - Congo	CFA	FC	100.00	FC	100.00
SPIE OGS GABON	BP 579 Port Gentil - Gabon	CFA	FC	99.00	FC	99.00
PT SPIE OIL & GAS SERVICES INDONESIA (ex: Ipedex Indonesia)	Veteran Building 9th Floor unit no. 05–06 Plaza Semanggi 10220 Jakarta - Indonesia	USD	FC	90.00	FC	90.00

** Conso methods: FC: full consolidation/EM: equity method.*

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
SPIE OGS (Malaysia) SDN BHD	Level 8, Symphony House, Block D13 Pusat Dagangan Dana 1 47301 Petaling Jaya, Selangor Darul Ehsan - Malaisie	MYR	FC	49.00	FC	49.00
SPIE OGS KISH LLC (Iran)	PO Box 79415 -1316 1316 Kish Island IR - Iran	USD	FC	100.00	FC	100.00
SPIE OGS MIDDLE EAST LLC (ABU DHABI)	PO Box 4899 Abu Dhabi - Émirats Arabes Unis	AED	FC	100.00	FC	100.00
SPIE OGS ASP SDN BHD (MALAISIE)	Level 8, Symphony House, Block D13 Pusat Dagangan Dana 1 47301 Petaling Jaya, Selangor Darul Ehsan - Malaisie	MYR	FC	100.00	FC	100.00
SPIE OGS THAILAND LTD	1010, Shinawatra tower III 18th Floor, Unit 1801 Viphavadi Rangsit Road, Chatuchak 10900 Bangkok - Thailand	THB	FC	100.00	FC	100.00
SONAID	Rua Amilcar Cabral n°211 Edificio IRCA -9° et 10° Andar Luanda Angola	USD	EM	55.00	EM	55.00
SPIE NIGERIA LTD	55 Trans Amadi Industrial Layaout Port Harcourt - Nigeria	NGN	FC	100.00	FC	100.00
ENERFOR	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
YCOMAZ	10, avenue de l'Entreprise 95863 Cergy-Pontoise Cedex	EUR	FC	100.00	FC	100.00
GTMH NIGERIA	Plot 107 trans Amadi indus. Layout Port - Harcourt - Nigeria	NGN	FC	100.00	FC	100.00
SPIE OGS MOZAMBIQUE	Andar, Office Tower, Marginial n°141, Tores rani, 6. Bairro Da Costa do Sol, Avenida Ditrito Urbano 1, Maputo Cidade, Mozambique	MZN	-	-	FC	100.00
ASB PROJECTS & RESOURCES PTE	160 Robinson Road #17-01, SBF Center, Singapore 068914	USD	FC	100.00	FC	100.00
SPIE OIL & GAS SERVICES GHANA LIMITED	PO Box LG 1204 Legon, Accra C374/26 Gilford Tetteh Ave. East Legon, Accra Ghana	GHS	FC	80.00	FC	80.00
SPIE OIL & GAS SERVICES SAUDI	Al Mafleh Building, 2nd Floor Labor City, King Abdulaziz Road - Cross 7, Building 7263 - Unit 1 PO Box 4695 -34442 Al Khobar Arabie Saoudite	SAR	FC	100.00	FC	100.00
SPIE LYBIA	Building n°470 - Souk Algabib Street Elsaihya Guerguerch Tripoli Lybie	LYD	FC	65.00	FC	65.00
SPIE OIL & GAS SERVICES TCHAD SARL	Quartiers Chagoua, Av Mobutu, Immeuble SAWA N'Djaména - Tchad	XAF	FC	100.00	FC	100.00
SPIE OGS BELGIUM	Rue des deux gares 150 1070 Bruxelles - Belgique	EUR	FC	100.00	FC	100.00

** Conso methods: FC: full consolidation/EM: equity method.*

Company	Address	Consolidation Currency	Conso Method 2019*	% Interest 31/12/2019	Conso Method 2020*	% Interest 31/12/2020
SPIE TECNICOS DE ANGOLA LIMITADA	Avenida Commante Kima Kyenda n°309 no bairro da Boa Vista Luanda - Angola	USD	FC	75.00	FC	75.00
SPIE OGS VIETNAM LTD	5th Floor, 97-101 Nguyen Cong Tru Nguyen Thai Binh Ward, District 1 Ho Chi Minh City - Vietnam	VND	FC	100.00	FC	100.00
SPIE OGS JBL LIMITED	PO Box 74980 Emaar Square Building Level 7 Unit 702702 Downtown Dubai - United Arab Emirates	AED	FC	100.00	FC	100.00
SPIE PLEXAL (THAILAND) LTD	Rasa Tower 1, Units 1401-1404, 14th Floor, 555 Paholyothin Road, Chatuchak District - Bangkok - Thailande	THB	FC	100.00	FC	100.00
SPIE OIL & GAS SERVICES PTY LTD	18th Floor, 140 St George's Terrace Perth WA 6000 - Australie	AUD	FC	100.00	FC	100.00
SERVICES PETROLEUM & INDUSTRIAL EMPLOYEMENT (SPIEM)	PO BOX 15 Abu Dhabi - United Arab Emirates	AED	FC	100.00	FC	100.00
SPIE OGS LIMITED (UK)	2nd Floor 33 Gracechurch Street EC3V OBT London – Royaume-Uni	GBP	FC	100.00	FC	100.00
SPIE SERVICES NIGERIA LIMITED	55 Trans Amadi Industrial Layout Port harcourt - Nigeria	NGN	FC	100.00	FC	100.00

** Conso methods: FC: full consolidation/EM: equity method.*

4.4.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditor's report includes information required by French law, such as the verification of the management report and other documents provided to the 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 SPIE SA,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of SPIE SA for the year ended December 31, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2020 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 requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors for the period from January 1, 2020 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.

JUSTIFICATION OF ASSESSMENTS

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 significance in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Recognition of result on long-term services contracts

Risk identified

The Group generates significant revenue on long-term service contracts.

As indicated in Note 3.4 to the consolidated financial statements, result from these contracts is recognized using the percentage of completion method in compliance with IFRS 15 standard, which consists, for a given contract, in estimating the profit or loss on completion and recognizing it in line with the progress made in terms of costs.

The profit or loss recognized therefore depends on the estimated data on completion of each contract. The data is reviewed at each financial closing by management to take into account the best estimate of the future benefits and obligations expected for the contracts.

Where the projections show that the contract will result in a loss, a provision for loss on completion is recognized.

In the context of the Covid-19 pandemic, the Group faced significant operational disruptions in fiscal year 2020. However, as mentioned in Note 5.1 to the consolidated financial statements, the Group considers that the valuation of the situation on completion of contracts is not affected in its entirety.

Given the materiality of these estimates and the degree of judgment required by management to determine profit or loss on completion, we consider the recognition of result relating to long term services contracts to be a key audit matter.

Our response

We tested the internal control systems we considered essential to the recognition of these contracts, with a focus on those concerning budget control and expenditures.

We also analyzed a selection of contracts based on quantitative and qualitative criteria (revenue and profit or loss on completion, risk, margin loss) and carried out the following procedures:

- interviews with operational and finance managers, in order to know the judgments they made when determining the profit or loss on completion;
- reconciling the estimated profit on completion with contractual documentation (including order forms, contracts and amendments);
- analyzing the documentation relating to the follow up and management of projects compiled by the project managers and management controllers with a view to evaluating expenses on completion;
- reconciling the accounting data with the management data used to calculate the revenue and the result accounted for;
- testing, on a sample basis, the costs incurred;
- comparing actual with past performance as a means of assessing the reliability of estimates;
- assessing the accuracy of the calculations of rate of completion, revenue and margin recorded in the financial statements.

For the more sensitive estimates, particularly in terms of disputes, we obtained additional information (claim files, expert reports, legal decisions, etc.) and analyzed their consistency regarding the outcome of similar situations in the past.

Impairment of Goodwill

Risk identified

As at December 31, 2020, the value of the Group's goodwill amounts to M€ 3,201, against a total balance sheet of M€ 8,274.

Goodwill is tested for impairment using the methods and assumptions described in Notes 3.3, 3.10 and 14.2 to the consolidated financial statements. Accordingly, an impairment loss may be recognized when the recoverable amount of the goodwill is below the carrying amount, which is the highest of the fair value after deducting acquisition costs and the value in use.

As at December 31, 2020, these impairment tests were performed based on management's latest forecasts, taking into account the impacts observed in 2020 and expected beyond 2020 due to the crisis related to the Covid-19 pandemic.

Given the materiality of goodwill in the Group's financial statements and the fact that determining the recoverable value, usually on the basis of discounted future cash flows, requires the use of assumptions, estimates and assessments, we deemed the impairment of goodwill to be a key audit matter.

Our response

We reviewed the methods used by the Group for carrying out impairment tests, with a particular focus on those Cash Generating Units for which the carrying amount of goodwill is the most sensitive to changes in the assumptions used.

We analyzed the main estimates used, in particular the projected cash flows, long-term growth rates and discount rates applied. We also analyzed the consistency of forecasts with past performance and the market outlook, and conducted sensitivity analyses on the impairment tests. In addition, where the recoverable value is determined in reference to similar recent transactions, we compared the analysis provided with available market data. All of this analysis was carried out with evaluation experts integrated into the audit team.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information relating to the Group given in the Board of Directors' management report.

We have no matters to report as to their fair presentation and their 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 information relating to the Group given in the 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 consolidated 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 Chief Executive Officer's responsibility, 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 the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of SPIE SA by your Annual General Meeting held on November 15, 2011 for PricewaterhouseCoopers Audit and by the Articles of Incorporation of May 27, 2011 for ERNST & YOUNG et Autres.

As at December 31, 2020, PricewaterhouseCoopers Audit and ERNST & YOUNG et Autres were in their 10th year of total uninterrupted engagement, which is the 6th year since securities of the Company were admitted to trading on a regulated market.

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.

Neuilly-sur-Seine and Paris-La Défense, April 9, 2021

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit	**ERNST & YOUNG et Autres**
Edouard Sattler	Henri-Pierre Navas

4.5 PARENT COMPANY FINANCIAL STATEMENTS

4.5.1 ANNUAL PARENT COMPANY FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

CONTENTS

4

BALANCE SHEET ASSETS

	FY N			FY N-1
Balance sheet – Assets	**Gross**	**Amortisation and depreciation**	**Net**	**Net**
Uncalled share capital (I)				
Start-up costs				
Development costs				
Concessions, patents and similar rights				
Goodwill	148,164,574		148,164,574	148,164,574
Other intangible fixed assets				
Advances on intangible fixed assets				
TOTAL intangible fixed assets	**148,164,574**		**148,164,574**	**148,164,574**
Land				
Buildings				
Plant and machinery				
Other property, plant and equipment				
Fixed assets in progress				
Advances and deposits				
TOTAL property, plant and equipment				
Equity interests accounted for under the equity method				
Other equity interests	1,440,669,595		1,440,669,595	1,440,669,595
Receivables attached to equity interest	1,090,389,016		1,090,389,016	1,198,515,011
Other capitalised securities				
Loans				
Other financial fixed assets				
TOTAL financial assets	**2,531,058,612**		**2,531,058,612**	**2,639,184,607**
TOTAL Fixed Assets (II)	**2,679,223,186**		**2,679,223,186**	**2,787,349,180**
Raw materials, consumables				
Production of goods in progress				
Production of services in progress				
Interim and finished products				
Goods				
TOTAL Inventories				
Advances and deposits paid on orders				
Trade and related receivables	624,216		624,216	20,522
Other receivables	792,092,460		792,092,460	551,168,778
Unpaid called-up share capital				
TOTAL Receivables	**792,716,676**		**792,716,676**	**551,189,300**
Investment securities	7,020		7,020	7,020
(of which treasury shares)				
Cash assets	33,956		33,956	27,421
TOTAL Cash assets	**40,976**		**40,976**	**34,441**
Prepaid expenses	760,858		760,858	1,390,312
TOTAL Current assets (III)	**793,518,509**		**793,518,509**	**552,614,054**
Loan issue costs to be spread (IV)				
Bond redemption premiums (V)				
Translation adjustments – assets (V)				
GENERAL TOTAL (I TO VI)	**3,472,741,695**		**3,472,741,695**	**3,339,963,234**

BALANCE SHEET LIABILITIES

Balance sheet – Liabilities	FY N	FY N-1
Share or individual capital (of which paid: 73,107,536)	75,265,695	74,118,118
Issue, merger and contribution premiums, etc.	1,236,062,283	1,211,971,279
Revaluation surplus (including equity difference:)		
Legal reserve	7,526,569	7,411,812
Statutory or contractual reserves		
Regulated reserves (of which reserve for prov. price fluctuation:)		
Other reserves (of which reserve for purchase of original artists' works:)		
Total Reserves	**7,526,569**	**7,411,812**
Carry-forwards	111,058,995	9,231,133
INCOME FOR THE FINANCIAL YEAR (PROFIT OR LOSS)	**91,818,767**	**101,827,863**
Investment subsidies		
Regulated provisions	39,030,858	39,030,858
TOTAL EQUITY (I)	**1,560,763,167**	**1,443,591,062**
Income from issue of non-voting shares		
Conditional advances		
TOTAL OTHER EQUITY (II)		
Provisions for liabilities		
Provisions for charges	8,468,067	7,870,958
TOTAL PROVISIONS FOR LIABILITIES AND CHARGES (III)	**8,468,067**	**7,870,958**
		1,507,594,969
Convertible bond loans		
Other bond loans	1,200,000,000	1,200,000,000
Loans and debts with financial institutions	623,470,291	623,207,791
Miscellaneous financial loans and debts (of which participating loans:)		
Total Financial liabilities	**1,823,470,291**	**1,823,207,791**
Advances and deposits received on orders in progress		
Supplier debts and related debts	938,759	649,592
Tax and Social Security debts	3,531,503	3,120,487
Debts on fixed assets and related debts		
Other debts	75,569,908	61,523,344
Total operating debts	**80,040,170**	**65,293,423**
Prepaid income		
TOTAL DEBTS (IV)	**1,903,510,461**	**1,888,501,214**
Translation adjustments – liabilities (V)		
GENERAL TOTAL – LIABILITIES (I TO V)	**3,472,741,695**	**3,339,963,234**

4

INCOME STATEMENT

	FY N			
Income statement	**France**	**Export**	**Total**	**FY N-1**
Sales of goods				
Production sold goods				
Production sold services	3,146,730		3,146,730	3,233,339
Net revenue	**3,146,730**		**3,146,730**	**3,233,339**
Production in inventory				
Capitalised production				
Operating subsidies				
Reversals on amortisations and provisions, transfers of expenses			27,765	28,575
Other income			11	23
Total operating income (I)			**3,174,506**	**3,261,937**
Purchases of goods (including customs duties)				
Inventory change (goods)				
Purchases of raw materials and other consumables (including customs duties)				
Inventory change (raw materials and consumables)				
Other purchases and external expenses			4,077,245	7,916,061
Taxes, duties and similar payments			384,840	441,659
Salaries and wages			4,169,070	5,112,065
Social Security expenses			2,005,418	2,345,063
Operating activities		-		
• on fixed assets				
Amortisation and depreciation				
Provisions				
• On current assets: provisions				
• For contingencies and expenses: provisions			519,185	368,167
Other expenses			412,659	436,768
Total operating expenses (II)			**11,568,417**	**16,619,782**
OPERATING INCOME			**-8,393,911**	**-13,357,845**
Profit allocated or loss transferred (III)				
Loss incurred or profit transferred (IV)				
Financial income from equity interests			99,063,594	94,313,970
Income from other securities and capitalised asset receivables			31,271,190	29,840,152
Other interest and similar income				
Reversals on provisions and transfers of expenses				
Exchange rate gains				
Net income from disposals of investment securities				
Total financial income (V)			**130,334,785**	**124,154,122**
Financial allocations to amortisation, depreciation and provisions			77,924	136,457
Interest and similar expenses			46,836,974	43,711,952
Exchange rate losses				
Net expenses on disposals of investment securities				
Total financial expenses (VI)			**46,914,898**	**43,848,409**
FINANCIAL INCOME (V - VI)			**83,419,886**	**80,305,713**
CURRENT PRE-TAX INCOME (I-II+III-IV+V-VI)			**75,025,976**	**66,947,868**

INCOME STATEMENT (CONTINUED)

Income statement (continued)	FY N	FY N-1
Exceptional income on management transactions	38,551	
Exceptional income on capital transactions		23,804
Reversals on provisions and transfers of expenses		
Total exceptional income	**38,551**	**23,804**
Exceptional expenses on management transactions (VII)	31,725	1,048
Exceptional expenses on capital transactions		588
Exceptional allocations to amortisation, depreciation and provisions		
Total exceptional expenses (VIII)	**31,725**	**1,636**
EXCEPTIONAL INCOME (VII-VIII)	**6,826**	**22,169**
Employee profit-sharing (IX)		
Income taxes (X)	-16,785,966	-34,857,826
Total income (I + III + V + VII)	**133,547,841**	**127,439,863**
Total expenses (II + IV + VI + VIII + IX + X)	**41,729074**	**25,612,001**
PROFIT OR LOSS (TOTAL INCOME - TOTAL EXPENSES)	**91,818,767**	**101,827,863**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Company: SPIE SA

The balance sheet total for the financial year ended December 31, 2020 was €3,472,741,694.99. The Company generated income of €91,818,767.37 for the financial year.

The financial year has a duration of 12 months, covering the period from January 1, 2020 to December 31, 2020.

1 SIGNIFICANT EVENTS

1.1 Performance Shares

The Shareholders' General Meeting of SPIE on May 25, 2016, in its 20th extraordinary resolution, authorised, under certain conditions, the grant of existing or future shares, in favour of corporate officers or employees of the Company or of companies related to the Company in the conditions set forth under Article L. 225-197-2 of the French Commercial Code.

Three performance share plans have been issued since SPIE was listed on the stock market in 2015. The first performance share plan for the period 2016-2018 was settled on July 29, 2019. The second and third plans are in progress.

The list of beneficiaries of these plans, as well as the number of performance shares granted to each of them, was approved by the Board of Directors, on the proposal of the Compensation Committee, on March 11, 2019 for the second 2019-2021 Plan and on March 10, 2020 for the third 2020-2022 Plan.

- The current 2019-2021 performance share plan, in force, was initiated on May 31, 2019.
- The current 2020-2022 performance share plan, in force, was initiated on November 15, 2020.

The valuation and accounting principles applicable are defined in accordance with IFRS 2 "Share-based payments". Performance shares represent employee benefits granted to their beneficiaries and, as such, constitute additional compensation paid by SPIE.

As they are operations that do not give rise to monetary transactions, the benefits thus granted are recognised over the vesting period with a corresponding increase in equity. They are valued by an external actuary on the basis of the fair value of the performance shares, at the grant date.

1.2 "Share for You 2020" employee share ownership plan - Share capital increase on December 15, 2020

On July 28, 2020, the Board of Directors decided in principle to increase the share capital of SPIE SA as part of an employee share ownership plan called "Share For You 2020".

Subscription to this plan was reserved for eligible employees, former employees and corporate officers of the Company and its French and foreign subsidiaries, held directly or indirectly, who were members of an SPIE group company savings plan (*plan d'épargne d'entreprise*).

Employee shareholding is an integral part of SPIE's culture and the "Share For You 2020" initiative, the fourth since SPIE's IPO in 2015, has won strong support from employees. Despite the Covid-19 pandemic, their participation has increased significantly: more than 6,000 employees have subscribed to the proposed offer, of which 20% are new employee Shareholders.

This new success confirms the desire of SPIE's Executive Committee to regularly offer its employees the possibility of long-term involvement in the Group's performance. Despite the health crisis, employees demonstrated their confidence in the Company's future and their desire to establish a close and lasting relationship with the SPIE group.

For this new edition of "Share For You" open from October 1 to October 21, 2020, SPIE employees benefited from a discount of 30% on a reference price set at €15.08. The subscription price for one SPIE share was €10.56.

Divided between 13 countries, subscriptions have reached the amount of €25.8 million (after discount).

At the end of this transaction, on December 15, 2020, a total of 2,441,652 new ordinary shares were issued by SPIE SA.

1.3 Impact of the Covid-19 pandemic on SPIE's business

The SPIE group faced significant operational disruptions in financial year 2020 due to the Covid-19 pandemic. In this context, SPIE has implemented all the necessary actions to protect its employees and all its stakeholders, and to limit the consequences on its operations and financial income.

Following the lockdown measures in mid-March 2020 in Europe, SPIE noted a significant impact on its business during the 2nd quarter of 2020, without jeopardising the continuity of its operations. Activity levels in France, Belgium and the United Kingdom were sharply reduced. So far, the pandemic have had a limited impact on the business in Germany and Central Europe, in the Netherlands and in Switzerland.

Since mid-March 2020, SPIE has implemented a business continuity plan through the following measures:

- keeping as number one priority the health and safety of our employees, subcontractors and customers. SPIE thus assessed with each of its clients activities that could continue during the containment period;
- implementing vigorous cost saving actions to secure net income and cash-flow;
- using special government measures implemented across Europe, such as partial unemployment modulated according to the decline in activity observed in the different geographical areas, fields and markets in which SPIE operates. These measures have resulted in adjusting personnel costs to the lower activity level during the crisis, while in the meantime protecting employment and allowing a quick restart after the containment measures lifting.

In light of these developments, SPIE announced on March 27, 2020 that the 2020 targets announced at the time of the publication of its 2019 results on March 11, 2020, were no longer valid.

On the occasion of the publication of its half-year financial statements on July 29, 2020, SPIE announced new financial objectives, notably providing for a return of the Group's production and EBITA margin for the second half of 2020 to levels close to those recorded in the second half of 2019.

In line with these targets, SPIE's production and margin returned to levels close to 2019 from the third quarter of 2020, showing a considerable sequential improvement compared to the second quarter of 2020 and confirming the strong resilience of the Group over the past year during the Covid-19 crisis. There was a strong recovery momentum in France and good growth in Germany. On the occasion of the disclosure of its financial performance for the 3rd quarter, on November 5, 2020, the Group confirmed its financial objectives as announced in July 2020.

Throughout the 2020 financial year, SPIE had significant financial leeway to deal with the effects of the health crisis. The Group's liquidity at December 31, 2020 remains very high, both in terms of its net cash position and its undrawn revolving credit facility for a total amount of €600 million.

The Group is facing no debt maturity before 2023.

1.4 Partial repayment of the loan from SPIE Deutschland & Zentraleuropa GmbH

On December 17, 2020, the subsidiary SPIE Deutschland & Zentraleuropa GmbH repaid, in part and early, its loan to SPIE SA for an amount of €92 million. The amount of the loan amounted after repayment to €368,122,701.89 at December 31, 2020.

2 ACCOUNTING RULES AND METHODS

The annual financial statement for the 2020 financial year are presented in compliance with the general rules applicable in the matter and in accordance with the prescription of the General Chart of Accounts and the Professional Chart of Accounts for Building and Public Works Industries, and with respect for the principles of prudence and continuity, in compliance with the following basic assumptions:

- continuity of operation;
- permanence of methods;
- independence of financial years.

The basic method used to evaluate the elements recorded in the financial statements is the historic costs method.

2.1 Revenue recognition

SPIE SA has provided services which are re-invoiced to SPIE Operations in compliance with a service provision agreement signed on July 1, 2015.

2.2 Related companies

The amounts that are indicated in the different tables concerning the affiliated companies relate to operations undertaken with SPIE Operations and its subsidiaries and Financière SPIE.

2.3 Intangible fixed assets

The intangible fixed assets mainly include goodwill and merger deficits.

In particular, the intangible fixed assets include a technical merger deficit which results from the merger in 2015 of Clayax Acquisition 3 and Clayax Acquisition 4.

In accordance with the new accounting rules of the General Chart of Accounts applicable since January 1, 2016, the technical loss is allocated in full to the goodwill (account 207).

The goodwill is not amortised. It is the subject of a systematic impairment test at the end of the reporting period, as soon as there is an indication of an impairment loss, which leads to recording of an impairment when its current value is less than its net carrying amount.

The technical merger or combination deficit resulting from merger transactions or universal transfers of assets are recorded on the assets and are not amortised. They are the subject of an impairment test, as soon as there is an indication of an impairment loss.

2.4 Property, plant and equipment

Nil.

2.5 Capitalised securities

Securities are presented on the balance sheet at their purchase cost.

Equity securities are the subject of a systematic impairment test at the end of the reporting period which leads to recording of an impairment when the current value of the securities owned falls below its net carrying amount.

Purchase cost of equity securities:

Owing to the change in tax legislation introduced by the 2007 Finance Act, relating to the treatment of purchase costs of equity securities, the Emergency Committee of the CNC gave the possibility to companies having opted in 2005 for their immediate deductibility to modify the accounting treatment option selected in 2005, only for equity securities as defined in Article 39-1-5 of the French General Tax Code.

Consequently the purchase costs incurred by the Company during the financial years having ended since December 31, 2006 and linked to the acquisition of equity securities during these same financial years, are now integrated into the cost price of the securities and are tax deductible by means of amortisation over a period of five years, in compliance with the terms defined by the French General Tax Code Art. 209-VII.

2.6 Inventories and work in progress

Nil.

2.7 Receivables and debts

Receivables and debts were recorded at their nominal value.

Where necessary, receivables and debts denominated in foreign currency were revalued and recorded at the exchange rate on December 11, 2020 with a view to accelerating the reporting process. The exchange rate differences between December 12, 2020 and December 31, 2020 do not have a significant impact on the valuations of the receivables and debts denominated in foreign currency.

Bad debts, where applicable, give rise to the recognition of provisions for impairment, determined, on a customer-by-customer basis, according to the assessment of the risk of non-recovery. Receivables overdue by more than 6 months are also the subject of a provision.

The Group cash current accounts are governed by cash agreements between the parent company and its subsidiaries for a duration of one year, renewable tacitly unless terminated by one of the parties.

The compensation rates are calculated in accordance with the following criteria:

- at the EONIA rate reduced by 1/16th per cent per annum for interest relating to the surplus cash invested;
- at the EONIA rate increased by 1/4 per cent for interest relating to the cash requirements financed.

2.8 Treasury shares

After the IPO on June 10, 2015, the company SPIE SA holds 390 treasury shares corresponding to the balance of the unassigned fractional shares consecutive to:

- the stock split of the ordinary shares' nominal value reduced from 1 euro (€1) to €0.47;
- the merger between SPIE SA, as the absorbing company, and each of the four Management companies, as absorbed companies.

The carrying amount of the 390 treasury shares amounts to €7,020.00. It is registered in the account "502000 – Treasury shares" as of December 31, 2020.

2.9 Cash and bank loans in foreign currencies

Where applicable, cash assets and bank facilities denominated in foreign currency are discounted and recorded at the closing price of the financial year.

2.10 Subsequent monitoring of the value of assets

Pursuant to CRC Regulation 2002-10, a check for indication of impairment loss is undertaken on all assets. Where applicable, the recoverable value of these assets is assessed and a provision for impairment is recorded if the carrying amount is greater than the recoverable value.

2.11 Provisions for contingencies and expenses

A provision is constituted when the Company has a legal, regulatory or contractual obligation resulting from prior events, when it is probable that an outflow of resources will be necessary to extinguish the obligation, and when the amount of the obligation can be reliably valued.

The provisions constituted result from disputes over business, commercial or labour tribunal litigation, or other risks.

Generally, each of the known disputes is the subject of examination on the date of drawing up the financial statement, and, after any opinions of external advisors, the provisions deemed necessary are constituted to cover the estimated liabilities.

The provisions for risks also include the estimated losses on completion on business outstanding which is provisioned for the part not yet executed.

2.12 Personnel commitments

2.12.1 Pension liabilities and similar benefits

The Company applies the ANC 2013-02 recommendation of November 7, 2013 on the rules of accounting and valuation of pension liabilities and similar benefits.

The liabilities of the Company resulting from defined benefit plans, and their cost, are valued by an independent actuary in accordance with the projected credit units method. This method consists of valuing the liabilities according to the projected final salary, and the determined benefits in accordance with the provisions of the collective agreement, Company agreements or legal rights in force.

These plans are either partially financed, with their assets being then managed separately and independently from those of the Company, or unfinanced. The unfinanced part is the subject of a provision for pensions on the balance sheet.

For the defined post-employment benefits, actuarial differences representing more than 10% of the amount of the liabilities or the market value of the investments are amortised over the residual average duration of presence of the employees within the Company. Actuarial differences representing less than 10% are not recorded. The cost of past services is amortised, in accordance with a linear method, over the average duration remaining until the corresponding rights are acquired to the personnel.

The pension provision is calculated for the benefit of active managers and Etam staff. Labourers' lump sum payments on retirement are covered by an inter-company defined contribution plans (Caisse BTP/CNPRO plans). Not having information making it possible to allocate the share of the obligations and assets, this plan is recorded as a defined contribution plan.

The annual expenses recorded over the financial year for the defined benefits plans represents the rights acquired over the period by each employee corresponding to the cost of services delivered, the financial cost linked to the discounting of liabilities, the income expected from investments, the amortisation of actuarial differences, and the costs of past services resulting from any plan changes, plus the consequences of any reductions and liquidations of plans.

With regard to the valuation of the pension liabilities, the assumptions used by the Company on the terms of departure of its employees (voluntary retirement, retirement age at full rate) correspond to the full rate in accordance with the Fillon law from a default career start age and taking account of the 2013 reform (progressive increase of one quarter every three years of the duration of contribution required to benefit from a full rate pension; this duration will be raised to 43 annual payments from the 1973 generation). These terms also take account of the progressive increase of the legal minimum retirement age from 60 to 62 years (2010 reform), and the Decree of July 2012 which extended the early retirement system for long careers to insured parties giving evidence of starting work before the age of 20.

2.12.2 Other long-term benefits

For the other long term benefits, the liabilities are valued in the same way by an independent actuary, particularly the liabilities relating to length of service awards. The actuarial differences generated and the cost of past services are immediately recorded in income or expenses for the financial year of their recording.

2.12.3 Individual Employee Training Rights for the Group's French Companies

Act no. 2004-391 of May 4, 2004 relating to life-long professional training and social dialogue amending Articles L. 933-1 to L. 933-6 of the French Labour Code entitles employees in France with open-ended employment contracts under private law to a right to individual training (French acronym: DIF) for a minimum of 20 hours per year, which can be accumulated over a period of six years (capped at 120 hours).

As of January 1, 2015, the Personnel Training Account (French acronym: CPF) replaces the DIF and allows each employee throughout his career have an individual right to training which will aggregate to its maximum, 120 to 150 hours of training over 9 years (20 hours per year the first 6 years and 10 hours per year for the following three years).

Employees' DIF rights are kept and continue to exist alongside the CPF: the DIF rights can be used until exhausted, and by 2020 at the latest. However, this deadline for transferring DIF hours to the CPF was extended until June 30, 2021 by the law of November 14, 2020 authorising the extension of the health emergency.

Since January 1, 2019, the hours shown for the CPF have been converted into euros at a rate of €15 per hour. The CPF now increases each year by €500 per beneficiary, up to a cumulative limit of €5,000. However, the Group has no financial commitment in terms of matching the CPF of its employees.

The monitoring of the aggregate volume of training hours corresponding to the rights acquired under the DIF and the CPF, and monitoring of the volume of hours of training not having given rise to a request, are now decentralised and can be viewed through an internet portal only accessible to holders of a CPF account.

This commitment cannot therefore be valued due to the difficulty of obtaining a reliable estimate. Moreover, this commitment will expire definitively no later than June 30, 2021.

2.13 Income statement

The exceptional income and expenses are constituted from the significant elements which, owing to their type, their unusual nature and their non-recurrence, cannot be considered as inherent to the operational activity of the Company.

2.14 Events after the reporting period

Nil.

ADDITIONAL INFORMATION RELATING TO THE BALANCE SHEET

Company: SPIE SA

1 FIXED ASSETS

Box A	**Gross value at the start**	**Increases**	
Fixed assets	**of the financial year**	**Revaluation**	**Acq. and contributions**
Start-up and development costs total (I)			
Other intangible assets items total (II)	148,164,573.78		
Land			
Buildings			
On own land			
On others' land			
General installations, fixtures and fittings of buildings			
Plant and machinery			
Other property, plant and equipment			
General installations, miscellaneous fixtures and fittings			
Transport equipment			
Office equipment and computer furniture			
Recoverable packaging and miscellaneous			
Property, plant and equipment in progress			
Advances and deposits			
TOTAL (III)			
Equity-accounted equity interests			
Other equity interests	2,639,184,606.62		631,271,190.19
Other capitalised securities			
Loans and other financial assets			
TOTAL (IV)	**2,639,184,606.62**		**631,271,190.19**
GENERAL TOTAL (I + II + III+ IV)	**2,787,349,180.40**		**631,271,190.19**

Box B Fixed assets	Reductions Transfer	 Disposal	Gross value at the end of the financial year	Revaluation Original value
Start-up and development costs (I)				
Other intangible fixed assets (II)			148,164,573.78	
Land				
Buildings				
On own land				
On others' land				
General installations, fixtures and fittings of buildings				
Plant and machinery				
Other property, plant and equipment				
General installations, miscellaneous fixtures and fittings				
Transport equipment				
Office equipment and computer furniture				
Recoverable packaging and miscellaneous				
Property, plant and equipment in progress				
Advances and deposits				
TOTAL (III)				
Equity-accounted equity interests				
Other equity interests		739,397,185.04	2,531,058,611.77	
Other capitalised securities				
Loans and other financial assets				
TOTAL (IV)		**739,397,185.04**	**2,531,058,611.77**	
GENERAL TOTAL (I + II + III+ IV)		**739,397,185.04**	**2,679,223,185.55**	

Comments on the main acquisitions, disposals and contributions

Intangible assets:

a) The main acquisitions comprise: Nil

b) The main disposals consist of: Nil

c) The contributions comprise: Nil

Property, plant and equipment:

a) The main acquisitions comprise: Nil

b) The main disposals consist of: Nil

c) The contributions comprise: Nil

Financial assets:

a) The main acquisitions consist of:

- drawing of €600,000,000 on the Revolving Credit Facility by SPIE Operations;
- interests on loans:
  - €292,892 for SAG France,
  - €13,807,315 for SPIE Deutschland und Zentraleuropa GmbH,
  - €15,215,984 for Financière SPIE,
  - €1,955,000 for SPIE Operations.

b) The main disposals consist of:

- repayment of the €600,000,000 drawing by SPIE Operations, the Revolving Credit Facility is unused as of December 31, 2020;
- early repayment of the loan by SAG France for an amount of €12,314,278 on October 1st, 2020;
- partial repayment of the loan by SPIE Deutschland and Zentraleuropa GmbH for an amount of €92,000,000 on December 17, 2020;
- repayment of accrued interests:
  - €586,852 by SAG France,
  - €17,481,906 by SPIE Deutschland & Zentraleuropa GmbH,
  - €15,059,149 by Financière SPIE,
  - €1,955,000 by SPIE Operations.

c) The contributions comprise: Nil

2 DEPRECIATION

Nil.

3 INVENTORY AND WORK IN PROGRESS

Nil.

4 PROVISIONS

Nature of the provisions	Start of the financial year	Allocations	Reversals	End of the financial year
Provisions mining and oil deposits				
Provisions investments				
Provisions for price rise				
Exceptional amortisation	39,030,858			39,030,858
• of which exceptional increases of 30%				
Provisions foreign establishment before 1/1/1992				
Provisions foreign establishment after 1/1/1992				
Provisions for establishment loans				
Other regulated provisions				
TOTAL (I)	**39,030,858**			**39,030,858**
Provisions for dispute				
Provisions for guarantee				
Provisions for losses on forward markets				
Provisions for fines and penalties				
Provisions for foreign exchange losses				
Provisions for pensions	7,870,958	597,109		8,468,067
Provisions for taxes				
Provisions for renewal of fixed assets				
Provisions for major maintenance				
Provisions for soc. sec. and tax charges on paid leave				
Other provisions for contingencies and expenses				
TOTAL (II)	**7,870,958**	**597,109**		**8,468,067**
Provisions on intangible fixed assets				
Provisions on property, plant and equipment				
Provisions on equity-accounted securities				
Provisions on equity securities				
Provisions on other financial assets				
Provisions on inventories				
Provisions on customer accounts				
Other provisions for impairment				
TOTAL (III)				
GENERAL TOTAL (I + II + III)	**46,901,816**	**597,109**		**47,498,925**
Of which operating allocations and reversals		519,185		
Of which financial allocations and reversals		77,924		
Of which exceptional allocations and reversals				
Impairment of equity-accounted securities				

Comments on the principal significant provisions by category

- *Regulated provisions:*

They concern amortisation allowances on acquisition costs of Financière SPIE's shares for an amount of €39,030,858 amortised in full since August 31, 2016.

- *Provisions for contingencies and expenses:*

The allocation of provisions for lump sum payment on retirement include the valuation of services for an amount of €519,185 and the financial part linked to the costs of discounting the provision for an amount of €77,924.

5 RECEIVABLES AND DEBTS

Box A

Statement of receivables		Gross amount	Up to one year	More than one year
Receivables attached to equity interest		1,090,389,016	5,306,248	1,085,082,768
Loans				
Other financial fixed assets				
TOTAL RECEIVABLES RELATED TO THE CAPITALISED ASSETS		1,090,389,016	**5,306,248**	**1,085,082,768**
Bad or litigious customers				
Other trade receivables		624,216	624,216	
Receivables representative of securities lent	prior impairment loss			
Prov. for prior imp. constituted				
Employees and related accounts				
Social Security and other social services		14,130	14,130	
State and others public authorities		9,890,254	9,890,254	
Income taxes		262,261	262,261	
VAT				
Other taxes		177,480	177,480	
State – miscellaneous				
Groups and associates		781,664,769	781,664,769	
Miscellaneous debtors		8,735	8,735	
TOTAL RECEIVABLES FROM CURRENT ASSETS		**792,641,844**	**792,641,844**	
Prepaid expenses		760,858	760,858	
TOTAL RECEIVABLES		**1,883,791,718**	**798,708,950**	**1,085,082,768**
Loans granted during the financial year				
Repayments obtained during the financial year				
Loans and advances granted to associates				

Box B **Statement of debts**	**Gross amount**	**Up to one year**	**One to five years**	**More than five years**
Convertible bond loans				
Other bond loans	1,200,000,000		600,000,000	600,000,000
Borrowings from credit institutions originally under 1 year				
Borrowings from credit institutions originally over 1 year	623,470,291	23,470,291	600,000,000	
Miscellaneous financial loans and debts				
Trade accounts payable and related payables	938,759	938,759		
Employees and related accounts	2,633,825	2,633,825		
Social Security and other social services	527,122	527,122		
State and other public entities				
Income taxes				
VAT	99,864	99,864		
Guaranteed bonds				
Other taxes	270,692	270,692		
Debts on fixed assets and related debts				
Groups and associates	75,332,302	75,332,302		
Other debts	237,606	237,606		
Debt representative of securities borrowed				
Prepaid income				
TOTAL DEBTS	**1,903,510,461**	**103,510,461**	**1,200,000,000**	**600,000,000**
Loans taken out during the year		Borrowing from private individuals		
Loans repaid out during the year				

Receivables on equity interests are firstly linked to loans made to subsidiaries and accrued interest attached to said loans.

Loans are linked to a bond issue in March 2017 for €600 million, the Senior Credit Facility of €600 million, the Revolving Credit Facility of €600 million not used at December 31, 2020 and the June 2019 bond for €600 million.

The fraction of debts represented by provisions on invoices not received amounts, as at December 31, 2020, to €502,322. These are mainly audit fees and miscellaneous fees.

The main transactions with affiliated companies represent:

- €1,440,669,595 on the equity securities of Financière SPIE;
- €1,090,389,016 on loans to subsidiaries and the corresponding interests;
- €624,216 concerns an invoice to SPIE Operations of €599,182, an invoice to SPIE Limited for €24,943 and an invoice to SPIE Thépault of €91;
- €781,664,769 on other receivables, which mainly concern cash advances and tax consolidation current accounts;
- €308,276 relates to an invoice from SPIE Operations;
- €75,332,301 for other debts, which concern the tax consolidation current accounts for €72,904,227 and the commercial current account with SPIE Operations for €2,428,074.

6 AFFILIATED COMPANIES: ITEMS UNDER SEVERAL BALANCE SHEET ITEMS

	Amount concerning companies		12/31/2020
	affiliated	through an equity interest	Debts/receivables repres. by commercial papers
Advances and deposits paid on fixed assets			
Intangible			
Tangible			
Financial assets			
Equity interests	1,440,669,595		
Receivables attached to equity interest	1,090,389,016		
Loans			
Other capitalised securities			
Other financial fixed assets			
	2,531,058,611		
Receivables			
Suppliers: advances and payments on account			
Trade receivables and related accounts	624,216		
Other receivables			
Unpaid called-up share capital			
	624,216		
Cash assets			
Financial current accounts	781,664,769		
	781,664,769		
Miscellaneous financial liabilities			
Debts concerning equity interests			
Miscellaneous financial loans and debts			
Financial current accounts			
Customers: advances and deposits received			
Trade payables	308,276		
Debts on fixed assets			
Other debts	75,332,301		
	75,640,577		

7 CHANGES IN EQUITY

Equity	Start of reporting period	Increase	Reduction	Distribut. dividends	Allocation of income N-1	Contributions and mergers	End of reporting period
Share or individual capital	74,118,118	1,147,577					75,265,695
Issue, merger and contribution premiums, etc.	1,211,971,279	24,091,003					1,236,062,282
Revaluation surplus							
Legal reserve	7,411,812	114,758					7,526,570
Statutory or contractual reserves							
Regulated reserves							
Other reserves							
Carry-forwards	9,231,133				101,827,863		111,058,996
Income for the financial year	101,827,863	91,818,767			-101,827,863		91,818,767
Investment subsidies							
Regulated provisions	39,030,858						39,030,858
TOTAL EQUITY	**1,443,591,062**	**117,172,105**					**1,560,763,167**

SHARE CAPITAL

- In the context of the Group's Savings Plan, an employee offering to subscribe to SPIE SA's share capital was launched from October 1 to October 21, 2020.

The subscription price offered to employees was set at €10.56 after a 30% discount on a reference price of €15.08.

Capital increase through an issue of a total of 2,441,652 new ordinary shares at a unit price of €10.56, an increase in the total nominal amount of the SPIE SA share capital of €1,147,576 and the recognition of a premium issue of €24,091,003 net of the amounts taken out as an additional legal reserve amounting to €114,758 and the costs of the capital increase for an amount of €430,508.

As at December 31, 2020, the share capital of SPIE SA amounted to €75,265,695 divided into 160,139,776 ordinary shares, all of the same category, of a par value of €0.47.

DIVIDENDS

SPIE's Board of Directors proposed, on March 11, 2020, a dividend payment of €0.61 per share based on 2019 year's results, representing a 5.2% increase on 2018.

As an interim dividend of €0.17 per share had been paid in September 2019, this dividend proposal implied a final dividend of €0.44 per share, to be paid on 2020, subject to Shareholders approval at the May 29, 2020 Combined Shareholders' General Meeting.

In order to meet the societal challenges imposed by the Covid-19 crisis and its effects on all our stakeholders, SPIE's Board of Directors has decided, on April 8, 2020, to propose to the Shareholders' Meeting not to pay a final dividend for 2019.

The Combined General Shareholders' Meeting held on May 29, 2020 approved this proposal for a payment of a total dividend limited to €0.17 per share, strictly corresponding to the interim dividend which was paid in September 2019.

Besides, the Group indicated in its press release issued on March 11, 2020 that the Board of Directors intended to pay an interim dividend in September 2020, amounting to 30% of the approved dividend for 2019. Due to the Group's commitment not to pay dividends in 2020, by decision of the Board of Directors on July 28, 2020, no interim dividend will be paid in 2020.

The decision to cancel the payment of dividends for 2020 is by no means the reflection of cash concerns for the Group. It is caused by the exceptional context of the sanitary crisis, and dividend distribution will remain at the heart of SPIE's capital allocation policy going forward.

Based on the FY 2020 results, the Board of Directors will propose to the Shareholders' General Meeting to pay a €0.44 dividend per shares in May 2021.

Lastly, the Board of Directors plans to pay an interim dividend again in September 2021.

8 NUMBER AND PAR VALUE OF THE COMPONENTS OF THE SHARE CAPITAL

	Number at start of the financial year	Created during the financial year	Redeemed during the financial year	Number as of 12/31/2020	Par value
Ordinary shares	157,698,124	2,441,652		**160,139,776**	0.47
Amortised shares					
Priority dividend shares (without voting right)					
Preferred shares					
Company shares					
Investment certificates					
TOTAL	**157,698,124**	**2,441,652**		**160,139,776**	

9 INFORMATION ON MERGERS AND SIMILAR TRANSACTIONS

No merger operation occurred during the financial year.

10 EXPENSES PAYABLE

Expenses payable	Amount
Convertible bond loans	
Other bond loans	
Loans and debts with financial institutions	23,470,291
Miscellaneous financial loans and debts	
Advances and deposits received on orders in progress	
Supplier debts and related debts	502,322
Tax and Social Security debts	2,835,985
Debts on fixed assets and related debts	
Other debts	
TOTAL	**26,808,598**

11 INCOME RECEIVABLE

	Amount
Receivables attached to equity interest	5,306,248
Other financial fixed assets	
Trade receivables and related accounts	
Employees and related accounts	
Social Security and other social services	
State and other public entities	177,480
Other receivables	
Cash assets	
TOTAL	**5,483,728**

12 PREPAID INCOME & EXPENSES

The nature and amounts of the prepaid income are as follows:

- Prepaid income linked to the “advancement” method: Nil;
- Other prepaid income: Nil.

The nature and amounts of the prepaid expenses are as follows:

- Prepaid expenses linked to the “advancement” method: Nil;
- Other prepaid expenses amounting to €760,858 mainly linked to the financing of the CICE and CIR.

ADDITIONAL INFORMATION RELATING TO THE INCOME STATEMENT

Company: SPIE SA

1 BREAKDOWN OF REVENUE

Breakdown of revenue	12/31/2020	12/31/2019	Change
DISTRIBUTION BY ACTIVITY SECTOR			
Sales of goods			%
Production sold goods			%
Production sold services	3,146,730	3,233,339	-3%
DISTRIBUTION BY GEOGRAPHICAL MARKET			
Net revenue-France	3,146,730	3,233,339	-3%
Net revenue-Export			%
NET REVENUE	**3,146,730**	**3,233,339**	**-3%**

This mainly concerns the re-invoicing in 2020 of the services of executive managers.

2 FINANCIAL INCOME

Financial income amounted to €83,419,886.41 as at December 31, 2020.

Financial revenues amounted to €130,334,784.61 and mainly comprise:

- dividends: €99,063,594.42 received from Financière SPIE;
- revenues from non-current receivables: €31,271,190.19 (interests from loans to subsidiaries).

Financial expenses amounted to €46,914,898.20 and mainly comprise:

- interest on bank debts: €46,172,449.98;
- interest on CIR and CICE receivables: €664,445.22;
- financial allocation linked to the costs of discounting the provisions for lump-sum payments on retirement: €77,924.

3 EXCEPTIONAL INCOME

Exceptional income amounted to €6,825.51 at December 31, 2020:

- penalties- non-deductible tax fines: €31,725.00;
- tax relief: €18,250.51;
- other income (provision for 2019 C3S): €20,300.00.

4 TRANSFERS OF EXPENSES

Transfers of expenses	Operating
Transfers of operating expenses	27,765
Transfers of financial expenses	
Transfers of exceptional expenses	
TOTAL	**27,765**

Relate to illness-related payments.

5 WORKFORCE

	Average salaried workforce	
	2020	2019
Workforce		
Managers	9	9
Etam		
Labourers		
TOTAL	**9**	**9**

6 COMPENSATION ALLOCATED TO CORPORATE OFFICERS

Pursuant to Article 24-18 of Decree 83-1020 of November 29, 1983, no information will be communicated as this would make it possible to identify the situation of a given member of the management bodies.

7 INCOME TAXES

	Current income	Exceptional income	Profit-sharing	Tax credits	Holdbacks
Pre-tax income	75,025,976	6,825.51			
Taxes:					
• at the rate of %	(16,785,966)				
• on long-term capital gains					
INCOME AFTER TAX	**91,811,942**	**6,826**			

Method used:

The tax corrections were reclassified according to their nature in current income, exceptional income and equity interest.

Tax consolidation:

The Company has been placed under the tax consolidation scope of the SPIE SA group since January 1, 2012.

At the time of the exit from the tax group of a subsidiary which signed the consolidation agreement, and whatever may cause such exit, the subsidiary will thereafter be placed under the ordinary tax system.

As a result of its integration, it will lose certain tax prerogatives, such as the possibility of deferring its long-term losses and gains generated during the consolidation by the application of articles 209 1 paragraph 3 and 220 quinquies of the French General Tax Code.

Consequently, the parties signing the agreement reserve the right to negotiate, at the time of the exit of the subsidiary, the principle and amount of compensation for the outgoing subsidiary.

In view of the tax group's profit in 2020, SPIE SA recognised a corporate tax expense of €12,421,333 and tax consolidation income of €29,132,909.

In the absence of tax consolidation, the Company would also not have paid any corporate tax owing to its tax deficit in 2020.

FINANCIAL LIABILITIES AND OTHER INFORMATION

Company: SPIE SA

1 COMMITMENTS GIVEN

- Bank bonds: Nil
- Endorsements, bonds and guarantees: Nil
- Deposit linked to securitisation: Nil
- Personal training account: on January 1, 2015, the hours linked to the Individual Employee Training rights (DIF) were transferred to the Personal Training Account (CPF) and are no longer monitored by the Company.

2 COMMITMENTS RECEIVED

- Securitised claims: Nil
- Supplier deposits: Nil
- Discounted effects not due: Nil
- Balancing subsidies: Nil
- Director shares: Nil

3 MANAGEMENT OF INTEREST RATE RISK

To optimise its costs and sources of finance, the Company may take out rate guarantee contracts with its parent company.

Amount subscribed as at December 31, 2020: €0.

4 DEFERRED TAXATION

Description	12/31/2020	12/31/2019
BASES FOR INCREASING THE FUTURE TAX DEBT		
Regulated provisions	39,030,858	39,030,858
Investment subsidies		
UCITS securities valuation loss		
Unrealised exchange loss		
Other expenses deducted in advance		
Long-term capital gains with deferred taxation		
Total bases for increasing the future tax debt	**39,030,858**	**39,030,858**
Total future tax liabilities	**12,497,681**	**13,439,625**
BASES FOR REDUCING THE FUTURE TAX DEBT		
Amortisation of software		
Potential losses on long-term contract		
Provisions for pensions and similar obligations	8,468,067	7,870,958
Other contingencies and expenses provisioned		
Expenses payable		4,969
UCITS securities valuation gain		
Unrealised exchange gain		
Other income taxed in advance		
Deficits carried forward for tax purposes		
Total bases for reducing the future tax debt	**8,468,067**	**7,875,927**
Total future tax assets	**2,711,475**	**2,711,682**
NET POSITION	**9,786,206**	**10,727,943**
(1) Tax rate:	*32.02*	*34.43*
Of which normal corporate tax rate:	*31.00*	*33.33*
Social contribution on tax:	*3.30*	*3.30*

6 IDENTITY OF CONSOLIDATING COMPANIES

The SPIE SA company is the head company of consolidation for all companies of the SPIE group.

7 OTHER TRANSACTIONS NOT RECORDED IN THE BALANCE SHEET

The Company has no operation with the affiliated parties to mention.

8 LIST OF SUBSIDIARIES AND EQUITY INTERESTS

	Share capital	Reserves and carry-forwards before appropriation of earnings	Share of capital held (%)	Book values of securities held – Gross	Book values of securities held – Net	Loans and advances granted not yet repaid	Amount of bonds and endorsements given by the Company	Revenue excluding tax from the past financial year	Income for the last financial year	Dividends received by the Company during financial year
A. DETAILED INFORMATION [(1) (2)]										
Subsidiaries (+50% of share capital held by the Company)				**1,440,669,595**	**1,440,669,595**	**315,079,816**				
Financière SPIE	678,518	363,092,444	100%	1,440,669,595	1,440,669,595	716,960,066		0	25,517,168	99,063,594
Equity interests (10 to 50% of the share capital) – to be detailed										
B. OVERALL INFORMATION CONCERNING THE OTHER SUBSIDIARIES AND EQUITY INTERESTS NOT COVERED IN A.										
French subsidiaries (all)										
Foreign subsidiaries (all) [(3)]										
Equity interests in French companies										
Equity interests in foreign companies										
TOTAL				**1,440,669,595**	**1,440,669,595**					

(1) The book value of which exceeds a certain percentage (determined by the legislation) of the share capital of the Company legally bound to publication. When the company has appended to its balance sheet, a balance sheet for the consolidated financial statements. In accordance with the regulations, this company only provides information globally (§ B), distinguishing between (a) French subsidiaries (together) and (b) foreign subsidiaries (together).
(2) For each subsidiary and entity with which a company has an equity connection, indicate the name and registered office.
(3) Foreign subsidiaries and equity interests which, for exceptional reasons, are not recorded in Section A, are recorded in these categories.

8 EMPLOYEE BENEFITS

Note 1: Pension liabilities – provisions for retirement benefits.

VALUATION OF LIABILITIES	
Total current value of the liabilities as of January 1, 2019	**18,864,874**
Transfers as of January 1	-
Normal expense for the financial year	620,712
Interest expenses	137,526
Contributions paid by employees	-
Plan amendments	-
Business acquisitions	-
Business disposals	-
Transfer of personnel	-
Liquidations/Plan reductions/Redundancies	(250,451)
Actuarial losses (and gains)	593,274
Benefits paid to beneficiaries	(572,899)
Other	-
Total present value of commitments at 12/31/2020	**19,393,035**
HEDGING OF LIABILITIES	
Market value of funds invested at December 31, 2019	**7,946,937**
Transfers on January 1	-
Actual return of funds	297,000
Employer's contributions	-
Employee contributions	-
Plan amendments	-
Business acquisitions	-
Business disposals	-
Transfer of personnel	-
Plan reductions	-
Plan liquidations	-
Benefits paid to beneficiaries	(572,899)
Other	-
Market value of funds invested at December 31, 2020	**7,671,038**
EXPENSES N	
The pension costs covered can be broken down as follows:	
Normal expense for the financial year	620,712
Interest expenses	137,526
Return expected from funds	(59,602)
Amortisation of plan amendments	-
Amortisation of actuarial losses (and gains)	148,925
Effect of reductions/liquidations/redundancies	(250,451)
Net cost over the period	**597,109**
Financial hedging	**11,721,997**
Actuarial (losses) and gains not recognised	(3,253,930)
Costs of past services not recognised	-
AMOUNT PROVISIONED – EMPLOYEE BENEFITS	**8,468,067**

The discount rate is 0.50% and the method of retirement is valued on the voluntary departure.

4.5.2 STATUTORY AUDITORS' REPORT ON THE COMPANY'S ANNUAL PARENT COMPANY FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the 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 SPIE SA,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of SPIE SA for the year ended December 31, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory auditors for the period from January 1, 2020 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.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

Due to the global crisis related to the Covid-19 pandemic, the financial statements for this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the health emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties regarding their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and on the performance of 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 and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity interests

Risk identified

Equity interests held by your Company correspond exclusively to the shares of Financière Spie, sub-holding company of your Group, which represent a net value of more than 40% of its total assets.

Equity interests are systematically tested for impairment at the end of the reporting period; an impairment loss is recorded when the current value of the shares held falls below their carrying amount, as described in Note 2.5 to the financial statements.

Given the materiality of these interests in the Company's balance sheet and the degree of judgment required from management in terms of assessing their current value, in an evolving context of the crisis due to Covid-19, we considered the valuation of equity interests to be a key audit matter.

Our response

Taking into account the information provided to us, our work consisted primarily in assessing the method and data that were used to estimate the equity interests' current value.

Accordingly, we:

- acknowledged the method used;
- evaluated the consistency of the assumptions and the main estimates used by Management, in an evolving context of the crisis due to Covid-19, with those analyzed during our work on impairment of goodwill;
- assessed that the valuation took into account the debt of the relevant entity.
- assessing the consistency of the valuation obtained with your Company's stock market value.

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 Board of Directors' management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-6 of the French Commercial Code *(Code de commerce).*

Report on Corporate Governance

We attest that the Board of Directors' Report on Corporate Governance sets out the information required by L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code (Code de commerce).

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 remunerations and benefits received by, or allocated to the directors and any other commitments made in their favor, 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 thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

[With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code *(Code de commerce)*, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

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 regarding the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code *(Code monétaire et financier)*, prepared under the Chairman and CEO's responsibility, complies with the single electronic format defined in Commission 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 intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of SPIE SA by your annual general meeting held on November 15, 2011 for PricewaterhouseCoopers Audit and by the articles of incorporation of May 27, 2011 for ERNST & YOUNG et Autres.

As at December 31, 2020, PricewaterhouseCoopers Audit and ERNST & YOUNG et Autres were in their tenth year of total uninterrupted engagement, which is the sixth year since securities of the Company were admitted to trading on a regulated market,

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.

4

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 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 financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code *(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.

Neuilly-sur-Seine and Paris-La-Défense, April 9, 2021

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit	**ERNST & YOUNG et Autres**
Edouard Sattler	Henri-Pierre Navas

4.6 INCOME (AND OTHER CHARACTERISTIC COMPONENTS) FOR SPIE SA OVER THE LAST 5 YEARS

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
1. - SHARE CAPITAL AT THE END OF THE YEAR					
Share capital	72,415,793	72,415,793	73,107,536	74,118,118	75,265,695
Number of existing ordinary shares	154,076,156	154,076,156	155,547,949	157,698,124	160,139,776
Number of existing priority dividend shares (without voting right)	-	-	-	-	-
Number of preferred shares (category A)	-	-	-	-	-
Number of preferred shares (Category B)	-	-	-	-	-
Maximum number of future shares to be created					
By conversion of bonds					
By exercise of subscription rights	-	-	-	-	-
2. - OPERATIONS AND INCOME FOR THE YEAR					
Invoicing excluding taxes	3,356,486	1,599,009	14,194,822	3,233,339	3,146,730
Income before taxes, employee profit-sharing and allocations to depreciation, amortisation and provisions	(16,810,165)	88,077,723	64,037,160	67,474,661	75,629,910
Company tax (tax consolidation)	23,895,180	29,890,953	30,548,608	34,857,826	16,785,966
Employee profit-sharing due for the financial year	-	-	-	-	
Income after taxes, employee profit-sharing and allocations to depreciation, amortisation and provisions	1,195,469	116,750,477	94,147,234	101,827,863	91,818,767
Distributed results	81,660,156	86,282,429	90,217,584	26,495,770	70,461,330
3. - EARNINGS PER SHARE					
Income after taxes, employee profit-sharing and allocations to amortisation, depreciation and provisions	0.05	0.77	0.61	0.65	0.58
Income after taxes, employee profit-sharing and allocations to depreciation, amortisation and provisions	0.01	0.76	0.61	0.65	0.57
Dividend per share	0.53	0.56	0.58	0.17	0.44
4. - PERSONNEL					
Average number of employees employed during the year	10.0	9.0	10.0	9.0	9.0
Amount of payroll for the year	4,036,444	3,707,508	4,218,011	4,160,176	4,063,824
Amount of social charges and employee benefits for the year	1,953,241	1,896,580	2,092,956	2,345,063	2,005,418

4.7 INFORMATION ON SUPPLIER PAYMENT PERIODS

MANAGEMENT REPORT SUPPLIER PAYMENT PERIODS

	Due				Not due				
SPIE SA FY ended 12/31/2020	**+2 months**	**1-2 months**	**0-1 months**	**Total due**	**0-1 months**	**1-2 months**	**+2 months**	**Total not due**	**Total**
Various suppliers				0.00	44,129.68			44,129.68	44,129.68
Various foreign suppliers				0.00				0.00	0.00
Intra-group suppliers			308,276.34	308,276.34				0.00	308,276.34
Intragroup foreign suppliers				0.00				0.00	0.00
Honorary suppliers				0.00	7,716.00			7,716.00	7716.00
Honorary foreign suppliers				0.00				0.00	0.00
Interim suppliers				0.00				0.00	0.00
TOTAL SUPPLIER DEBT			**308,276.34**	**308,276.34**	**51,845.68**			**51,845.68**	**360,122.02**

The amount included in SPIE SA's statutory financial statements as of December 31, 2020 under item "suppliers debt and related accounts" of the table "status of maturity of debts as year-end" amounts to €938,758.70.

The difference with the amount in the table of debts above, *i.e.* €578,636.68 corresponds to unsuccessful invoices for €502,321.89 and commercial transfers to be paid for €76,314.79 as of December 31, 2020.

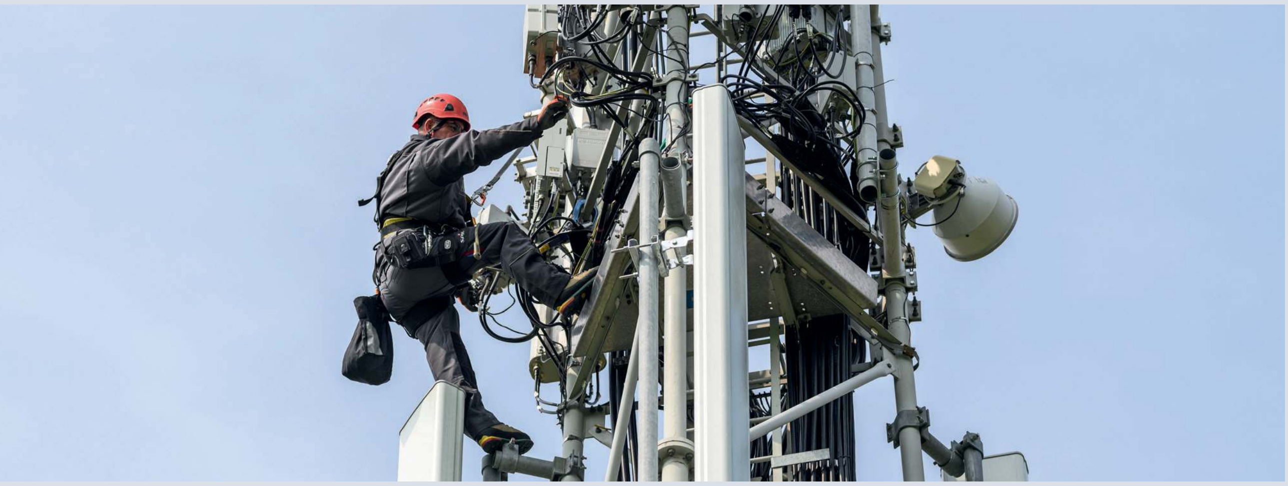
	Due				Not due				
SPIE SA FY ended 12/31/2019	**+2 months**	**1-2 months**	**0-1 months**	**Total due**	**0-1 months**	**1-2 months**	**+2 months**	**Total not due**	**Total**
Various suppliers	7,611.71			7,611.71	70,187.81			70,187.81	77,799.52
Various foreign suppliers				0.00				0.00	0.00
Intra-group suppliers				0.00				0.00	0.00
Intragroup foreign suppliers				0.00				0.00	0.00
Honorary suppliers	991.74			991.74				0.00	991.74
Honorary foreign suppliers				0.00				0.00	0.00
Interim suppliers				0.00				0.00	0.00
TOTAL SUPPLIER DEBT	**8,603.45**	**0.00**	**0.00**	**8,603.45**	**70,187.81**	**0.00**	**0.00**	**70,187.81**	**78,791.26**

The amount included in SPIE SA's statutory financial statements as of December 31, 2019 under item "Suppliers debt and related accounts" of the table "Status of maturity of debts as year-end" amounts to €649,592.19.

The difference with the amount in the debt table above, *i.e.*, €570,800.93 corresponds to invoices not received as of December 31, 2019.

-5-

CORPORATE GOVERNANCE AFR



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STATEMENT ON CORPORATE GOVERNANCE

In terms of Corporate Governance, the Company refers to and, subject to what is stated in this report, complied during the financial year ended December 31, 2020 (the **"2020 Applicable Period"**) and complies as of the date of this report, with the recommendations relating to Corporate Governance set forth in the Corporate Governance Code for publicly traded companies published by the Afep and the Medef in December 2008, as updated in June 2020 (the "**Afep-Medef Code**").

The Afep-Medef Code is available on the websites of the Afep (www.afep.com) and of the Medef (www.medef.com).

Recommendations of the Afep-Medef Code that are not applied	Justification
Article 14.2 *Terms should be staggered so as to avoid replacement of the entire body and to favour a smooth replacement of Directors.* **Article 14.3** *The report on Corporate Governance details the dates of the beginning and end of each Director's term of office, to ensure that the existing staggering is clear.*	For historical reasons related to the Company's shareholding since its IPO, the terms of office of the Directors have not yet been sufficiently staggered. However, with the proposal to appoint two independent Directors at the en Shareholders' General Meeting to approve the financial statements for the financial year ended December 31, 2020, the Company believes that the objective of a more harmonious renewal of Directors is on track.
Article 23 *The Board of Directors defines a minimum number of registered shares that the executive corporate officers must retain through to the end of their term of office. This decision is reviewed at least on each extension of their term of office.* *The Board of Directors may base its decisions on various references, for example:* • the annual compensation; • *a defined number of shares;* • *a percentage of the capital gain net of taxes and social contributions and of expenses related to the transaction in the case of exercised options or performance shares;* • a combination of these references. *Until this objective regarding the holding of shares has been achieved, the executive corporate officers will devote a proportion of exercised options or awarded performance shares to this end as determined by the Board. This information is included in the Company's report on Corporate Governance.*	Pursuant to the Company's Articles of Association, each Director (except for the Director representing the employee Shareholders and the Director representing the employees) must hold at least 100 Company shares, in registered form. The Board of Directors did not set a higher number of shares that the Chairman and Chief Executive Officer should hold. However, as of the date of this report, the Chairman and Chief Executive Officer holds 2,455,209 Company shares, i.e. a very significant number of shares representing 1.53% of the share capital, all in registered form. The Chairman and Chief Executive Officer must also retain 25% of the performance shares which were granted to him (see Section 6.1.3 of the Universal Registration Document).

5.1 MANAGEMENT BODIES

(A) CHIEF EXECUTIVE OFFICER

Gauthier Louette exercises the functions of Chairman of the Board of Directors and Chief Executive Officer of the Company. He holds the title of Chairman and Chief Executive Officer. His term as a Director was renewed at the Shareholders' General Meeting of May 25, 2018 and will end in 2022, at the end of the Annual Ordinary Shareholders' General Meeting called to approve the financial statements for the financial year ending December 31, 2021.

The conditions of exercise of his office, in particular his compensation, as set forth by the Board of Directors, are described hereafter and in Section 5.3 "Compensation and benefits" of the Universal Registration Document.

(B) MEANS OF EXERCISING THE GENERAL MANAGEMENT AND LIMITATIONS OF POWERS

Means of exercising the General Management

The functions of Chairman of the Board of Directors and Chief Executive Officer have been combined since the transformation of the Company into a joint stock company with a Board of Directors. To the Board of Directors, such combination constituted a choice of organisation that is well adapted to the Company and the Group, particularly in the context of the Company's recent IPO, and most consistent with the role previously undertaken by the current Chairman and Chief Executive Officer within the Group, in particular his office as Chairman of the Company under its former corporate form of simplified joint stock company.

During its meeting of March 9, 2018 and following a report from the CSR and Governance Committee, the Board of Directors determined that the aggregation of the functions of Chairman of the Board of Directors and Chief Executive Officer of the Company, as well as its unified presentation to third parties, remained in the best interests of the Company for the following reasons:

- the balance of powers and independence of the Board of Directors are sufficiently ensured through a list of issues mentioned in the Company's internal rules for which a prior agreement of the Board of Directors is required (see below). In addition, the increase in the number of independent Directors and the presence of an experienced Senior Independent Director (see below) who is notably in charge of reviewing each year the performance of the Board of Directors' operation, organising sessions with non-executive Directors and chairing the Board of Directors during the review of issues relating to the Chairman and Chief Executive Officer such as his compensation, contribute to the independence of the Board of Directors;
- in addition to its missions of review of financial issues, the Board of Directors reviews transactions above a certain threshold or which are significant from a strategic point of view which have been reviewed and approved by the Executive Committee. The strategic and operational objectives have thus been aligned between the Executive Committee and the Board of Directors;
- annual reviews of the Board of Directors have shown a high level of satisfaction from the members of the Board of Directors in relation to the way the Chairman and Chief Executive Officer chairs the Board meetings.

These explanations were given in the notice to Shareholders to vote on the renewal of the term of office of the Chairman and Chief Executive Officer at the Shareholders' General Meeting of May 25, 2018.

At its meeting of July 26, 2018, the Board of Directors noted that the term of office of the Chairman and Chief Executive Officer had been renewed with 90.12% of favourable votes, without significant criticism from Shareholders of the explanations provided by the Board.

When the members of the Board of Directors reviewed the functioning of the Board of Directors for 2020 (see Section 5.2.2.3), they confirmed that at this stage, the aggregation of the functions of Chairman and Chief Executive Officer of the Company remained an efficient structure for the Company's governance and performance.

Taking this combination of functions into account, on December 8, 2015, the Board of Directors, on the recommendation of the Nominations and Compensation Committee, appointed Sir Peter Mason as Senior Independent Director (see above), and his term as Director was renewed at the Shareholders' General Meeting of May 25, 2018.

In accordance with applicable law, the Company's Articles of Association and the internal rules of the Board of Directors, the Chairman and Chief Executive Officer chairs the meetings of the Board of Directors, organises and leads its work and meetings and ensures a smooth functioning of the Company's corporate bodies, in ensuring in particular that the Directors are in a position to perform their mission.

Limitations to the powers of the General Management

The Chairman and Chief Executive Officer holds the widest powers to act in all circumstances in the name and on behalf of the Company, which he represents towards third parties.

However, in accordance with Article 4.2 of the internal rules of the Board of Directors, he must obtain the prior authorisation of the Board of Directors with respect to the following strategic decisions:

(i) approval or amendment to the business plan or to the budget (including investment budgets together with the related financing plan) of the Company, including the Group's consolidated annual budget;

(ii) any investment (except Section (iii) below) not approved in terms of Section (i) above, under the business plan or the budget for an amount of more than €10 million;

(iii) any external growth transaction or takeover or acquisition of stake, provided that this transaction involves an enterprise value or a transaction amount exceeding €30 million;

(iv) any launch of a significant activity not within the usual scope of the companies of the Group or any decision to stop or significantly reduce the main businesses of the Group;

(v) constitution of security interests (endorsements and guarantees) by the Company for the benefit of a third party, except guarantees granted to customs and tax authorities in the normal course of business;

(vi) any decision to participate in a project involving a company of the Group up to an amount (per project) exceeding €50 million, together with the entry into any agreement of an overall amount equal to or exceeding €50 million;

(vii) any amendment to the Company's Articles of Association;

5

(viii) any proposal in relation to any financial undertaking or any operation of indebtedness that would change the leverage ratio of net debt of the Group calculated and submitted to financial markets;

(ix) any decision of issuance of any securities granting access to the Company's share capital (including stock-options plan, any company savings plan or, any incentive mechanism of the employees of the Group);

(x) any decision to amend the conditions for fixed, variable, cash or in-kind compensation of the Company's Chairman and Chief Executive Officer;

(xi) any disposal of a company belonging to the Group or any disposal of one or several of its main businesses, provided that this transaction involves an enterprise value or a transaction amount exceeding €50 million or a company or a business with an annual revenue higher than €150 million; and

(xii) merger, spin-off, or contribution in kind involving a company of the Group and a third company provided that this transaction involves an enterprise value of the third company or a transaction amount exceeding €50 million or a third party company or enterprise with an annual revenue exceeding €150 million.

(C) EXECUTIVE COMMITTEE

The Group has set up an Executive Committee that determines and implements the Group's operational strategy and ensures the consistency of its actions. This committee meets monthly and brings together the Chief Executive Officers of the main subsidiaries and the Company's Chairman and Chief Executive Officer, the Chief Financial Officer, the Director of Human Resources, the Director of Strategy, Development and Acquisitions and the Director of Operational Support. It is composed of 12 members who reflect the European governance of the Group.

The following are therefore members of this Committee on the date of this Universal Registration Document: Mr Gauthier Louette, Chairman and CEO of SPIE SA and Chairman of SPIE Operations; Mr Michel Delville, Chief Financial Officer of the Group; Mr Christophe Bernhart, Chief Executive Officer of SPIE Oil & Gas Services; Ms Lieve Declercq, Chief Executive Officer of SPIE Nederland; Mr Hein Dirix, Chief Executive Officer of SPIE Belgium; Mr Olivier Domergue, Chief Executive Officer of SPIE France; Mr Robert Goodhew, Chief Executive Officer of SPIE UK; Mr Markus Holzke, Chief Executive Officer of SPIE DZE (formerly SPIE Holding GmbH); Mr Pablo Ibanez, Director of Operational Support (Purchasing, Real Estate, Sustainable Development, Digital, IT); Ms Elisabeth Rasmussen, Group Human Resources Director; Mr Pierre Savoy, Chief Executive Officer of SPIE Schweiz AG and Mr Jérôme Vanhove, Group Director of Strategy, Development and Acquisitions.

5.2 BOARD OF DIRECTORS: COMPOSITION, PREPARATION AND ORGANISATION OF WORK

5.2.1 COMPOSITION

COMPOSITION

The Company's Articles of Association provide that the Board of Directors comprises between 3 and 18 members, who shall not be older than 75 years-old (provided that the number of Directors over 70 years-old shall not exceed one third of the Directors in office) and appointed for a renewable 4-year term. The term of office of each Director expires immediately after the Annual Ordinary Shareholders' General Meeting deliberating on the financial statements for the preceding financial year, and held during the year during which the term expires. The exception to this are Directors representing employees, who are appointed by the Shareholders' General Meeting upon proposal from the Board of Directors, itself receiving proposals from the Nominations and Compensation Committee. Their office may be terminated at any time by the Ordinary Shareholders' General Meeting.

The Articles of Association further provide that the Board of Directors may appoint one or more non-voting Directors, with a maximum of three, for a renewable four-year term. As of the date of this Universal Registration Document, the Board of Directors does not include a non-voting member.

In accordance with Article L. 225-23 of the French Commercial Code, the Board of Directors comprises a Director representing the employee Shareholders, appointed by the Ordinary Shareholders' General Meeting among the members of the Supervisory Board of the employee mutual fund (*fonds commun de placement d'entreprise* – FCPE) holding shares of the Company on behalf of the employees. The Board of Directors also comprises two Directors representing the employees. In accordance with Article L. 225-27-1 of the French Commercial Code and following the entry into force of the PACTE law, a second Director representing employees was appointed by the European Works Council on November 10, 2020 in the person of Mr Michael Kessler. The first employee Director, Mr Daniel Boscari, having asserted his retirement rights at the end of 2020, Mr Jérôme Nier was appointed employee Director on January 4, 2021 in accordance with Article L. 225-27-1 of the French Commercial Code.

On the date of this Universal Registration Document, the Board of Directors comprises 11 Directors, including one representative of employee Shareholders, and two representatives of employees. The Directors of the Company come from various backgrounds and have diverse skills. Six Directors are foreign nationals and five nationalities are represented on the Board of Directors.

In September 2020, SPIE was awarded the "Composition of the Board" award (SBF 80 category) as part of the 17th edition of the AGEFI Corporate Governance Awards. This award recognizes the many actions taken by the Company since its IPO in 2015 to improve its governance practices: gender parity on its Board of Directors, importance given to independent Directors, presence of an employee Director on the Compensation Committee, or diversity of nationalities on the Board.

In accordance with the provisions of Article 15-6 of the Company's Articles of Association and of Article 2.10 of the internal rules of the Board of Directors, each Director must hold at least 100 shares, except for the Director representing the employee Shareholders and the Director representing the employees, who are not required to hold a minimum number of Company shares. The Board of Directors issued a recommendation based on which Directors must hold 1,500 Company shares in order to receive compensation set by the Board. It is specified that for Peugeot Invest Assets (formerly FFP Invest), the compensation is received by the Company and not by its permanent representative.

The tables below present the members of the Board of Directors as of the date of this Universal Registration Document, together with the terms of office of members of the Company's Board of Directors over the past five years:

GAUTHIER LOUETTE
Chairman of the Board of Directors and Chief Executive Officer

AGE: 59
SEX: M

NATIONALITY: French
YEARS ON THE BOARD: 10
PARTICIPATION RATE: 100%

FIRST APPOINTMENT: August 30, 2011
RENEWAL: ☑ May 25, 2018

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2021

NUMBER OF SHARES HELD: 2,455,209

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

Gauthier Louette graduated from the École Polytechnique and École Nationale Supérieure de Techniques Avancées. He joined the Group in 1986 where he has spent his entire career, first as a project engineer, then as project manager, then as Director of Operations before being appointed in 1998 as Chief Executive Officer of SPIE Capag, SPIE's pipeline division. In 2000, he was appointed as Director of the Oil & Gas Branch of SPIE. In 2003, he was appointed as Chief Executive Officer of SPIE Operations, and became Chairman and CEO in 2010.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group:
- Chairman of SPIE Operations;
- Chairman of SPIE France;
- Chairman of SPIE Oil & Gas Services;
- Chairman of the Board of Directors of SPIE UK Limited;
- Chairman of the Board of Directors of SPIE Belgium;
- Chairman of the Supervisory Board of SPIE GmbH;
- Chairman of the Supervisory Board of SPIE SAG GmbH;
- Chairman of the Supervisory Board of SPIE DZE (formerly SPIE Holding GmbH);
- Chairman of the Board of Directors of SPIE ICS AG;
- Member of the Supervisory Board of SPIE Nederland BV;
- Chairman of the Board of Directors of SPIE Schweiz AG.

Outside of the Group: Nil

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group:
- Member of the Board of Directors of SPIE International;
- Chairman and CEO of SPIE Operations;
- Manager of SPIE Management 2;
- Chairman of SPIE Nucléaire;
- Managing Director of SPIE Deutschland & Zentraleuropa.

Outside of the Group: Nil

SIR PETER MASON
Senior Independent Director

AGE: 74
SEX: M

NATIONALITY: British
YEARS ON THE BOARD: 10
PARTICIPATION RATE: 100%

FIRST APPOINTMENT: August 30, 2011
RENEWAL: ☑ May 25, 2018

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2021

NUMBER OF SHARES HELD: 8,700

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

Peter Mason graduated from the university of Glasgow. He served as Chairman and CEO of Balfour Beatty Limited, then as CEO of AMEC, before being named Chairman of Thames Water Utilities Limited in December 2006 up until 2017. Until October 2008, he was a member of the Board of the Olympic Delivery Authority for the 2012 Olympic Games. He was also appointed Director, and then Senior Independent Director of Subsea 7 SA from 2006 to 2017. He is Chairman of the Board of Directors of AGS Airports Limited. He was named Knight Commander of the British Order of the Empire for services rendered to international trade in 2002. Since December 8, 2015, he has been the Senior Independent Director on the Board of Directors of SPIE SA.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group: Nil

Outside of the Group:
- Chairman of AGS Airports Limited;
- Chairman of the Board of Directors for WTI UK Ltd;
- Chairman of the Board of Directors for Advanced Plasma Power Ltd.

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group:
- Member of the Board of Directors of SPIE Operations.

Outside of the Group:
- Chairman of Kemble Water Holdings Limited;
- Member of the Board of Directors of SUBSEA 7 SA (publicly traded company);
- Member of the Board of Directors of BAE Systems plc (publicly traded company);
- Chairman of the Board of Directors for Tectronics Holdings Ltd.

REGINE STACHELHAUS
INDEPENDENT DIRECTOR

AGE: 65
SEX: F

NATIONALITY: German
YEARS ON THE BOARD: 7
PARTICIPATION RATE: 100%

FIRST APPOINTMENT: July 7, 2014
RENEWAL: ☑ May 25, 2018

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2021

NUMBER OF SHARES HELD: 1,500

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

Regine Stachelhaus is a graduate of Eberhard-Karls university of Tübingen. She began her career at Hewlett-Packard GmbH in 1984 where she served as Managing Director from 2000 to 2009. In May 2002, she was also appointed Vice-Chair of Imaging and Printing Group (Hewlett-Packard GmbH). She was subsequently appointed Director of Human Resources, IT and Purchasing as well as a member of the Board of Directors of E.ON SE. She has been a member of the Supervisory Board of Covestro AG since October 2015, and a member of the Supervisory Board of Ceconomy since February 2017 and a member of the Board of Directors of Leoni AG since November 2019.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group:
- Member of the Supervisory Board of SPIE DZE (formerly SPIE Holding GmbH).

Outside of the Group:
- Member of the Supervisory Board of Ceconomy AG (publicly traded company);
- Member of the Supervisory Board of Covestro AG Leverkusen Germany (publicly traded company);
- Member of the Supervisory Board of Covestro Deutschland AG Leverkusen Germany;
- Member of the Board of Directors of Leoni AG (publicly traded company).

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group:
- Member of the Supervisory Board of SPIE GmbH.

Outside of the Group:
- Member of the Board of Directors of E.ON SE;
- Member of the Supervisory Board of E.ON Global Commodities SE;
- Member of the Supervisory Board of E.ON Sverige;
- Chair of the Supervisory Board of E.ON IT GmbH;
- Member of Board of Directors of Computacenter Hatfield UK (publicly traded company).

MICHEL BLEITRACH
Independent Director

AGE: 75
SEX: M

NATIONALITY: French
YEARS ON THE BOARD: 10
PARTICIPATION RATE: 100%

FIRST APPOINTMENT: August 30, 2011
RENEWAL: ☑ May 25, 2018

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2021. However, Mr Bleitrach intends to resign at the Shareholders' General Meeting called to approve the financial statements for the financial year ended December 31, 2020.

NUMBER OF SHARES HELD: 1,800

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

Michel Bleitrach graduated from the École Polytechnique and the École Nationale des Ponts et Chaussées and holds a bachelor's in economics and an MBA from the university of California, Berkeley. He began his career with the Bechtel engineering group, and then joined the Ministry of Equipment where he directed several major development programs. He then worked for the Elf Aquitaine group with positions in production-exploration and chemicals and industrial development before joining Lyonnaise des Eaux from 1989 to 2003, then Suez as Chairman and CEO of Elyo and of Suez Industrial Solutions. From 2005 to 2012, he served as Chairman and CEO of Keolis, and then became Chairman of the Saur group parent company in 2012. In 2006, he also joined the Board of Directors of Séchilienne-Sidec, now Albioma, in which he was appointed as Vice-Chairman of the Board in 2011.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group: Nil

Outside of the Group: Nil
- Member of the Supervisory Board of JC Decaux (publicly traded company);
- Director of SOCOMIX;
- Chairman of the Supervisory Board of Indigo (formerly Vincipark).

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group:
- Member of the Board of Directors of SPIE Operations.

Outside of the Group:
- Vice-Chairman of Albioma (publicly traded company);
- Chairman and Member of the Supervisory Board of SAUR;
- Chairman of HIME;
- Member of the Board of Directors of Vedici;
- Member of the Board of Directors of Socotec.

5

PEUGEOT INVEST ASSETS
Independent Director represented by Bertrand Finet

AGE: 55
SEX: M

NATIONALITY: French
YEARS ON THE BOARD: 3
PARTICIPATION RATE: 100%

DATE OF FIRST APPOINTMENT: May 25, 2018
RENEWAL: -

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2021

NUMBER OF SHARES HELD: 8,500,000

PROFESSIONAL ADDRESS
66, avenue Charles de Gaulle, 92200 Neuilly-sur-Seine

PERSONAL INFORMATION

Peugeot Invest Assets (formerly FFP Invest) is wholly owned by Peugeot Invest (formerly FFP), a publicly traded holding company whose main Shareholder is the Peugeot family group. It is represented by Bertrand Finet, the company's CEO.

After having graduated from the ESSEC, Bertrand Finet began his career in 1991 at the 3i group. He joined CVC Capital Partners in Paris in 1996, before being entrusted with the general management of the Paris office of Candover in 2006. He became manager and member of the Executive Committee of the Fonds Stratégique d'Investissement (FSI) in 2009, SMES equity capital executive manager with Bpifrance in 2013, and then executive manager of the Mid & Large Cap department of Bpifrance in 2015. In January 2017, he is appointed as deputy CEO of Peugeot Invest.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group: Nil

Outside of the Group:
- CEO of Peugeot Invest;
- CEO of Peugeot Invest Assets;
- Permanent representative of Peugeot Invest Assets on the Board of Directors of SEB SA;
- Director of Peugeot Invest UK (formerly FFP UK);
- Permanent representative of Peugeot Invest Assets on the Board of Directors of LDAP;
- Chairman of FFP Invest Arb.

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group: Nil

Outside of the Group:
- Executive Director of Mid & Large Cap Equity for Bpifrance Investment;
- Permanent representative of BPI France Participation on the Board of Directors of Vallourec;
- Permanent representative of BPI France Participation on the Board of Directors of Technicolor;
- Permanent representative of BPI France Participation on the Board of Directors of Constellium;
- Permanent representative of BPI France Participation on the Board of Directors of Verallia;
- Chairman and CEO of CDC Entreprises Capital-Investissement.

ELISABETH VAN DAMME
Director proposed by the Caisse des Dépôts et Placement du Québec

AGE: 55
SEX: F

NATIONALITY: Belgian
YEARS ON THE BOARD: 1
PARTICIPATION RATE: 100%

DATE OF FIRST APPOINTMENT: February 10, 2020
RENEWAL: -

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2022

NUMBER OF SHARES HELD: 0

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

With a degree in applied economics from the Facultés universitaires de Saint-Louis, Ms Elisabeth Van Damme began her career with BBKS-KPMG (1988-1992) as senior auditor, before joining Coca-Cola Services as financial controller (1992-1996).

Chief Financial Officer at Bureau Van Dijk until 2008 and partner with the financial services and consulting firm Redwood Finance until 2019, Elisabeth Van Damme is currently Senior Director at Moody's Analytics

Elisabeth Van Damme has also acted as Chief Financial Officer for Air Creative Associates (2011-2013) and Villa Eugénie SA (2013-2016). Between 2017 and June 2019, she was an Independent Director on the Board of Directors Bourbon Offshore, a company specialising in offshore oil and gas marine services. Elisabeth van Damme was co-opted as a Company Director on February 10, 2020, replacing Nathalie Palladitcheff, who resigned. Such co-option has been adopted at the Shareholders' General Meeting called to approve the financial statements of the year ended on December 31, 2019.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group: Nil

Outside of the Group:
- Office Director van Dijk Editions Electroniques SARL
- Office Director of the Slovak subsidiary van Dijk Switzerland

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group: Nil

Outside of the Group:
- Independent Director and Member of the Audit Committee of Bourbon Offshore.
- Independent Director and Member of the Audit Committee of Elior Group

TANJA RUECKERT
Independent Director

AGE: 51
SEX: F

NATIONALITY: German
YEARS ON THE BOARD: 3
PARTICIPATION RATE: 90%

DATE OF FIRST APPOINTMENT: September 14, 2017
RENEWAL: ☑ May 25, 2018

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2021

NUMBER OF SHARES HELD: 1,500

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

Tanja Rueckert graduated from the university of Regensburg with a PhD in Chemistry. She has spent her entire career in the digital sector working with the SAP group. Following her roles as Executive Vice President and Chief Operating Officer for Products & Innovation with SAP SE in 2015, then Executive Vice President, Digital Assets and Internet of Things (IoT) at SAP SE and Chair of IoT & Digital Supply Chain with SAP SE and since July 1, 2018, the Chair of Bosch Building Technologies, Tanja Rueckert was co-opted as Director of the Company on September 14, 2017, in replacement of Christian Rochat, who resigned. Such co-option has been adopted at the Shareholders' General Meeting called to approve the financial statements of the year ended on December 31, 2017.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group: Nil

Outside of the Group:
- Chair of the Bosch Building Technologies division;
- Member of the Board of Directors of Bosch Rexroth;
- Member of the Board of Directors of the Open Security & Safety Alliance (OSSA)
- Member of the platform learning systems steering committee.

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group: Nil

Outside of the Group:
- Vice-Chair of Industrial Internet Consortium;
- Chair of Internet of Things & Digital Supply Chain of SAP SE;
- Member of the Board of Directors of LSG;
- Member of the Board of Directors of Cargo Sous Terrain;
- Member of the Board of Directors of Münchner Kreis;
- Chair of the Digitalization Committee of ZIA.

GABRIELLE VAN KLAVEREN-HESSEL
Director representing Shareholders

AGE: 59
SEX: F

NATIONALITY: Dutch
YEARS ON THE BOARD: 6
ATTENDANCE RATE: 100%

DATE OF FIRST APPOINTMENT: April 12, 2016
RENEWAL: ☑ May 24, 2019

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2022

NUMBER OF SHARES HELD: 0

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

Gabrielle Van Klaveren-Hessel was part of the financial management team of the Dutch group Electron Holding BV from 1999 to 2001. In 2001, following the Group's takeover of this group, she became payroll officer at SPIE Netherlands and then, in 2009, head of payroll. She is the representative of SPIE Actionnariat FCPE on the Board of Directors.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group: Nil

Outside of the Group: Nil

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group:
- Member of the Board of Directors of SPIE Operations.

Outside of the Group: Nil

MICHAEL KESSLER
Director representing employees

AGE: 56
SEX: M

NATIONALITY: German
YEARS ON THE BOARD: 1
PARTICIPATION RATE: 100%

DATE OF FIRST APPOINTMENT: November 10, 2020
RENEWAL: ☐

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2024

NUMBER OF SHARES HELD: 50

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

Director representing employees, Michael Kessler has a degree in business administration and technical FM. After spending the first part of his career at FUJITSU and the Hochtief Group, Michael Kessler joined SPIE in 2013 as Chief Facility Manager at the Group's German subsidiary. A member of the SPIE Works Council, he held various positions within the German joint-determination company SPIE GmbH. He was Chairman of the Group Works Council in 2018. He has also been Vice-Chairman of the Supervisory Board of SPIE GmbH since 2018.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group:
- Vice-Chairman of the Supervisory Board of SPIE GmbH
- Chairman of the Works Council of SPIE GmbH

Outside of the Group: Nil

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group: Nil

Outside of the Group: Nil

JEROME NIER
Director representing employees

AGE: 48
SEX: M

NATIONALITY: French
YEARS ON THE BOARD: -
ATTENDANCE RATE: -%

DATE OF FIRST APPOINTMENT: January 4, 2021
RENEWAL: ☐

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2022

NUMBER OF SHARES HELD: 1,350

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

Jérôme Nier is a graduate of the École Supérieure des Technologies de l'Électronique et de l'Informatique (ESTEI). After nearly ten years of experience in a multi-technical engineering office (GECC-AICC), he joined the SPIE group in October 2005 as business manager of the SPIE Sud-Est subsidiary. Head of the smart building Department of the SPIE digital services subsidiary since 2011, Jérôme Nier became Head of the development of the IoT activity, a Design Thinking consultant and innovation adviser for the same subsidiary in 2015. Since 2019, Jérôme Nier has been Head of Offer Marketing in the Group Marketing Department.

TERMS OF OFFICE AND DUTIES PERFORMED AS OF THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group: Nil.

Outside of the Group: Nil.

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group: Nil.

Outside of the Group:
- Member of the Board of Directors of the SBA (Smart Building Alliance for Smart Cities)/SPIE representative

SANDRINE TERAN
Independant Director

AGE: 52
SEX: F

NATIONALITY: French
YEARS ON THE BOARD: 1
ATTENDANCE RATE: -%

DATE OF 1st APPOINTMENT: March 12, 2021
RENEWAL: -

TERM OF OFFICE
Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2021

NUMBER OF SHARES HELD: 0

PROFESSIONAL ADDRESS
10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France

PERSONAL INFORMATION

Sandrine Téran is a graduate in corporate finance and taxation from the University of Paris Dauphine. After starting her career at Ipsen as a risk manager in charge of taxes and insurance, she became head of the Taxes department at Euro Disney. In 2000, Sandrine Téran joined Eutelsat as Director in charge of Taxation, Corporate Finance and Internal Audit. As such, she took part in the privatisation of the company in 2001 and its IPO in 2005. Sandrine Téran joined the Louis Dreyfus group in 2008. For eight years, she held several key positions, including Global Head of Taxation, Corporate Secretary, Global Chief Financial Officer and Chief Executive Officer of Louis Dreyfus Holding. Since 2017, Sandrine Téran has held the position of Chief Financial Officer of the Eutelsat Group (while having held the position of Chief Information Officer until 2020).

OFFICES AND POSITIONS HELD ON THE DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

Within the Group: None

Outside of the Group:
- Director of Burelle SA (listed company)
- Member of the Board of Directors of Eutelsat International Ltd
- Member of the Board of Directors of Eutelsat Middle East
- Member of the Board of Directors of Eutelsat International Ltd
- Member of the Board of Directors of Eutelsat Inc
- Member of the Board of Directors of Fransat
- Member of the Board of Directors of Euro Broadband Services SRL
- Member of the Board of Directors of Skylogic SpA
- Member of the Board of Directors of Satélites Mexicanos SA de CV
- Member of the Board of Directors of Eutelsat Polska
- Member of the Board of Directors of Konnect Broadband Tanzania Ltd
- Member of the Board of Directors of Bigblu Operations Limited
- Member of the Board of Directors of Broadband4Africa
- Member of the Board of Directors of Eutelsat UK Ltd
- Member of the Board of Directors of Eutelsat Asia PTE

TERMS OF OFFICE AND DUTIES PERFORMED DURING THE PAST FIVE YEARS NO LONGER HELD:

Within the Group: None

Outside of the Group:
- Member of the Board of Directors of Eutelsat Italia
- Manager of Euro Broadband Infrastructure SARL
- Manager of Euro Broadband Retail SARL

Changes in the composition of the Board of Directors during the financial year ended December 31, 2020

The table below presents the composition of the Board of Directors during the 2020 Applicable Period:

Name	AGE	Nationality	Date of appointment/ renewal	Date of first appointment	Term of office	Primary role within the Group
DIRECTORS						
Gauthier Louette	59	French	May 25, 2018	August 30, 2011	2022	Chairman and Chief Executive Officer
Elisabeth Van Damme	55	Belgian	February 10, 2020	February 10, 2020	2022	Director proposed by the Caisse des Dépôts et Placement du Québec
Tanja Rueckert	51	German	May 25, 2018	September 14, 2017	2022	Independent Director (1)
Daniel Boscari (4)	64	French	May 25, 2019	June 9, 2015	2023	Director representing employees Project finance manager and Director of Municipality Development
Michael Kessler	56	German	November 10, 2020	November 10, 2020	2024	Director representing employees Chief Facility Manager at SPIE GmbH
Gabrielle van Klaveren-Hessel	59	Dutch	May 24, 2019	June 9, 2015	2023	Director representing the employee-Shareholders Head of payroll at SPIE Nederland
Michel Bleitrach	75	French	May 25, 2018	August 30, 2011	2022	Independent Director (1)
Sir Peter Mason	74	British	May 25, 2018	August 30, 2011	2022	Independent Director (1) Senior Independent Director (2)
Sophie Stabile (5)	51	French	May 25, 2018	July 7, 2014	2022	Independent Director (1)
Regine Stachelhaus	65	German	May 25, 2018	July 7, 2014	2022	Independent Director (1)
Peugeot Invest Assets (3)		French	May 25, 2018	December 14, 2017	2022	Independent Director (1)

(1) As regards the assessment of the independence of the Directors, see below.
(2) As regards the tasks of the Senior Independent Director, see above.
(3) Formerly FFP Invest represented by Mr. Bertrand Finet.
(4) Mr. Daniel Boscari resigned from his position as Director on December 31, 2020, he was replaced by Mr. Jérôme Nier on January 4, 2021.
(5) Ms. Sophie Stabile resigned from her position as Director on March 11, 2020, she was replaced by Ms. Sandrine Téran on March 12, 2021.

The composition of the Board of Directors primarily reflects the commitments made between the Company and certain Shareholders (see Section 6.1.2.1 below of this Universal Registration Document).

The composition of the Board of Directors also reflects the desire to ensure a presence of independent Directors in a proportion consistent with the recommendation of the Afep-Medef Code, which stipulates that at least one third of the members of the Board of Directors should be independent in companies which are controlled, as defined by Article L. 233-3 of the French Commercial Code (see below), and at least half for companies which are not controlled.

In accordance with the provisions of Article L. 225-27-1 of the French Commercial Code, the Board of Directors comprises two Directors representing employees.

Pursuant to Article 225-23 of the French Commercial Code, a Director representing employee Shareholders was appointed to the Board of Directors.

INDEPENDENCE OF THE MEMBERS OF THE BOARD OF DIRECTORS

The independence criteria applied by the Board of Directors are those set forth in Section 9 of the Afep-Medef Code.

Such criteria are:

Number	Criteria
1	Not to be or not to have been during the course of the previous five years (i) an employee or executive corporate officer of the Company, (ii) an employee, executive officer or corporate officer of a company consolidated within the Company, or (iii) an employee, executive corporate officer or a Director of the Company's parent company or a company consolidated by the parent company.
2	Not to be an executive corporate officer of a company in which the Company holds a Directorship, directly or indirectly, or in which an employee appointed as such or an executive corporate officer of the Company (currently in office or having held such office during the last five years) is a Director.
3	Not to be a customer, supplier, commercial banker or investment banker who is (i) significant to the Company or the Group, or (ii) for whom the Company or the Group represents a significant portion of their business (nor to be related directly or indirectly to such a person).
4	Not to have a close family relationship with a corporate officer.
5	Not to have been a Statutory Auditor of the Company over the last five years.
6	Not to have been a Director of the Company for more than twelve years, with the loss of the status of Independent Director occurring on the date at which this period of twelve years is reached.
7	Not, for a non-executive corporate officer, to receive variable compensation in cash or securities or any other form of compensation linked to the Company's or Group's performance.
8	Not to hold 10% or more of the share capital or voting rights of the Company, or not to represent an entity or person holding such shareholding.

At its meeting of December 4, 2020, the CSR and Governance Committee conducted the annual assessment of the independence of Tanja Rueckert, Sophie Stabile, Regine Stachelhaus, Michel Bleitrach, Sir Peter Mason and Peugeot Invest Assets represented by Mr Bertrand Finet with regard to all criteria set by the Afep-Medef Code.

The conclusions of the CSR and Governance Committee were presented and approved by the Board of Directors at its meeting on December 16, 2020.

According to that analysis, the Board of Directors is of the opinion that six Directors (Mrs Tanja Rueckert, Mrs Sophie Stabile, Mrs Regine Stachelhaus, Mr Michel Bleitrach, Sir Peter Mason and Peugeot Invest Assets represented by Mr Bertrand Finet) are independent with regard to these criteria. The Board noted that none of the Directors had a term of office of over 12 years, as the initial appointments were made in 2011.

The committee, moreover, noted that there is no service agreement between the Company or the Group and these Directors.

Concerning Mrs Regine Stachelhaus, the CSR and Governance Committee and the Board of Directors noted that she had been appointed as a member of the Supervisory Board of SPIE DZE (formerly SPIE Holding GmbH) in November 2017 (after having been a member of the Supervisory Board of SPIE GmbH), but concluded that this does not affect her independence of judgement within the Company's Board of Directors considering the differences between the issues reviewed by said bodies.

In relation to the independence criterion for key business relationships, the CSR and Governance Committee and the Board of Directors concluded that the Company and the Group do not have any major business relationships with companies within which these Directors hold a role or term of office.

Regarding Peugeot Invest Assets, the CSR and Governance Committee noted that its shareholding in the Company remained far lower than the 10% threshold mentioned by the Afep-Medef Code in its recommendation 9.7, and that it is was not a Shareholder that was in a position to control the Company, either alone or in concert with other Shareholders. Peugeot Invest Assets representative, Mr Bertrand Finet, also fulfils the independence criteria set by the Afep-Medef Code.

Finally, regarding Mrs Elisabeth Van Damme, the Board of Directors determined that she did not fulfil the independence criteria provided by the Afep-Medef Code due to the significant number of shares and voting rights held by the Caisse des Dépôts et Placement du Québec (CDPQ), largest Shareholder of the Group, which proposed her appointment to the Board of Directors.

	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8
Gauthier Louette	X	√	√	√	√	√	√	√
Michel Bleitrach	√	√	√	√	√	√	√	√
Daniel Boscari	X	√	√	√	√	√	√	√
Michel Kessler	X	√	√	√	√	√	√	√
Gabrielle van Klaveren	X	√	√	√	√	√	√	√
Peter Mason	√	√	√	√	√	√	√	√
Elisabeth Van Damme	√	√	√	√	√	√	√	X
Tanja Rueckert	√	√	√	√	√	√	√	√
Sophie Stabile	√	√	√	√	√	√	√	√
Regine Stachelhaus	√	√	√	√	√	√	√	√
Peugeot Invest Assets (Bertrand Finet)	√	√	√	√	√	√	√	√

DIRECTORS' COMPETENCIES

The CSR and Governance Committee set up a competencies' matrix relating to the members of the Board of Directors which is regularly submitted to the Board of Directors for review.

The purpose of such matrix is to evaluate and ensure that the Board of Directors is equipped with the necessary competencies to accomplish its missions of control and support of the Company's strategy. This matrix was modified in 2020 concerning certain criteria. The criterion "listed companies outside SPIE" was removed, as the Board considered that after the Company had been listed on the stock market for more than five years, this criterion no longer had the same relevance. The human resources criterion has been replaced by a Corporate Social Responsibility (CSR) criterion.

For each Director, their experience and level of expertise were evaluated using a series of criteria to assess the expertise that they contribute to the Board.

- At the end of 2020, the number of qualified Directors per criterion was as follows: technical services outside SPIE: 5 Directors.
- Energy: 7 Directors.
- Information and communication technologies/digital: 6 Directors;
- International: 10 Directors.
- Operations: 7 Directors.
- Finance: 6 Directors.
- CSR: 4 Directors.
- Mergers/acquisitions: 8 Directors.

It was concluded that the Board as a whole had the skills required to perform all of its duties.

The matrix will be reviewed during the first half of 2021 to take into account changes in the composition of the Board during the first half of the year.

SENIOR INDEPENDENT DIRECTOR

The internal rules provide that the appointment of a Senior Independent Director is mandatory when the functions of Chairman of the Board and Chief Executive Officer are combined and optional otherwise.

Pursuant to the internal rules, the Senior Independent Director performs the following missions:

- *functioning of the Board of* Directors: The Senior Independent Director assists the Chairman in his duties, in particular in organising and ensuring the smooth functioning of the work of the Board and its committees and in overseeing Corporate Governance and internal control. He has the right to convene a meeting of the Board of Directors. It is the main point of contact for Shareholders, in particular those not represented on the Board of Directors, regarding Corporate Governance issues. He is also responsible for providing assistance to the Board in order to ensure the smooth functioning of the Company's corporate bodies and for providing the Board of Directors with his views on the transactions on which the Board of Directors shall deliberate. In this context, he shall ensure that members of the Board of Directors are able to exercise their duties in the best possible conditions, in particular by ensuring that they receive a high level of information prior to the meetings of the Board of Directors;
- *assessment of the Board of Directors and General Management:* The Senior Independent Director meets periodically and at least once a year with the non-executive corporate officers, without executive or internal corporate officers being present, in order among other things to assess the performance of the Chairman and Chief Executive Officer. Similarly, the Senior Independent Director may, should he/she see fit, organise a meeting between independent members of the Board of Directors for consultation, coordination and to facilitate the communication of any recommendations by these members;
- *managing conflicts of interest:* The Senior Independent Director is in charge, in particular, in coordination with the CSR and Governance Committee which he may consult and meet on these matters as necessary, of regularly performing diligences for the identification and analysis of, and information on, situations which might fall within the scope of the management and prevention of conflicts of interests within the Board of Directors and among the executive corporate officers. Matters are brought before him or he brings them before himself in relation to every conflict of interest, actual or potential, of which he becomes aware concerning the executive corporate officers and the other members of the Board of Directors. He reports these matters to the Secretary of the Board of Directors and the Chairman of the CSR and Governance Committee and, if the latter deems necessary, the Board of Directors. The Senior Independent Director, as necessary, may provide recommendations to the CSR and Governance Committee and to the Board of Directors on the management of potential conflicts of interest that he has identified or of which he was informed.

Therefore, each member of the Board of Directors is required to notify the Senior Independent Director (who reports this to the Secretary of the Board of Directors and to the Chairman of the CSR and Governance Committee and then, if the latter deems this necessary, to the Board of Directors) of any conflict of interests, even potential, of which he becomes aware, and must refrain from taking part in the vote on the corresponding resolution, where applicable.

The Board of Directors, on the recommendation of the Nominations and Compensation Committee, appointed Sir Peter Mason as Senior Independent Director on December 8, 2015, and his term as Director was renewed at the Shareholders' General Meeting of May 25, 2018.

ASSESSMENT PROCESS FOR ROUTINE AGREEMENTS ENTERED INTO UNDER NORMAL CONDITIONS

In accordance with the provisions of Article L. 225-39 (2) of the French Commercial Code, at its meeting of March 11, 2021, the Board of Directors implemented an annual assessment process for agreements on routine activities entered into under normal conditions. When the Board of Directors meetings to review the annual financial statements, it shall review the criteria used to identify routine agreements entered into under normal conditions, to ensure that they are still fit for purpose and compliant with market practices, and shall more specifically analyse whether or not the financial terms of the agreements it assesses are normal. Any agreements which do not meet the above-mentioned criteria shall be reclassified as related party agreements, and will therefore be subject to authorisation by the Board of Directors.

BALANCED REPRESENTATION OF WOMEN AND MEN

During the 2020 Applicable Period, the Board comprised 11 Directors, with gender parity. Not counting the employee Directors in accordance with Article 225-27 of the French Commercial Code, the proportion of women on the Board of Directors is 55%.

SELECTION OF NEW DIRECTORS

As part of the selection of two new independent Directors for their appointments at the Shareholders' General Meeting approving the financial statements for the year ended December 31, 2020, the Board of Directors clarified its process for selecting new Directors with the contributions of the CSR and Governance Committees and the Nominations and Compensation Committee.

The CSR and Governance Committee, in charge of keeping the Board's skills matrix up to date, examines the skills that would be impacted by the departure of Directors and the skills that should be strengthened by the arrival of new Directors; issues its recommendations to the Nominations and Compensation Committee. The latter completes these elements by defining, for example, the personal qualities expected of Directors and, with the help of an external consultant, selects candidates to make recommendations to the Board of Directors.

For the selection of the two new Directors, it was considered that the first Director must have significant financial skills and a solid experience in mergers and acquisitions to join the Audit Committee and that the second Director must have technical knowledge of the Company's business lines, have good international experience and be able to provide expertise to the Nominations and Compensation Committee.

5.2.2 PREPARATION AND ORGANISATION OF THE WORK

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

Internal rules

The Board of Directors adopted internal rules on the occasion of the Company's IPO and the applicable version as of the date of this report and was adopted by the Board of Directors on December 12, 2019. The internal rules specify the rules and operating procedures of the Board of Directors, in addition to applicable legislative and regulatory provisions and to the Company's Articles of Association. The respective internal rules of the three committees of the Board of Directors are also attached as annexes to the Board's internal rules.

In accordance with Article 2.2 of the Afep-Medef Code, the internal rules of the Board of Directors are available on the Company's website (www.spie.com).

Missions of the Board of Directors

The internal rules of the Board provide that the Board of Directors performs the duties and exercises the powers granted by law, the Company Articles of Association and the internal rules of the Board. The Board of Directors shall determine the strategic directions of the Company's business activities and ensure implementation thereof. In particular, implementation of certain specific strategic decisions is subject to prior authorisation by the Board of Directors (see below). Subject to the powers expressly granted by law to Shareholders' General Meetings and within the scope of the corporate purpose, the Board shall be vested with the power to consider any question concerning the proper operation of the Company and shall determine by its decisions the business of the Company.

The Board may conduct any such audits and investigations that it deems may be appropriate and shall be communicated with all documents it deems useful for the execution of its mission.

The Board ensures good Corporate Governance of the Company and the Group, in compliance with corporate social responsibility principles and practices of the Group and its officers and employees.

Functioning of the Board of Directors

The internal rules of the Board of Directors provide for the arrangements for the meeting of the Board of Directors. The Board shall be convened by the Chairman, the Senior Independent Director, or one of its members by any means, including verbally. Convening notices may be addressed by the Secretary of the Board of Directors. The author of the convening notices shall determine the agenda of the meeting, after consultation with the Senior Independent Director who may, if necessary after consulting with the Chairmen of the committees, request that the agenda be amended or that specific points be automatically added thereto.

The Board of Directors shall meet at least seven (7) times a year and, at any moment, as often as required by the Company's interests. The frequency and duration of the meetings shall allow in-depth review and discussion of the matters falling within the Board's scope.

The meetings of the Board of Directors shall be chaired by the Chairman; in the absence of the Chairman, they shall be chaired by the Senior Independent Director or, in the absence of the latter, by a Board member appointed by the Board of Directors.

The Board of Directors may only validly deliberate provided that at least half of its members in duties is present or represented. Members of the Board of Directors are considered to be present for purposes of forming a quorum or majority when attending meetings *via* videoconference or *via* telecommunication facilities allowing their identification and guaranteeing their effective participation, within the conditions of applicable legal and regulatory provisions. Each meeting of the Board and of the committees shall be sufficient in duration to enable useful and meaningful debate of the agenda. The decisions shall be taken at majority of its members present or represented. In case of a split-vote, the Chairman of the meeting shall have a casting vote.

The internal rules of the Board of Directors also recall the obligations of the members of the Board of Directors, as described in the Afep-Medef Code. In particular, the internal rules provide that members of the Board of Directors may benefit from, after being appointed, an additional training about the specifics of the Company and companies it controls, their business and industries and that they may from time to time hear the main managers of the Company, who may be convened to attend to Board of Directors meetings. It is provided that the Board of Directors shall be regularly informed of the financial situation, the treasury situation as well as the commitments of the Company and the Group and that the Chairman and Chief Executive Officer shall regularly provide the Board members with any information concerning the Company of which they may become aware and the provision of which they consider useful and relevant. To this effect, the Group provides the members of the Board of Directors with a report on the activity and the financial situation of the Group on a monthly basis. The Board of Directors and the committees may also hear any experts in areas under their respective competences.

Impact of the Covid-19 pandemic on the functioning of the Board of Directors

While the Board of Directors usually holds approximately half of its meetings in person, it could only hold one meeting in this form in March 2020. Measures such as the lockdown, the travel restrictions as well as the precautionary principle resulted in all other meetings in 2020 being held *via* video conference. The Board also had to cancel its annual visit to a Company's business site. The Board held two extraordinary meetings in March and April 2020 to decide on the outlook for 2020 and the payment of a dividend. Notwithstanding the restrictions due to the pandemic, the Directors considered that the Board was able to perform its duties satisfactorily with a good level of discussion and debate.

Work of the Board of Directors

During the 2020 Applicable Period, the main topics for which the Board was convened related to:

- the review of the situation created by the Covid-19 pandemic with exceptional meetings to discuss the outlook and the dividend;
- a review of the Group's strategy;
- the approval of the 2020 half-year consolidated financial statements and the review and approval of the half-year financial report and the publication of the half-year results;
- the presentation of the operating situation of the Group, its financial position, cash position and the Group's commitments, and in particular the review and approval of the communication related to Q3 2020 results as well as the review and approval of the updated forecasts at 2020 year-end and the approval of the 2021 budget;
- monitoring the Group's situation in terms of safety;
- approval of the conclusion of important commercial contracts relating to the participation in projects exceeding €50 million (see below);
- discussions on completed or contemplated acquisitions by the Group, including approval of the conclusion of any material acquisition that involves an enterprise or transaction value of more than €30 million (see below);
- Corporate Governance, including the assessment of the independence of the Directors, the continuity and succession plan of the members of the Executive Committee, and more particularly of the Chairman and Chief Executive Officer based on the proposals of theNominations and Compensation Committee, and various questions relating to the organisation and information of the Board of Directors and the committees;
- internal control and risk management, including the presentation of updated risk mapping; and
- topics related to Social and Environmental Responsibility (CSR);
- the validation of targets for the presence of women in management bodies.

The reports of the Audit, CSR and Governance, and Nominations and Compensation Committees that were held during the 2020 Applicable Period (see below) have also been presented to the Board of Directors.

Frequency of meetings of the Board of Directors and the average participation rate of the Directors in the Board of Directors meetings and committees over the 2020 Applicable Period

During the 2020 Applicable Period, the Board of Directors met 10 times.

The average attendance rate at Board meetings, in person or by proxy, during the 2020 Applicable Period was 90.83%.

This average rate, including the Board and the committees, is 90.39%.

The attached table shows the attendance rate of all Directors at Board of Director meetings as well as the Board's committees:

	Board of Directors (10 meetings)	Audit Committee (6 meetings)	CSR and Governance Committee (5 meetings)	Nominations and Compensation Committee (3 meetings)
Gauthier Louette	100%	-	-	-
Elisabeth Van Damme	100%	100%	100%	-
Gabrielle van Klaveren-Hessel	100%	100%	-	-
Daniel Boscari	100%	-	-	100%
Michael Kessler	100%	-	-	-
Sophie Stabile	100%	100%	-	100%
Sir Peter Mason	100%	100%	100%	-
Peugeot Invest Assets represented by Bertrand Finet	100%	100%	100%	67%
Regine Stachelhaus	100%	-	100%	-
Michel Bleitrach	100%	-	-	100%
Tanja Rueckert	90%	-	80%	-

5.2.2.2 COMPOSITION AND FUNCTIONING OF BOARD COMMITTEES

The Board of Directors has set up three Committees, the Audit Committee, the Nominations and Compensation Committee, and the CSR and Governance Committee, in order to assist it in some of its missions and to contribute effectively to the preparation of certain specific subjects submitted for its approval. Each of the committees is subject to its internal rules (annexed to the internal rules of the Board of Directors) and presents its reports and recommendations to the Board of Directors. Minutes of the meetings of these specialised committees of the Board of Directors shall be prepared and communicated to the members of the Board of Directors.

Audit Committee

Composition

The Audit Committee comprises at least three members. On the date of this Universal Registration Document, the members of the Audit Committee were Sir Peter Mason (Chairman, Independent Director and Senior Independent Director), Mrs Elisabeth Van Damme, Mrs Sandrine Téran (Independent Director), Mrs Gabrielle van Klaveren-Hessel (Director representing the employee Shareholders) and Mr Bertrand Finet, representative of Peugeot Invest Assets (Independent Director).

In accordance with recommendation 15.1 of the Afep-Medef Code, the Director representing the employee-Shareholders is not taken into account to determine the percentage of independent Directors.

The composition of the Audit Committee thus complies with the recommendations of the Afep-Medef Code with two-thirds of the members being independent.

The term of office of the members of the Audit Committee coincides with their term on the Board of Directors (see *above*). It may be renewed at the same time as their Board membership.

In response to the wish expressed by a number of Shareholders that the Audit Committee should exclusively comprise independent Directors, the Company reiterated that the Afep-Medef Code recommends having a two-thirds majority of independent Directors. Moreover, if only independent Directors were allowed to sit on the Audit Committee, this would exclude any representation by key Shareholders on that committee. Given the high levels of investments made and risks taken by these Shareholders, they have a legitimate interest in their representatives being allowed to participate in the work of the committee. The Company deemed that barring access to the Audit Committee does not demonstrate good governance, and therefore dismissed the proposal.

Missions of the Audit Committee

The mission of the Audit Committee is to monitor questions relating to the preparation and control of the accounting and financial information, and to ensure the effectiveness of the process to monitor risks and internal operational control in order to assist the Board of Directors in the performance of its control and audit missions.

Within this framework, the primary duties of the Audit Committee are to:

- monitor the process to prepare the financial information;
- monitor the effectiveness of the internal control and risk management systems;
- monitor the legal audits of the parent company and consolidated financial statements by the Company's Statutory Auditors; and
- monitor the independence of the Statutory Auditors.

The Audit Committee reports regularly to the Board on the performance of its missions and informs the Board of Directors immediately of any difficulty encountered.

The Audit Committee meets as needed and, in any case, at least twice a year at the time of the preparation of the annual and half-year financial statements.

Work of the Audit Committee

During the 2020 Applicable Period, the Audit Committee met 6 times, to discuss the following main topics:

- review of the 2020 half-year consolidated financial statements, the half-year financial report and the communication related to the half-year results;
- review of the communication related to 2020 Q1 and Q3 results;
- presentation of the conclusions of the reports of the Statutory Auditors following their audit mission and their review of the internal control environment of the Group;
- review of the 2020-2021 roadmap for Risk Control and the Internal Audit Department;
- review of the 2020 internal control assessment programme within the Group;
- review of the 2020-2021 internal audit programme;
- review of audit missions performed in 2020;
- review of the Audit Committee internal rules;
- review of the prior authorisation granted for non-audit services performed by the Company's Statutory Auditors;
- for the purpose of its work, the Audit Committee regularly refers questions to the Group's Chief Financial Officer, the Group's Director of Risk Control and Internal Audit as well as the Statutory Auditors, and, on a case-by-case basis, other managers of the Company.

The average attendance rate of the members of the Audit Committee during the 2020 Applicable Period was 100%.

CSR and Governance Committee

Composition

The CSR and Governance Committee comprises a minimum of three members. On the date of this Universal Registration Document, the members of the CSR and Governance Committee were: Mrs Regine Stachelhaus (Chair and Independent Director), Mrs Tanja Rueckert (Independent Director), Sir Peter Mason (Independent Director and Senior Independent Director), Mrs Elisabeth Van Damme and Mr Michel Kessler (Director representing employees).

The CSR and Governance Committee therefore now comprises five members, a majority of whom are independent.

The term of office of the members of the Audit Committee coincides with their term on the Board of Directors (see above). It may be renewed at the same time as their Board membership.

Missions of the CSR and Governance Committee

The CSR and Governance Committee is a specialised committee of the Board, with the primary mission of assisting the Board in Governance and CSR topics.

In this framework, it performs the following tasks:

- annual assessment of the independence of the members of the Board of Directors;
- reviewing Directors' competencies;
- assessment process for the Board of Directors;
- review of investor policies and votes;
- review of CSR topics.

The committee meets as needed and, in any case, at least three times a year, prior to the meeting of the Board of Directors.

Work of the CSR and Governance Committee

During the 2020 Applicable Period, the CSR and Governance Committee (formerly the Nominations and Governance Committee) met 5 times, in order to discuss the following main topics:

- annual assessment of the independence of the members of the Board of Directors;
- review of the results of the assessment on the functioning of the Board of Directors;
- review of the Board of Directors skills matrix and of the Board of Directors report;
- review of observations made by investors and proxy advisors on the Company's governance;
- review of the diversity policy within the governing bodies with a proposal of objectives to the Board of Directors;
- review of investor perception of CSR at SPIE and areas for improvement;
- review of the Group's ethics policy.

The average attendance rate of the members of the Audit Committee during the 2020 Applicable Period was 96%.

Nominations and Compensation Committee

Composition

The Nominations and Compensation Committee is composed of four members, three of whom are independent members of the Board. On the date of this Universal Registration Document, the members of committee were: Mr Michel Bleitrach (Chairman and Independent Director), Mrs Regine Stachelhaus (Independent Director), Mr Jérôme Nier (Director representing employees) and Mr Bertrand Finet, representative of Peugeot Invest Assets (Independent Director).

The composition of the Nominations and Compensation Committee thus complies with the recommendations of the Afep-Medef Code with a majority of the members being independent.

The term of office of the members of the Nominations and Compensation Committee coincides with their term on the Board of Directors (see above). It may be renewed at the same time as their Board membership.

Missions of the Nominations and Compensation Committee

The Nominations and Compensation Committee is a specialised committee of the Board of Directors, the principal task of which is to assist the Board in the determination and regular assessment of all compensation and benefits for executive corporate officers or managers of the Group, including all deferred benefits and/or severance payments for voluntary or forced departure from the Group.

In this framework, it performs the following tasks:

- reviews and recommends to the Board of Directors all elements and conditions of the compensation for the main executive officers of the Group;
- reviews and makes recommendations to the Board regarding the method of allocation of Directors' compensation;
- appointment recommendations for members of the Board of Directors, the General Management, and committees of the Board of Directors;
- annual review of the continuity and succession plan for members of the Executive Committee and the Chairman and Chief Executive Officer reporting to the Board of Directors; The Nominations and

Compensation Committee meets as needed and, in any case, at least three times a year, prior to the meeting of the Board of Directors.

Work of the Nominations and Compensation Committee

During the Applicable 2020 Period, the Nominations and Compensation Committee (formerly the Compensation Committee) met three times to discuss the following main topics: Annual review of the continuity and succession plan for members of the Executive Committee and the Chairman and Chief Executive Officer, reporting to the Board of Directors with the contribution of the Chairman and Chief Executive Officer. For each position within the Executive Committee, the plan provides for a short term solution for a maximum period of 1 year named "continuity plan" and a medium/long term solution for periods of over 1 year named "succession plan". The continuity plan systematically provides internal recruitment solutions, whereas the succession plan provides for both internal and external recruitment solutions. Time needed for an internal succession, as well as the difficulty level for an external recruitment were assessed and reviewed and presented to the Board of Directors who approved the plan at its meeting of December 12, 2019:

- determination of criteria and selection of candidates for the renewal of two Directors for approval by the Board of Directors;
- determination of the 2020 annual fixed and variable compensation of the Chairman and Chief Executive Officer;
- proposal to the Board of Directors on the objectives and performance indicators for the variable compensation of the Chairman and Chief Executive Officer for 2021;
- review of the observations made by investors and proxies on the information provided by the Company on compensation and bonus share plans, and improve them where possible;
- set the principles for the allocation of the Directors' compensation for financial year 2020;
- review the employee shareholding plan; and
- review the performance share plan.

The average attendance rate for members of the Nominations and Compensation Committee during the 2020 Applicable Period was 91.75%.

5.2.2.3 ASSESSMENT OF THE FUNCTIONING OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES

The internal rules of the Board of Directors provide the procedures pursuant to which the Board of Directors shall assess its capacity to meet Shareholders' expectations by conducting periodic reviews of its composition, organisation and functioning. Therefore, once a year when advised by the CSR and Governance Committee, the Board of Directors must add the assessment of its functioning as an item on the agenda. After an assessment by an external consultant for the year 2019, the assessment of the Board of Directors for 2020 was carried out internally through a questionnaire and interviews conducted by the Senior Independent Director with the Directors.

The CSR and Governance Committee reviewed the report, before communicating the report and attached recommendations to the Board of Directors at its meeting of March 11, 2021.

The Directors remain very satisfied with the functioning of the Board of Directors, the subjects dealt with, and the way in which the Chairman conducts meetings.

The Board also confirmed that, at this stage, combining the duties of Chairman and Chief Executive Officer is the most efficient way of meeting governance and performance requirements.

The members of the Board regret that the coronavirus pandemic has limited the possibilities of interaction between them and with members of the management outside of the meetings of the Board. Nevertheless, the Board considers that the digital solutions available have enabled it to carry out its duties satisfactorily.

The members of the Board indicated that they considered that the following matters of the Board could be the subject of further improvements:

- risk control/risk management: recent problems such as the pandemic and the increase in cyberattacks warrant that time be spent on these issues;
- digitisation: get a better view of future internal business processes as well as future services/customer relationships.

In addition, the Senior Independent Director met twice with the non-executive Directors to discuss matters relating to the evaluation of the functioning of the Board as well as the integration of acquisitions and performance indicators.

5.3 COMPENSATION AND BENEFITS

5.3.1 MEMBERS OF THE BOARD OF DIRECTORS

PRINCIPLES AND RULES SET BY THE BOARD OF DIRECTORS FOR COMPENSATION AND BENEFITS OF ALL KINDS GRANTED TO CORPORATE OFFICERS FOR THE 2020 FINANCIAL YEAR

The compensation policy for the Company's corporate officers was adapted to usual practices of publicly traded companies and reflects the recommendations of the Afep-Medef Code.

(a) Members of the Board of Directors

The Board of Directors has a maximum budget of €600,000, which was allocated in 2018 by decision of the Shareholders' General Meeting on May 25, 2018. This maximum amount remains in effect for the following years, until the Shareholders' General Meeting decides otherwise. At the date of this Universal Registration Document, no decisions had been taken to change this amount.

The Board of Directors has set the rules for allocating the Directors' fees, which state that only independent Directors shall receive compensation. This principle of compensating independent Directors remains applicable for compensation paid in respect of the financial year ending December 31, 2020.

Having noted that compensating independent Directors only was not a generally observed practice for publicly traded companies, the Board of Directors reviewed this point at its meeting of February 10, 2020.

The Board decided that although, in principle, all Directors are eligible to receive compensation, an exception would be made for Directors who are employees or executive corporate officers of the Company. Indeed, their compensation as an employee or executive corporate officer includes the time that the Company provides to them to fulfil their mission as a Director. The Board therefore deemed that additional compensation could not be justified.

The compensation rules for eligible Directors remain unchanged, and are as follows:

- each Independent Director receives a maximum total amount of €60,000 per year, subject to their attendance at the meetings of the Board of Directors and of the committees (see below);
- each Committee Chairman receives additional compensation of €10,000 per year, subject to their attendance at meetings of the Board of Directors and the committees (see below);
- the Senior Independent Director receives a maximum amount of €90,000 per year, subject to their attendance at meetings of the Board of Directors and Committees (see below); and
- the independent Directors' compensation is split into a fixed portion (40% of the total) paid half in June and half in December, and a variable portion (60% of the total), which is subject to attendance at Board of Directors and committee meetings, paid in the year following the vote at the Shareholders' General Meeting. This variable portion is proportional to attendance at meetings, a meeting of the Board of Directors counting for 1 and a meeting of a committee counting for 1/2. For the Senior Independent Director, the fixed portion is equal to 60% of the total, and the variable portion is 40% of the total.

Compensation items	Applicable policies	Criteria for determination
• Compensation	• The amount allocated to the Board of Directors for the compensation of the Directors is set by the Shareholders' General Meeting.	• This amount is €600,000 pursuant to the 16th resolution of the Shareholders' General Meeting of May 25, 2018.
• Fixed amount	• A fixed amount is allocated for the term of office of Director and roles within the Board of Directors and its committees.	• The fixed amount represents 40% of the base amount of €60,000 for one year or €24,000. Except for the Senior Independent Director, who receives a maximum amount of €90,000 of which 60% as a fixed portion or €54,000. The committee chairmen (except for the Senior Independent Director) receive an additional €10,000.
• Variable amount	• A variable amount determined based on attendance at the meetings of the Board and the committees.	• The maximum variable amount represents 60% of the base amount of €60,000 or €36,000. For the Senior Independent Director that represents 40% of the €90,000 or €36,000.

(b) Compensation of Board members during 2020

Other than Directors' fees paid to Directors of the Company, except for the Chairman and Chief Executive Officer, by the Company or by any Group entity, as detailed for the years ended December 31, 2019 and 2020 in the table below, no other means of compensation or benefits to Directors were planned at the date of this Universal Registration Document. The amount of compensation corresponds to a gross amount before tax deduction withheld at source by the Company.

In solidarity with the Group's employees affected by short-time work, the Chairman and Chief Executive Officer decided to reduce his compensation during this period. All Board Directors and senior executives have also decided to substantially cut their compensation during this period.

In this context, during the Board Meeting of December 16, 2020, on the proposal of the Nominations and Compensation Committee, the reduction of the fixed portion of their compensation was set at 20% for a period of two months.

TABLE 3 (AMF DEFINITION)

Table of Directors' fees and other compensation paid to non-executive corporate officers

Non-executive corporate officers	Amounts paid in 2019 (1)	Amounts paid in 2020 (2)
Michel Bleitrach		
Compensation	70,000	68,867
Other compensation	0	0
Elisabeth Van Damme		
Compensation	0	21,267 (3)
Other compensation	0	0
Sir Peter Mason		
Compensation	90,000	88,200
Other compensation	0	0
Peugeot Invest Assets, represented by Bertrand Finet		
Compensation	45,000	54,234
Other compensation	0	0
Sophie Stabile		
Compensation	60,000	48,914
Other compensation	0	0
Regine Stachelhaus		
Compensation	70,000	68,867
Other compensation	0	0
Tanja Rueckert		
Compensation	51,529	48,700
Other compensation	0	0
Gabrielle van Klaveren-Hessel		
Compensation	0	0
Other compensation	0	0
Daniel Boscari		
Compensation	0	0
Other compensation	0	0
Michael Kessler		
Compensation	0	0
Other compensation	0	0

(1) The compensation paid in 2019 covers the fixed portion of 40% and the variable portion of 60% at the minimum level for the duties completed in 2018.
(2) The compensation paid in 2020 covers the fixed portion of 40% and the variable portion of 60% at the minimum level for the duties completed in 2019.
(3) "Amount paid in the first half of 2021 (Elisabeth Van Damme was appointed in February 2020)".

At the meeting of March 11, 2021, the Board of Directors allocated the following variable compensation (to be paid after the Shareholders' General Meeting voting on the 2020 financial statements) to the independent Directors for the 2020 financial year:

- Michel Bleitrach: €42,000, based on a 100% attendance rate in 2020;
- Elisabeth Van Damme: €33,600, based on a participation rate of 93.33% in 2020 (Elisabeth Van Damme was appointed in February 2020);
- Sir Peter Mason: €36,000, based on a 100% attendance rate in 2020;
- Sophie Stabile: €36,000, based on a 100% attendance rate in 2020;
- Regine Stachelhaus: €42,000, based on a 100% attendance rate in 2020;
- Tanja Rueckert: €31,680, based on a 88% attendance rate in 2020;
- Peugeot Invest Assets, represented by Bertrand Finet: €34,800, based on a 96.67% attendance rate in 2020.

5.3.2 COMPENSATION OF EXECUTIVE CORPORATE OFFICERS

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The compensation policy for the Chairman and Chief Executive Officer is determined by the Board of Directors, based on the recommendations of the Nominations and Compensation Committee.

The Board of Directors ensures that the compensation policy is in keeping with market practice for similar companies, is well suited to the Company strategy and background, and has the purpose of promoting the Company's medium- and long-term performance and competitiveness, in line with Shareholder interests.

The Chairman and Chief Executive Officer's compensation comprises various components, each having a specific purpose:

- annual basic compensation which recognises the responsibility and scope of the role. Each year it is compared to practices adopted by companies with similar challenges, characteristics and backgrounds. The Board of Directors is responsible for determining this basic compensation at the recommendation of the Nominations and Compensation Committee;
- annual variable compensation comprising a quantitative portion and a qualitative portion, based on formal and demanding annual objectives which the Nominations and Compensation Committee reviews each year, and then issues a recommendation to the Board of Directors;
- a long-term incentive plan (free performance share award) with the intention of fostering a long-term commitment, in keeping with Shareholder interests. The portion of the long-term incentive plan granted to the Chairman and Chief Executive Officer is capped at 150% of his annual base compensation and at 8% of the entire plan;
- a severance package in the event of a forced departure, subject to performance conditions;
- a defined-benefit supplemental pension plan.

Moreover, the Chairman and Chief Executive Officer benefits from a company car, and is eligible for provident schemes on the same terms as other executive officers and employees of the Group.

In accordance with the recommendations of the Afep-Medef Code, the components of the compensation due or granted with respect to the 2020 financial year to the Chairman and Chief Executive Officer of the Company, as presented below, as well as the compensation policy of executive corporate officers, will be submitted to the vote of the Shareholders of the Company during the Shareholders' General Meeting scheduled on May 12, 2021.

Variable and fixed compensation for 2020

During its meeting held on December 11, 2019, the Board of Directors approved, based on a proposal by the Nominations and Compensation Committee, the compensation policy for the Chairman and Chief Executive Officer to be applied for the 2020 financial year.

The policy is based on the general principles set out above.

Fixed compensation for 2020

A study performed by an independent external firm on compensation of executive officers for comparable SBF 120-level companies found that the Chairman and Chief Executive Officer's annual basic compensation was positioned at 3% below the median. The panel comprised the following companies: Arkema, Bic, Bureau Veritas, CGG, Edenred, Eiffage, Elior, Elis, Getlink (formerly Eurotunnel group), Imerys, Ingenico, Nexans, Rexel and Vallourec.

Taking into account the results of the study, the Group's positive performance for 2019 and the fact that fixed compensation did not change in 2019, the Board of Directors wanted to adjust the 2020 annual basic compensation of the Chairman and Chief Executive Officer to the market median of €800,000 (compared with €775,000 in 2019).

In April 2020, in solidarity with the Group's employees affected by short-time work, the Chairman and Chief Executive Officer decided to reduce his fixed compensation by 25% during this two-month period.

Variable compensation for 2020

The principles for calculating variable compensation for 2020 remain unchanged in relation to 2019.

The applicable criteria in the table below were approved by the Board of Directors at its meeting of December 11, 2019, based on a proposal by the Nominations and Compensation Committee.

Should the objectives be exceeded, the variable part can reach a maximum of 171% of the annual fixed compensation.

Annual variable compensation criteria for the 2020 financial year			Minimum	Target	Maximum	Actual
Quantitative criteria (70% of fixed annual compensation)	EBITA organic growth	As a% of fixed compensation	0%	30%	60%	0%
	Weighting by a coefficient directly tied to the Group's safety record		0.9	1	1.1	1
	Total organic EBITA growth	As a% of fixed compensation	0%	30%	66%	0%
	Cash flow compared to Budget 2020	As a% of fixed compensation	0%	30%	60%	42.9%
	External Growth Acquisitions (1)	As a% of fixed compensation	0%	10%	15%	4%
	Total quantitative criteria		**0%**	**70%**	**141%**	**46.9%**
Qualitative criteria (30% of annual fixed compensation)	Individual targets set by the Board (CSR and related indicators, risk control, strengthening the organisation/ succession plans and development of key managers, Shareholder relations and financial communication)		0%	30%	30%	29%
ANNUAL VARIABLE TOTAL AS A% OF FIXED COMPENSATION			**0%**	**100%**	**171%**	**75.9%**

(1) volume of acquisitions and quality of integration of acquisitions selected in previous years

TABLE RELATING TO THE CALCULATION OF THE QUALITATIVE CRITERIA OF THE 2020 ANNUAL VARIABLE COMPENSATION

Criteria	Indicator	Weight	% achieved
CSR and related indicators	Assessment by the Board of Directors	7%	7%
Risk management	Assessment by the Board of Directors	7%	7%
Strengthening of organisation/key manager succession plan	Assessment by the Board of Directors	9%	8%
Relations with Shareholders and financial communication	Assessment by the Board of Directors	7%	7%
TOTAL		**30%**	**29%**

The Board of Directors' Meeting held on March 11, 2021, following a proposal from the Compensation Committee and after review of the level of achievement of the quantitative and qualitative performance objectives described above, set the amount of the 2020 annual variable compensation of the Chairman and Chief Executive Officer at €583,846 which corresponds to 75.9% of the reference fixed compensation (€769,231).

The Board of Directors praised the 2020 performance achieved in the health context related to Covid-19: very good performance in terms of cash flow generation and contained decline in EBITA.

The Board of Directors also considered that the qualitative objectives had been satisfactorily achieved.

Variable and fixed compensation for 2021

During its meeting held on December 16, 2020, the Board of Directors approved, based on a proposal by the Nominations and Compensation Committee, the compensation policy for the Chairman and Chief Executive Officer to be applied for the 2021 financial year.

The policy is based on the general principles set out above.

Fixed compensation for 2021

A study performed by an independent external firm on the compensation of executive officers for comparable SBF 120-level companies found that the Chairman and Chief Executive Officer's annual basic compensation was close to the median. The panel comprised the following companies: Arkema, Bic, Bureau Veritas, CGG, Edenred, Eiffage, Elior, Elis, Getlink (formerly Eurotunnel group), Imerys, Ingenico, Nexans, Rexel and Vallourec.

Considering that no significant change in terms of responsibility had occurred in 2020 and that the base annual compensation of the Chairman and Chief Executive Officer was at the median of the panel, the Board of Directors decided to leave the fixed portion of the compensation for the year 2021 unchanged at €800,000.

Variable compensation for 2021

The principles for calculating variable compensation for 2021 remain unchanged in relation to 2020.

The applicable criteria in the table below were approved by the Board of Directors at its meeting of December 16, 2020, based on a proposal by the Nominations and Compensation Committee.

Should the objectives be exceeded, the variable part can reach a maximum of 171% of the annual fixed compensation.

Should the objectives be exceeded, the variable part can reach a maximum of 136.8% of the annual fixed compensation.

Annual variable compensation criteria for the 2021 financial year			Minimum	Target	Maximum
Quantitative criteria (70% of fixed annual compensation)	EBITA organic growth	As a% of fixed compensation	0%	30%	60%
	Weighting by a coefficient directly tied to the Group's safety record		0.9	1	1.1
	Total EBITA organic growth	As a% of fixed compensation	0%	30%	66%
	Cash flow for 2021 compared to Budget 2021	As a% of fixed compensation	0%	30%	60%
	External Growth Acquisitions	As a% of fixed compensation	0%	10%	15%
	Total quantitative criteria		**0%**	**70%**	**141%**
Qualitative criteria (30% of fixed annual compensation)	Individual targets set by the Board (CSR and related indicators, risk control, strengthening the organisation/succession plans and development of key managers, Shareholder relations and financial communication)		0%	30%	30%
ANNUAL VARIABLE TOTAL AS A% OF FIXED COMPENSATION			**0%**	**100%**	**171%**

TABLE RELATING TO THE CALCULATION OF THE QUALITATIVE CRITERIA OF THE 2021 ANNUAL VARIABLE COMPENSATION

Criteria	Indicator	Weight
CSR	Implementation of a roadmap on the reduction of CO_2 as well as a reduction target for the year 2021 Improved average performance from non-financial ratings agencies VIGEO, Sustainalytics and MSCI	7%
Risk management	Assessment by the Board of Directors	7%
Strengthening of organisation/key manager succession plan	Assessment by the Board of Directors	9%
Relations with Shareholders and financial communication	Assessment by the Board of Directors	7%
TOTAL		**30%**

Subscription options, performance shares and other security grants

On May 25, 2016, the Shareholders' General Meeting has, in accordance with its 19th resolution, authorised the Board of Directors, under certain conditions, to grant free shares, existing or to be issued, to the benefit of corporate officers or employees of the Company or companies related to the Company in accordance with Article L. 225-197-2 of the French Commercial Code.

The Board of Directors on July 28, 2016, on the basis of the authorisation granted by the Shareholders' General Meeting, has issued two free performance share plans for corporate officers and employees of the Company and its subsidiaries. Gauthier Louette, Chairman and Chief Executive Officer of the Company, is one of the beneficiaries of this plan.

During its meeting of March 11, 2019, the Board of Directors approved a new performance share plan for corporate officers and employees of the Company and its subsidiaries (Plan No. 3). Gauthier Louette, Chairman and Chief Executive Officer of the Company, is one of the beneficiaries of this plan.

During its meeting of March 10, 2020, the Board of Directors approved a new performance share plan for corporate officers and employees of the Company and its subsidiaries (Plan No. 4). Gauthier Louette, Chairman and Chief Executive Officer of the Company, is one of the beneficiaries of this plan.

During its meeting of March 11, 2021, the Board of Directors approved a new performance share plan for corporate officers and employees of the Company and its subsidiaries (Plan No. 5). Gauthier Louette, Chairman and Chief Executive Officer of the Company, is one of the beneficiaries of this plan.

For a detailed description of the performance share plans of which Gauthier Louette is a beneficiary, see Section 6.1.3.2.

In a letter addressed to the Chairman of the Nominations and Compensation Committee, which was noted by the Board of Directors, the Chairman and Chief Executive Officer undertook not to use any hedging transactions on the Company's shares being granted under the performance share plans set up by the Company until the end of the holding period set by the Board of Directors.

Pension plan

Gauthier Louette is covered by a defined-benefit supplemental pension plan set up within SPIE SA (now SPIE Operations) on January 1, 2001, and by a defined-contribution supplemental pension plan [1] established within Financière SPIE in 2009, and then within SPIE SA in 2013.

The defined-benefit executive pension plan policy taken out by SPIE SA with Cardiff (owned by BNP Paribas) in 2001, in accordance with Article L. 137-11 of the French Social Security Code, was set up for SPIE's executive officers.

Since January 1, 2010, Gauthier Louette is the last remaining active beneficiary; other pensions due under the plan are being paid out by the insurer to seven former SPIE executive officers who left the Group before January 1, 2010.

To be covered by the plan, beneficiaries must:

- have been with the Group for at least 5 years at the time of departure; and
- be at least 60 years-old at the time of departure and be eligible for their full State pension, or be at least 55 years-old at the time of departure and not be in gainful employment before receiving their State pension (in the second case, a pension is paid at the time of departure only if the departure is initiated by the Company) [2].

The benchmark compensation used to calculate beneficiaries' pensions is based on their average compensation for the three years preceding their departure from the Company. Compensation means the sum of gross annual fixed compensation and gross annual variable compensation.

Vesting is applied on an annual basis at 2% of the benchmark compensation for each year of service in the scheme, for the first five years, and then 3% thereafter, subject to the following two caps:

- annual vesting, as described above, is capped at 20% of the annual benchmark compensation [3]; and
- annuities paid under the plan, to which annual State pensions and pensions paid under the (ARRCO and AGIRC) private pension plans must be added, are capped at 50% of benchmark compensation.

The Company recorded a provision to finance these obligations with management outsourced to Cardiff.

At December 31, 2020, the theoretical benchmark compensation is equal to the average compensation paid out in 2018, 2019 and 2020, *i.e.* €1,545,163. As Gauthier Louette has reached the maximum vested rights of 20%, the theoretical annual annuity amount will be €309,033.

When the pension is paid out, the employer's Social Security contribution will amount to 32% of the gross pension amount (current rate).

Severance package and non-compete compensation

The Chairman and Chief Executive Officer benefits from a severance package of one year's compensation (fixed plus variable excluding exceptional bonuses if any) in the event of a forced departure.

The performance conditions, applicable to this termination indemnity, are based on the rate of achievement of the economic and financial criteria applicable to the variable part of his compensation as decided by the Board of Directors upon recommendation from the Nominations and Compensation Committee (see above). The average rate of achievement of the objectives based on these criteria for the last three years must be equal to or greater than 70%.

Finally, the Chairman and Chief Executive Officer is a participant in the social guarantee for heads of companies (GSC) that provides, in the event of job loss, payment for 24 months of an annual benefit capped at 40% x 6 PASS (annual Social Security cap).

Thus, in 2020 the Company paid an annual contribution of €12,712 (60% employer contribution and 40% employee contribution).

The Chairman and Chief Executive Officer does not benefit from any indemnity which would be due to compensate a non-compete provision.

Other benefits

The Chairman and Chief Executive Officer benefits from a company car.

The summary tables presenting all of the compensation and benefits of any kind of the Chairman and Chief Executive Officer with respect to financial years 2020 and 2019 are included in this Chapter of the Universal Registration Document.

Draft of the resolution prepared by the Board of Directors in accordance with Article L. 22-10-26 of the French Commercial Code and submitted to the Shareholders' General Meeting of May 12, 2021

(7th resolution) – Approval of the compensation policy for the Chairman and Chief Executive Officer

The Shareholders' General Meeting, having noted the report of the Board of Directors on Corporate Governance as drafted in accordance with Article L. 22-10-26 of the French Commercial Code and included in Chapter 5 of the Universal Registration Document, ruling under the conditions of quorum and majority required for Ordinary Shareholders' General Meetings, approves the compensation policy for Gauthier Louette, in his role as Chairman and Chief Executive Officer, as set out by the above-mentioned report.

Amount provisioned or recorded elsewhere by the Company or its subsidiaries for payment of pensions or other benefits

In the context of the defined-benefit supplemental pension plan which covers Gauthier Louette, Chairman and Chief Executive Officer of the Company, the total amount provisioned for payment of pensions or other benefits stands at €10,030,030 for the financial year ended December 31, 2020.

Compensation of executive corporate officers

The tables below show the compensation paid to Gauthier Louette, Chairman and Chief Executive Officer of the Company, by the Company or by any Group entity, in the financial years ended December 31, 2019 and 2020.

(1) The "Article 83" pension plan, set up in 2009, in the form of a collective retirement savings contract, benefits employees and corporate officers whose compensation exceeds 4 PASS (Social Security Annual Ceiling). The annual contribution paid by the Company is 16% x (annual compensation-4 PASS) capped at 16% x 4 PASS (i.e. €26,327 in 2020) and is capitalised each year in a multi-support investment fund managed by BNP Paribas Épargne Retraite.

(2) Gauthier Louette has been with the Company for 35 years.

(3) This 20% ceiling was reached for Gauthier Louette before the 2015 financial year.

TABLE 1 (AMF DEFINITION)

Summary table of compensation paid and stock options awarded to each executive corporate officer

(amount in euros)	FY 2019	FY 2020
Gauthier Louette, Chairman and Chief Executive Officer		
Compensation due for the financial year * (breakdown in Table 2)	1,506,332	1,391,328
Valuation of multi-year variable compensation paid in the financial year	0	0
Valuation of options awarded in the financial year (detailed in Table 4)	Nil.	Nil.
Valuation of bonus shares awarded in the financial year (detailed in Table 6)	514,500	523,320
TOTAL	**2,020,832**	**1,914,648**

* *On a gross basis (before Social Security expenses and taxes).*

TABLE 2 (AMF DEFINITION)

Summary table of compensation paid to each executive corporate officer

	FY 2019		FY 2020	
(amount in euros)	Amounts due for the financial year	Amounts paid in the financial year	Amounts due for the financial year	Amounts paid in the financial year
Gauthier Louette, Chairman and Chief Executive Officer				
Fixed compensation (1)	775,000	775,000	800,000	769,231
Annual variable compensation (1)	731,600	703,700	583,846 (2)	731,600
Multi-year variable compensation (1)	0	0	0	0
Exceptional compensation (1)	0	0	0	0
Compensation awarded for the role of Director	0	0	0	0
Benefits in kind (3)	7,482	7,482	7,482	7,482
TOTAL	**1,506,332**	**1,486,182**	**1,391,328**	**1,508,312**

(1) On a gross basis (before Social Security expenses and taxes).
(2) The annual variable compensation due for the 2020 financial year will be paid after the Shareholders' General Meeting of May 12, 2021.
(3) Benefits in kind are a company car.

TABLE 11 (AMF DEFINITION)

	Employment contract		Supplemental pension plan		Severance or other benefits due or likely to become due as a result of termination or change of duties		Compensation under a non-compete clause	
Executive corporate officers	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Gauthier Louette		X	X		X			X
Chairman and Chief Executive Officer								
Term start date: August 30, 2011								
Term end date: Shareholders' General Meeting voting on the financial statements of the year ended on December 31, 2021								

5.3.3 GRANTING OF SHARE PURCHASE OR STOCK OPTIONS

TABLE 4 (AMF DEFINITION)

Stock options awarded during the financial year to each executive corporate officer by the issuer and any Group entity

Name of executive corporate officer	Plan date and No.	Option type (subscription or purchase)	Valuation of options according to the method used for the consolidated financial statements	Number of options awarded during the year	Exercise price	Exercise period
Gauthier Louette			Nil.			

TABLE 5 (AMF DEFINITION)

Stock options exercised during the financial year by each executive corporate officer

Name of executive corporate officer	Plan date and No.	Number of options exercised during the financial year	Exercise price
Gauthier Louette		Nil.	

TABLE 8 (AMF DEFINITION)

History of stock options awarded

Information on stock options				
Date of Shareholders' General Meeting	Plan No. 1	Plan No. 2	Plan No. 3	Etc.
Date of Board Meeting		Nil.		
Total number of shares that can be bought or subscribed for, including those that can be bought or subscribed for by:				
Exercise start date				
Expiry date				
Option price				
Authority (when the plan includes more than one facility)				
Number of shares subscribed for at the date of this Universal Registration Document				
Cumulative number of stock options cancelled or expired				

Stock options remaining at year end

5

FREE SHARE ALLOCATION

TABLE 6 (AMF DEFINITION)

Bonus shares awarded to each corporate officer

Bonus shares awarded by the Shareholders' General Meeting during the financial year to each corporate officer by the issuer and any Group entity (nominative list)	Plan date and No.	Number of shares awarded during the financial year	Valuation of shares according to the SPIE share price at the time of the Board *(in euros)*	Vesting date	Date available	Performance conditions
Gauthier Louette	No. 3 3/11/2019	36,750	514,500	3/15/2022	3/15/2022	EBITA Cash conversion TSR *
Gauthier Louette	No. 4 3/10/2020	36,750	523,320	3/15/2023	3/15/2023	EBITA Cash conversion TSR *
Gauthier Louette	No. 5 3/11/2021	42,767	839,089	3/15/2024	3/15/2024	EBITA Cash conversion TSR *

* *Total Shareholder Value.*

For a description of plans No. 3, No. 4 and No. 5, see Section 6.1.3.2 of this Universal Registration Document.

TABLE 7 (AMF DEFINITION)

Bonus shares available to each executive officer	Plan date and No.	Number of shares made available during the year	Vesting conditions
Gauthier Louette	N/A	N/A	N/A

* *Total Shareholder Value.*

TABLE 9 (AMF DEFINITION)

Date of Shareholders' General Meeting	Plan No. 1	Plan No. 2	Plan No. 3	Plan No. 4	Plan No. 5	Etc.
Date of Board Meeting	7/28/2016	7/28/2016	3/11/2019	3/10/2020	3/11/2021	
Total number of bonus shares awarded, of which awarded to:	225,115	872,040	544,171	543,644	534,583	
THE CORPORATE OFFICERS						
Gauthier Louette	64,040	0	36,750	36,750	42,767	
Vesting date	7/28/2019	N/A	3/15/2022	3/15/2023	3/15/2024	
Holding period end date	7/28/2019	N/A	3/15/2022	3/15/2023	3/15/2024	
Number of shares subscribed for at the date of this Universal Registration Document	64,040	N/A	36,750	36,750	42,767	
Cumulative number of shares cancelled or expired	43,227	N/A	0	0	0	
Bonus shares remaining at year end	20,813	N/A	Unknown	Unknown	Unknown	

5.3.4 FAIRNESS RATIO BETWEEN THE COMPENSATION OF THE EXECUTIVE CORPORATE OFFICER AND THE AVERAGE AND MEDIAN COMPENSATION OF SPIE EMPLOYEES

In accordance with the sixth paragraph of Article L. 22-10-9 of the French Commercial Code, the ratios were calculated at the level of SPIE SA:

- ratio A: compensation (1) of the Chairman and Chief Executive Officer divided by the average compensation (2) on a full-time equivalent basis for employees of SPIE SA;
- ratio B: compensation of the Chairman and Chief Executive Officer divided by the median compensation (3) on a full-time equivalent basis for employees of SPIE SA.

	2016	2017	2018	2019	2020
Ratio A (SPIE SA)	5.0	5.2	6.2	5.4	5.3
Ratio B (SPIE SA)	4.8	5.3	6.3	5.2	5.3

In order to represent all of the Group's workforce, Ratio A has also been calculated for all Group employees present during 2020, *i.e.* an average workforce of 45,851 for the Group (4).

	2016	2017	2018	2019	2020
Ratio A (SPIE group)	43.4	50.4	52.6	37.6	45.2

5.4 OTHER INFORMATION

5.4.1 DECLARATIONS CONCERNING THE GOVERNING BODIES

At the date of this Universal Registration Document, to the Company's knowledge, there were no family relationships among the members of the Company's Board of Directors and the Chairman and Chief Executive Officer of the Company.

Furthermore, to the best of the Company's knowledge, over the last five years: (i) none of the members of the Board of Directors nor the Chairman and Chief Executive Officer has been convicted of fraud, (ii) none of the members of the Board of Directors nor the Chairman and Chief Executive Officer has been associated with any bankruptcy, receivership, liquidation or judicial administration proceedings, (iii) none of the members of the Board of Directors nor the Chairman and Chief Executive Officer has been the subject of any official public accusation or sanctions by judicial or administrative authorities (including relevant professional organisations), and (iv) none of the members of the Board of Directors nor the Chairman and Chief Executive Officer has been disqualified by a court from acting as a member of a management or supervisory body of an issuer, or from participating in the management or conduct of the business of any issuer.

5.4.2 CONFLICTS OF INTEREST

To the Company's knowledge, at the date of this Universal Registration Document there were no potential conflicts of interest between the duties of the members of the Board of Directors and of the Chairman and Chief Executive Officer vis-à-vis the Company, and their private interests.

5.4.3 INFORMATION ON SERVICE AGREEMENTS BETWEEN MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES OF THE COMPANY OR ANY OF ITS SUBSIDIARIES

At the date of this Universal Registration Document, to the Company's knowledge, there were no service provision agreements between members of the administrative and management bodies and the Company or its subsidiaries under which benefits are granted.

(1) This compensation includes the fixed salary paid in year N, the short-term variable portion in respect of year N-1 paid in year N, the IFRS 2 value of the share-based payment related to year N in respect of the long-term portion of the compensation and benefits in kind.

(2) This average compensation corresponds to the average of (fixed compensation paid in year N + short-term variable portion in respect of year N-1 paid in year N + IFRS 2 value of the share allocation related to year N in respect of the long-term portion of compensation + benefits in kind) for employees of SPIE SA excluding the Chairman and Chief Executive Officer.

(3) This median compensation corresponds to the median of (fixed compensation paid in year N + short-term variable portion in respect of year N-1 paid in year N + IFRS 2 value of the share allocation related to year N in respect of the long-term portion of compensation + benefits in kind) for employees of SPIE SA excluding the Chairman and Chief Executive Officer.

(4) The average compensation used corresponds to the sum of salaries and wages paid in N, employee profit-sharing paid in N, the IFRS 2 accounting expense related to share-based compensation in respect of year N for all SPIE group employees (excluding the Chairman and Chief Executive Officer) divided by the Group's average workforce.

-6-

SHAREHOLDERS AFR

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6.1 SHAREHOLDERS

6.1.1 DISTRIBUTION OF SHARE CAPITAL

The following table sets out the breakdown of the Company's share capital at December 31, 2020:

	Holding percentage			
Shareholders	**Number of shares**	**% of share capital**	**Number of voting rights**	**% of voting rights**
Caisse de Dépôt et Placement du Québec	18,722,025	11.69%	31,181,656	16.38%
Peugeot Invest Assets [(1)]	8,500,000	5.31%	17,000,000	8.93%
Managers [(2)]	3,951,397	2.47%	6,936,874	3.65%
• *including Gauthier Louette*	2,455,209	1.53%	4,889,605	2.57%
Employee shareholding [(3)]	9,782,411	6.11%	14,825,513	7.79%
Public	119,183,553	74.42%	120,400,701	63.25%
Treasury shares	390	0%	390	0%
TOTAL	**160,139,776**	**100%**	**190,345,134**	**100%**

(1) Formerly FFP Invest, (a company listed on Euronext Paris, majority-owned by the Peugeot family group.
(2) Managers and senior executives, current and former, of the Group.
(3) Shares held by Group employees, either directly through the FCPE SPIE for you.

CHANGES IN SHAREHOLDING FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

On March 20, 2020, Boussard & Gavaudan Partners Limited, acting on behalf of (i) BG Master Fund ICAV, (ii) Boussard & Gavaudan SICAV/Boussard & Gavaudan Absolute Return, (iii) BG Long Term Value, (iv) Single Select Platform/M - (B&G) European Equity, and (v) BG Liquid Strategy ICAV, declared to have crossed upwards:

- on March 16, 2020, the threshold of 4% of the Company's share capital;
- on March 18, 2020, the threshold of 5% of the Company's share capital by declaring that it holds 8,909,532 Company shares representing 5.65% of the share capital and 0.062% of the Company's voting rights.

On October 29, 2020, DNCA Finance, on delegation from Natixis Investment Managers International to manage a new scope of funds in addition to assets already managed, passively crossed the threshold of 1% of voting rights of the Company and declared that it held 3,014,228 Company shares representing approximately 1.88% of the share capital and 1.58% of the voting rights of SPIE SA at December 31, 2020.

On November 25, 2020, following stock market transactions carried out on November 18, 2020, DNCA Investments fell below the threshold of 2% of the Company's voting rights and declared that it held 3,113,818 shares in the Company representing approximately 1.94% of the share capital and 1.63% of the voting rights of SPIE SA at December 31, 2020.

On March 31, 2021, Caisse des Dépôts et de placement du Québec (CDPQ), following sales on the market, declared that it had fallen below (i) on March 25, 2021, any multiple of 1% of SPIE's capital from 7% to 6% (excluded) and any multiple of 1% of SPIE SA's voting rights from 6% to 5% (excluded) and (ii) on March 30, 2021, any multiple of 1% of SPIE's capital from 6% to 5% (excluded). As at March 31, 2021, CDPQ declared that it now held 9,295,432 shares and voting rights in SPIE SA, representing approximately 5.80% of the share capital and 5.23% of the voting rights of SPIE SA.

On April 8, 2021, Caisse des Dépôts et de placement du Québec (CDPQ), following sales on the market, declared that it had fallen below the legal threshold of 5% of the voting rights of SPIE SA on April 1, 2021. On April 8, 2021, the CDPQ held 8,057,170 shares and voting rights, representing approximately 5.03% of the share capital and 4.53% of the voting rights of SPIE SA respectively.

At April 12, 2021, SPIE's market capitalisation was more than €3.3 billion.

6.1.2 OTHER INFORMATION ABOUT THE CONTROL OF THE COMPANY

6.1.2.1 DISCLOSURE RELATING TO THE CONTROL OF THE COMPANY

Undertakings made by Caisse de Dépôt et Placement du Québec to the Company

In a letter dated May 22, 2015 and amended on May 29, 2015, during the Initial Public Offering (IPO) of the Company, the Caisse de Dépôt et Placement du Québec (**CDPQ**), made undertakings to the Company as regards its governance structure and arrangements for managing the liquidity of its equity interest in the Company.

These undertakings provide in particular for:

- *governance:* the CDPQ will be represented by a Director and a Non-voting Director as soon as it directly or indirectly holds a minimum of 5% of the Company's share capital. If CDPQ were to hold 15% of the share capital of the Company, CDPQ will be represented by two Directors;
- *information to be provided in case of sale*: the obligation to provide prior information to the Chairman of the Company's Board of Directors in the event of a sale or transfer of shares by the CDPQ, in whatever manner, either directly or indirectly, representing at least 1% of the Company's share capital. This obligation does not apply in the event of a market sale of the Company's shares to an unidentified buyer over a certain period of time. Such a sale or transfer must also be carried out in an orderly manner with the Company providing reasonable cooperation and assistance to the transferor in order to facilitate these transactions;
- *prior approval in case of sale*: the obligation to obtain the prior approval of the Company's Board of Directors in the event of a sale or transfer of shares, including as part of a takeover bid, by the CDPQ, in whatever manner, either directly or indirectly, representing at least 1% of the Company's share capital to a competitor or a significant business partner of the Company (client or supplier). The Board of Directors will decide on a simple majority of the Directors present and represented, with any Director appointed at the proposal of the CDPQ not taking part in the vote. However, this requirement shall not apply in the event of a takeover bid for which (i) no prior undertaking to sell or tender in the offer would have been taken by a member of the parties, and (ii) the Company's Board of Directors would have issued a favourable opinion by a majority of its members.

For the purposes of this undertaking, the term "competitor" means any company or group of companies (i) whose business or one of its businesses relates to the multi-technical services sector and more specifically to electrical, mechanical or HVAC engineering and communications systems as well as specialised services related *to* the energy industry (including Facility Management and Information Technology activities), and (ii) whose revenue from this business amounts to a minimum of €1 billion. The term "significant business partner" means the Company's customers representing more than €40 million of the Group's consolidated revenue or the Company's suppliers representing more than €15 million of the total amount of the Group's purchases. These two terms also include (i) all entities controlling a competitor or significant business partner, and (ii) all entities controlled by an entity controlling a competitor or significant business partner. The undertakings detailed in points two and three above do not apply to the Company's shares which the CDPQ acquires directly or indirectly as part of the Company's IPO and subsequent to this IPO.

These undertakings will expire on the date on which the CDPQ directly or indirectly holds less than 2% of the Company's share capital.

Undertakings made by Peugeot Invest (formerly FFP) to the Company

On September 14, 2017, when Peugeot Invest invested in the Company's share capital, it entered into the following main undertakings:

- *governance:* Peugeot Invest undertakes to immediately resign from its duties as a Non-voting Director or as a member of the Board of Directors, as appropriate, should Peugeot Invest Assets come to directly or indirectly hold an equity interest of less than 5% of the Company's share capital, unless (i) this equity interest drops to under 5% but remains above 3% of the share capital, where it is not responsible for the dilution of Peugeot Invest, or (ii) this equity interest drops to under 5% but remains above 4.5% of the share capital, and for a maximum duration of three months;
- *sale of shares*: should Peugeot Invest Assets wish to sell or transfer shares in the Company representing a minimum of 1% of the share capital, in any manner whatsoever, Peugeot Invest hereby irrevocably undertakes to inform the Chairman of the Company's Board of Directors in advance.

It should be recalled that as of the date of this Universal Registration Document, Peugeot Invest Assets is a member of the Board of Directors.

6.1.2.2 AGREEMENTS THAT MAY RESULT IN A CHANGE OF CONTROL

At the date of this Universal Registration Document, there is no agreement whose implementation could result in a change of control of the Company.

6.1.3 EQUITY INTERESTS AND STOCK OPTIONS HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT

6.1.3.1 EQUITY INTERESTS AND STOCK OPTIONS HELD BY MEMBERS OF THE BOARD OF DIRECTORS AND GENERAL MANAGEMENT

Directors

The table below shows the percentage of the Company's share capital held by each of the Directors at December 1st, 2020

Company Director	Number of shares	% of capital	% of voting rights	Compensation for the role of Director
Gauthier Louette (Chairman and Chief Executive Officer)	2,455,209	1.53%	2.57%	No
Michael Kessler	50	0.00%	0.00%	No
Sir Peter Mason	8,700	0.00%	0.00%	Yes
Michel Bleitrach	1,800	0.00%	0.00%	Yes
Regine Stachelhaus	1,500	0.00%	0.00%	Yes
Tanja Rueckert	1,500	0.00%	0.00%	Yes
Sophie Stabile	100	0.00%	0.00%	Yes
Elisabeth Van Damme	0	0.00%	0.00%	Yes
Gabrielle van Klaveren-Hessel (1)	0	0%	0%	No
Peugeot Invest Assets, represented by Bertrand Finet	8,500,000	5.31%	8.93%	Yes

(1) Gabrielle van Klaveren-Hessel also holds 1,029 units in the "SPIE for you" fund and 570 in the SPIE Relais 2020 fund as of December 31, 2020 (see Section 6.1.4 of this Universal Registration Document).

6.1.3.2 STOCK OPTIONS AND AWARDS OF BONUS SHARES

SPIE 2016 Plan 1 and SPIE 2016 Plan 2

On May 25, 2016, the Shareholders' General Meeting has, in accordance with its 19th resolution, authorised the Board of Directors, under certain conditions, to grant free shares, existing or to be issued, to the benefit of corporate officers or employees of the Company or companies related to the Company in accordance with Article L. 225-197-2 of the French Commercial Code.

The Board of Directors on July 28, 2016, on the basis of the authorisation granted by the Shareholders' General Meeting, has issued two free performance share plans for corporate officers and employees of the Company and its subsidiaries.

The Board of Directors thus granted 1,098,155 so-called "performance" ordinary shares of the Company, representing 0.71% of the Company's share capital as at July 28, 2016.

The Board of Directors established a list of beneficiaries as follows:

- a SPIE 2016 Plan 1, relating to 225,115 performance shares, reserved for Gauthier Louette, Chairman and Chief Executive Officer of the Company, and certain members of the Group Executive Committee and certain members of the Management Committee of the France segment; and
- a SPIE 2016 Plan 2, relating to 872,040 performance shares for certain members of the Management Committees of the Group's legal entities, "Key Managers" of the Group and "High Potential" of the Group.

The acquisition of shares is subject to compliance with the following conditions:

- the performance shares shall only be definitively acquired at the end of a period of three years starting on July 28, 2016;
- the beneficiaries shall be bound to the Company by corporate duties or an employment contract throughout the entire duration of the acquisition period;
- conditions of performance, namely:
  - the number of performance shares to be delivered to each beneficiary of the SPIE 2016 Plan 1 at the end of the acquisition period shall be equal to the number of performance shares granted to the relevant beneficiary on the date thereof multiplied by a global allocation rate that will be determined depending on (i) an internal allocation rate, itself depending on the level of (a) the annual average growth rate of the EBITA and (b) the annual average cash conversion rate, for the period of three (3) years running from January 1, 2016 to December 31, 2018 (the "**Reference Period**"), and (ii) an external allocation rate relating to a performance target ("TSR") of the SPIE SA shares over the Reference Period compared to the median TSR of a panel of companies (the "**Panel**"), it being specified that the internal allocation rate accounts for 65% of the global allocation rate and the external allocation rate accounts for 35% of the global allocation rate,
  - the number of performance shares to be delivered to each beneficiary of the SPIE 2016 Plan 2 at the end of the acquisition period shall be equal to the number of performance shares granted to the relevant beneficiary on the date thereof multiplied by a global allocation rate that will be determined depending on (i) an internal allocation rate, itself depending on the level of (a) the annual average growth rate of the EBITA

and (b) the annual average cash conversion rate, over the Reference Period, and (ii) an external allocation rate relating to a performance target (TSR) of the SPIE SA shares over the Reference Period compared to the median TSR of the Panel, it being specified that the internal allocation rate accounts for 80% of the global allocation rate and the external allocation rate accounts for 20% of the global allocation rate.

The Panel is comprised all of the companies listed on the SBF 120 stock index at January 1, 2016, subject to any plans regarding changes to the composition of this index or its removal.

The Board of Directors decided that Gauthier Louette, Chairman and Chief Executive Officer of the Company, will be required to hold 25% of the performance shares that have vested in pure registered form until the termination of his duties. Members of the Management Committee of the France segment must retain 15% of their registered free performance shares acquired until the end of their terms of office within the Group.

The Board of Directors' Meeting of March 11, 2019, ruling on the financial statements for 2018, recorded the global allocation rate: pursuant to the allocation rule, the EBITA performance is 0%, the cash conversion rate performance is 100% and the TSR performance is 0%. Thus, the following acquisitions were made: 32.5% of the allocation for SPIE 2016 Plan 1 and 40% of the allocation for SPIE 2016 Plan 2 (the difference in acquisition percentage between the two plans is due to the dominant TSR weighting for SPIE 2016 Plan 1).

SPIE 2019 Plan 3

On March 11, 2019, the Board of Directors, on the basis of the authorisation granted by the Shareholders' General Meeting, set up a performance share plan for corporate officers and employees of the Company and its subsidiary.

The Board of Directors thus granted 544,171 so-called "performance" shares of the Company, representing up to 0.35% of the total number of shares forming the Company's share capital on March 11, 2019. The number of shares granted to each beneficiary will be equal to the number of performance shares granted to the relevant beneficiary multiplied by a global allocation rate that will be determined depending on (i) an internal allocation rate, itself depending on the level of (a) the annual average growth rate of the EBITA and (b) the annual average cash conversion rate, for the period of three (3) years running from January 1, 2019 to December 31, 2021 (the "**Reference Period**"), and (ii) an external allocation rate relating to a performance target (Total Shareholder Return or "TSR") of the SPIE SA shares over the Reference Period compared to the median TSR of a panel of companies (the "**Panel**"), it being specified that the internal allocation rate accounts for 70% of the global allocation rate and the external allocation rate accounts for 30% of the global allocation rate.

The performance threshold related to the internal allocation rate will be detailed when the plans are delivered. With regard to the external performance threshold, the external allocation rate is calculated as follows:

- if the SPIE TSR is lower than the SBF 120 Median TSR, the External Allocation Rate is equal to 0%;
- if the SPIE TSR is greater than or equal to the product (105% x SBF 120 Median TSR), the External Allocation Rate is equal to 100%;
- the External Allocation Rate will vary linearly between these two limits.

The Board of Directors decided that Gauthier Louette, Chairman and Chief Executive Officer of the Company, would be granted 36,750 performance shares, corresponding to 6.75% of the total performance share granted and corresponding to 66% of his fixed gross annual compensation at the date of the plan. He will be required to hold in fully registered form 25% of the performance shares definitely acquired until the until termination of his duties within the Group. Members of the Group Executive Committee, for their part, will be required to hold in fully registered form until termination of their duties as employee within the Group, 15% of the fully vested performance shares.

No dispensation has been provided for the acquisition of free performance shares should the Chairman and Chief Executive Officer's term of office end before the three-year acquisition period for free performance shares expires, except in case of death or disability.

SPIE 2020 Plan 4

On May 24, 2019, the Company's Combined Shareholders' General Meeting has, in accordance with its 13th resolution, authorised the Board of Directors, under certain conditions, to grant free shares, existing or to be issued, to the benefit of corporate officers or employees of the Company or companies related to the Company in accordance with Article L. 225-197-2 of the French Commercial Code.

Said authorisation was granted for a period of 26 months by the Shareholders' General Meeting.

The number of shares thus granted shall not exceed 1% of the total number of shares composing the Company's share capital at the time of the decision of the Board of Directors to implement such plan, and that if such shares are newly issued shares, the aggregate nominal amount of the corresponding share capital increases shall be allocated on (i) the nominal ceiling of €1,500,000 for the share capital increases reserved to the beneficiaries of an employee savings plans, as well as (ii) on the nominal ceiling of €36,000,000 for share capital increases.

The bonus shares granted to corporate officers of the Company cannot exceed 10% of the total number of shares granted by the Board of Directors.

The definitive acquisition of the shares may be submitted, in part or in whole, to certain performance conditions set by the Board of Directors, it being understood that for corporate officers of the Company, the Board of Directors will submit the acquisition of the shares to performance criteria and shall determine the portion of shares that said officers will be required to hold until the term of their office.

The Shareholders' General Meeting also decided that the shares will be definitely acquired by their beneficiaries after (i) an acquisition period of at least 3 years, and that no conservation period will be required, with the exception of shares awarded to corporate and executive officers which will have an acquisition period of at least one (1) year.

The definitive acquisition of the shares, and the right to freely transfer them, shall however be immediately given to any beneficiary should such beneficiary be subject to an invalidity condition, as set in Article L. 225-197-1 of the French Commercial Code.

On March 10, 2020, the Board of Directors, on the basis of the authorisation granted by the Shareholders' General Meeting, set up a performance share plan for corporate officers and employees of the Company and its subsidiary.

The Board of Directors thus granted 543,644 so-called "performance shares" of the Company, representing up to 0.34% of the total number of shares forming the Company's share capital on March 10, 2020. The number of shares granted to each beneficiary will be equal to the number of performance shares granted to the relevant beneficiary multiplied by a global allocation rate that will be determined depending on (i) an internal allocation rate, itself depending on the level of (a) the annual average growth rate of the EBITA and (b) the annual average cash conversion rate, for the period of three (3) years running from January 1, 2020 to December 31, 2022 (the "Reference Period"), and (ii) an external allocation rate relating to a performance target (Total Shareholder Return or "TSR") of the SPIE SA shares over the Reference Period compared to the median TSR of a panel of companies (the "Panel"), it being specified that the internal allocation rate accounts for 70% of the global allocation rate and the external allocation rate accounts for 30% of the global allocation rate.

The performance threshold related to the internal allocation rate will be detailed when the plans are delivered. With regard to the external performance threshold, the external allocation rate is calculated as follows:

- if the SPIE TSR is lower than the SBF 120 Median TSR, the External Allocation Rate is equal to 0%;
- if the SPIE TSR is greater than or equal to the product (105% x SBF 120 Median TSR), the External Allocation Rate is equal to 100%;
- the External Allocation Rate will vary linearly between these two limits.

The Board of Directors decided that Gauthier Louette, Chairman and Chief Executive Officer of the Company, would be granted 36,750 performance shares, corresponding to 6.76% of the total performance shares granted and corresponding to 65% of his fixed gross annual compensation at the date of the plan.

No dispensation has been provided for the acquisition of free performance shares should the Chairman and Chief Executive Officer's term of office end before the three-year acquisition period for free performance shares expires, except in case of death or disability.

SPIE 2021 Plan 5

On May 29, 2020, the Company's Combined Shareholders' General Meeting has, in accordance with its 21st resolution, authorised the Board of Directors, under certain conditions, to grant free shares, existing or to be issued, to the benefit of corporate officers or employees of the Company or companies related to the Company in accordance with Article L. 225-197-2 of the French Commercial Code.

Said authorisation was granted for a period of 26 months by the Shareholders' General Meeting.

The number of free shares allocated in this way may not exceed one and a half percent of the number of shares comprising the Company's share capital on the date of the decision to allocate them by the Board of Directors, and if the shares in question are shares to be issued, the cumulative nominal amount of the resulting capital increases will be deducted from the nominal ceiling of €36,000,000 provided for capital increases.

The bonus shares granted to corporate officers of the Company cannot exceed 10% of the total number of shares granted by the Board of Directors.

The definitive acquisition of the shares may be submitted, in part or in whole, to certain performance conditions set by the Board of Directors, it being understood that for corporate officers of the Company, the Board of Directors will submit the acquisition of the shares to performance criteria and shall determine the portion of shares that said officers will be required to hold until the term of their office.

The Shareholders' General Meeting also decided that the shares will be definitely acquired by their beneficiaries after (i) an acquisition period of at least 3 years, and that no conservation period will be required, with the exception of shares awarded to corporate and executive officers which will have an acquisition period of at least one (1) year.

The definitive acquisition of the shares, and the right to freely transfer them, shall however be immediately given to any beneficiary should such beneficiary be subject to an invalidity condition, as set in Article L. 225-197-1 of the French Commercial Code.

On March 11, 2021, the Board of Directors, on the basis of the authorisation granted by the Shareholders' General Meeting, set up a performance share plan for corporate officers and employees of the Company and its subsidiaries.

The Board of Directors thus granted 534,583 so-called "performance shares" of the Company, representing up to a maximum of 0.33% of the total number of shares forming the Company's share capital on March 11, 2021. The number of shares granted to each beneficiary will be equal to the number of performance shares granted to the relevant beneficiary multiplied by a global allocation rate that will be determined depending on (i) an internal allocation rate, itself depending on the level of (a) the annual average growth rate of the EBITA and (b) the annual average cash conversion rate, for the period of three (3) years running from January 1, 2020 to December 31, 2022 (the "Reference Period"), and (ii) an external allocation rate relating to a performance target (Total Shareholder Return or "TSR") of the SPIE SA shares over the Reference Period compared to the median TSR of a panel of companies (the "Panel"), it being specified that the internal allocation rate accounts for 70% of the global allocation rate and the external allocation rate accounts for 30% of the global allocation rate.

The performance measurement linked to the internal allocation rate will be detailed when the plans are delivered. For the measurement of external performance, the external allocation rate is calculated as follows:

- if the SPIE TSR is lower than the Median SBF 120 TSR, the External Allocation Rate is equal to 0%;
- if the SPIE TSR is greater than or equal to the product (105% x Median SBF 120 TSR), the External Allocation Rate is equal to 100%.
- the External Allocation Rate will vary linearly between these two limits.

The Board of Directors decided that Gauthier Louette, Chairman and Chief Executive Officer of the Company, would be granted 42,767 performance shares, corresponding to 8% of the total performance shares granted and corresponding to 105% of his fixed gross annual compensation at the date of the plan.

No dispensation has been provided for the acquisition of free performance shares should the Chairman and Chief Executive Officer's term of office end before the three-year acquisition period for free performance shares expires, except in case of death or disability.

Future plans

On May 12, 2021, the Shareholders' General Meeting will put forward a resolution to authorise the Board of Directors, under certain conditions, to grant free shares, existing or to be issued, to the benefit of corporate officers or employees of the Company or companies related to the Company in accordance with Article L. 225-197-2 of the French Commercial Code. As part of the resolution, the Board of Directors decided to reduce the cap on the capital increase from 1.5% of the previous resolutions to 0.5% and to reduce the duration of the authorisation from 26 months to 15 months.

On the basis of this new resolution, this plan will be implemented based on the same criteria and acquisition period as SPIE 2021 Plan 5 (as described above).

6.1.4 EMPLOYEE SHAREHOLDING

EMPLOYEE MUTUAL FUND (*FONDS COMMUN DE PLACEMENT D'ENTREPRISE*) SPIE FOR YOU

At the Company's Combined Shareholders' General Meeting held on May 29, 2020, in their 19th resolution, the Shareholders delegated to the Board of Directors the authority to decide on a Company share capital increase in one or more instalments, for a maximum nominal amount of €1,850,000, or through other securities granting access to the Company's share capital, set aside for employees of the Company and employees of French and foreign affiliated companies, who are members of one of the Group's company savings plans, under the conditions of Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labour Code.

On July 28, 2020, the Board of Directors decided in principle to issue ordinary shares to employees who are members of one of the Group's company savings plans, set out the main characteristics of this issue, and delegated the necessary powers to complete this transaction to the Company's Chairman and Chief Executive Officer.

Those eligible for the issue include: (i) employees and corporate officers, under the conditions set out by Article L. 3332-2 of the French Labour Code, of companies in the scope of consolidation which are members of the Group's French or international savings plan, as appropriate, whether they have a permanent or fixed-term, full-time or part-time employment contract, who can provide proof of three months of service at the end of the subscription period, and (ii) pre-retired or retired employees of the Group's French companies who still had assets in the French Group Savings Plan when they left the Group.

This offer was made to all Group employees in Austria, Germany, Belgium, the United Arab Emirates, Hungary, Luxembourg, the Netherlands, Poland, the Czech Republic, Slovakia, Switzerland and the United Kingdom.

By the time the operation was complete, the Company had issued 2,441,652 new shares, representing close to 1.5% of the capital. Therefore, employee Shareholders now hold 6.1% of the Group's share capital.

6.2 SHAREHOLDER RELATIONS/FINANCIAL COMMUNICATION SCHEDULE

Throughout the year, SPIE's executive officers and the Investor Relations Department act as the interface between the Group and the financial community. The latter is composed of institutional investors, including socially responsible investors (SRI) and financial analysts. To all these market players, SPIE intends to provide clear, precise and transparent information in real time to keep them informed of the Group's strategy, its positioning, its results and financial objectives. In addition to the conference calls organised each quarter to mark the publication of its results, SPIE devoted around thirty days to roadshows and conferences organised by leading financial institutions for European and North American investors. In addition, there are regular and frequent meetings and telephone contacts. SPIE also strengthened its communication on its environmental and social policies and took part in six roadshows and thematic conferences on these subjects in 2020.

These initiatives maintain a continuous and close link with the financial community and are an opportunity for SPIE's executive officers to present the Group's news, its performance, its strategy and its governance:

- financial information at March 31, 2021: April 30, 2021 premarket opening.
- 2020 half-year results: July 29, 2021 premarket opening.
- financial information at September 30, 2020: November 5, 2021 premarket opening.

6.3 DIVIDENDS

DIVIDEND PAYMENT POLICY

The Group's dividend policy is described in Section 4.3 of this Universal Registration Document.

DIVIDENDS PAID FOR THE FINANCIAL YEARS 2019 AND 2020

In respect of financial year 2019, an interim dividend of €0.17 per share was paid in September 2019.

On the basis of the results for the financial year ended December 31, 2019, the Board of Directors wished to propose to the Shareholders General Meeting on May 29, 2020 to pay in 2020 a dividend of 61 cents per share. This decision would have led to a balance of €0.44 per share in cash in June 2020.

However, in accordance with the press release published by the Company on April 8, 2020, the full reproduction of which appears in paragraph 4.2 "Events after the reporting period" of the 2019 Universal Registration Document, in order to respond to the societal challenges imposed by the crisis of Covid-19, the Board of Directors proposed not to pay the balance of the dividend for the financial year ended December 31, 2019. It therefore decided to submit to the vote of the Shareholders General Meeting of May 29, 2020, the payment of a total dividend limited to 0.17 euro per share, corresponding only to the interim dividend paid in September 2019.

Due to the Group's commitment not to pay dividends in 2020, by decision of the Board of Directors on July 28, 2020, no interim dividend was paid in 2020.

In respect of the FY 2020 results, the Board of Directors proposes to the Shareholders' General Meeting to be held on May 12, 2021 to pay a dividend of €0.44 per share. The Board of Directors also approved the principle of payment of an interim dividend at the end of September 2021 in respect of the 2021 results.

6.4 INFORMATION ABOUT SHARE CAPITAL

6.4.1 PAID-UP SHARE CAPITAL AND AUTHORISED BUT UNISSUED SHARE CAPITAL

At the date of this Universal Registration Document, the Company's share capital amounted to €75,265,694.72, divided into 160,139,776 ordinary shares each with a par value of €0.47, fully paid up.

On May 24, 2019, the Company's Shareholders' General Meeting adopted the following financial delegations:

Resolution	Purpose of the delegation	Maximum nominal amount	Length of authorisation	Use during the 2019 and 2020 financial years
9th Resolution	Authorisation granted to the Board of Directors to trade the Company's shares	Up to a limit of 10% of the total number of shares comprising the share capital or 5% of the total number of shares with the purpose of holding them for subsequent payment or exchange in the context of potential external growth transactions Maximum repurchase price: €33	18 months	Nil.
10th Resolution	Authorisation granted to the Board of Directors to reduce the share capital by cancelling treasury shares	Up to 10% of the share capital by 24-month period	26 months	Nil.
11th Resolution	Delegation of authority to the Board of Directors to issue shares reserved for members of employee savings plans without preferential subscription rights	€1,500,000 (1) (Approximately 2% of current share capital)	26 months	Decision of the Board of Directors of July 25, 2019 to issue ordinary shares to employees participating in a Group company savings plan.
12th Resolution	Delegation of authority to the Board of Directors to increase the share capital by issuing shares without preferential subscription rights in favour of a specific category of beneficiaries (employees and corporate officers of the Company and companies associated therewith)	€1,500,000 (1)(2) (Approximately 2% of current share capital)	18 months	Decision of the Board of Directors of July 25, 2019 to issue ordinary shares to employees participating in a Group company savings plan.
13th Resolution	Authorisation granted to the Board of Directors to issue free new or existing shares to the benefit of employees and corporate officers of the Company and other companies related to it	Up to 1% of the share capital (1)(2)	26 months	Decision of the Board of Directors of March 10, 2020 to set up a performance share plan for corporate officers and employees of the Company and its subsidiaries

(1) Delegation subject to the overall ceiling on share capital increases of €36,000,000 (i.e. around 50% of the share capital).
(2) A sub-ceiling of €1,500,000 (approximately 2% of the share capital) is applicable to these delegations.

On May 29, 2020, the Company's Shareholders' General Meeting adopted the following financial delegations:

Resolution	Purpose of the delegation	Maximum nominal amount	Length of authorisation	Use during FY 2020
10th Resolution	Authorisation to trade in the Company's shares (share repurchase programme)	Up to a limit of 10% of the total number of shares comprising the share capital or 5% of the total number of shares with the purpose of holding them for subsequent payment or exchange in the context of potential external growth transactions Maximum repurchase price: €33	18 months	Nil.
11th Resolution	Authorisation granted to the Board to reduce the Company's share capital by cancelling treasury shares	Up to 10% of the share capital by 24-month period	26 months	Nil.
12th Resolution	Delegation of authority to the Board to increase share capital by capitalisation of premiums, reserves, profits or other amounts	€14,500,000 (Approximately 20% of share capital)	26 months	Nil.
13th Resolution	Delegation of authority to the Board to increase share capital by issuing shares and/or securities, with preferential subscription rights, giving access to other securities and/or giving rights to debt and/or equity securities giving access to securities to be issued	Issuance of share capital: €36,000,000 (Approximately 50% of share capital) Issuance of debt securities: €1,000,000,000 (4)	26 months	Nil.
14th Resolution	Delegation of authority to the Board to increase share capital by issuing shares and/or securities, without preferential subscription rights, giving access to other securities and/or giving rights to debt and/or equity securities giving access to securities to be issued, in the context of takeover bids other than those set out by Article L. 411-2 of the French Monetary and Financial Code	Issuance of share capital: €7,400,000 (1) (Approximately 10% of share capital) Issuance of debt securities: €1,000,000,000 (4)	26 months	Nil.
15th Resolution	Delegation of authority to the Board to increase share capital by issuing shares and/or securities, without preferential subscription rights, giving access to other securities and/or giving rights to debt and/or equity securities giving access to securities to be issued, in the context of takeover bids as set out by Article L. 411-2 of the French Monetary and Financial Code	Issuance of share capital: €7,400,000 (1)(2) (Approximately 10% of share capital) Issuance of debt securities: €1,000,000,000 (4)	26 months	Nil.
16th Resolution	Delegation of authority to the Board, in the event of an issue without preferential subscription rights, via a takeover bid, to determine the issue price in accordance with the terms set by the Shareholders' General Meeting, up to 10% of the share capital per year	Issuance of share capital: €7,400,000 (1)(2) (Approximately 10% of share capital) Issuance of debt securities: €1,000,000,000 (3)	26 months	Nil.

Resolution	Purpose of the delegation	Maximum nominal amount	Length of authorisation	Use during FY 2020
17th Resolution	Authorisation to the Board to increase issuance amount with or without preferential subscription rights	Up to the limit set out by the applicable regulation (currently 15% of the initial issuance) [1]	26 months	Nil.
18th Resolution	Delegation of authority to the Board to increase share capital by issuing shares and/or securities giving access to other securities and/or giving rights to debt and/or equity securities giving access to securities to be issued against contributions in kind up to 10% of the share capital	Issuance of share capital: €7,400,000 (1) (Approximately 10% of current share capital) Issuance of debt securities: €1,000,000,000 (4)	26 months	Nil.
19th Resolution	Delegation of authority granted to the Board to increase the share capital with cancellation of preferential subscription rights through the issue of shares of the Company reserved for members of a company savings plan	Issuance of share capital: €1,850,000 (1)(3) (Approximately 2.5% of current share capital) Up to an overall ceiling of: €36,000,000	26 months	Decision of the Board of Directors' Meeting of July 28, 2020 to issue ordinary shares to employees who are members of one of the Group's company savings plans (see Section 6.1.4 of this Universal Registration Document)
20th Resolution	Delegation of authority to the Board to increase share capital by issuing shares, without preferential subscription rights, reserved for specific beneficiaries	Issuance of share capital: €1,850,000 [1][3] (Approximately 2.5% of current share capital) Up to an overall ceiling of: €36,000,000	18 months	Decision of the Board of Directors' Meeting of July 28, 2020 to issue ordinary shares to employees who are members of one of the Group's company savings plans (see Section 6.1.4 of this Universal Registration Document)
21st Resolution	Authorisation granted to the Board of Directors to issue free new or existing shares to certain employees and corporate officers of the Company and the companies related to it	1.5% of the number of shares constituting the Company's share capital on the date of the decision [1]	26 months	Nil.

(1) Delegation included in the overall ceiling on share capital increases set by the 13th resolution to €36,000,000 (i.e. around 50% of the current share capital).
(2) Delegation included in the overall ceiling set to €7,400,000 (i.e. around 10% of the current share capital).
(3) Delegation included in the overall ceiling set to €1,850,000 (i.e. around 2.5% of the current share capital).
(4) Delegation included in the overall ceiling for debt security issues of €1,000,000,000, as set by the 13th resolution.

6

The Shareholders' General Meeting of the Company due to meet on May 12, 2021 is asked to renew the financial delegations set out below, which the Board of Directors may not use without the prior authorisation of the Shareholders' General Meeting of the Company, from the submission of a third party planned takeover bid for the Company's securities and until the end of the bid period:

Resolution	Subject of the delegation	Maximum duration	Maximum nominal amount
14th Resolution	Delegation of authority granted to the Board to increase the share capital with cancellation of preferential subscription rights through the issue of shares of the Company reserved for members of a company savings plan	26 months	Issuance of share capital: €1,850,000 (1)(2) (Approximately 2.5% of current share capital) Up to an overall ceiling of: €36,000,000
15th Resolution	Delegation of authority to the Board to increase share capital by issuing shares, without preferential subscription rights, reserved for specific beneficiaries	18 months	Issuance of share capital: €1,850,000 (1)(2) (Approximately 2.5% of current share capital) Up to an overall ceiling of: €36,000,000
16th Resolution	Authorisation granted to the Board of Directors to issue free new or existing shares to certain employees and corporate officers of the Company and the companies related to it	15 months	0.5% of the number of shares constituting the Company's share capital on the date of the decision (1)

(1) Delegation included in the overall ceiling on share capital increases set by the 13th resolution to €36,000,000 (i.e. around 50% of the current share capital).
(2) Delegation included in the overall ceiling set to €1,850,000 (i.e. around 2.5% of the current share capital).

6.4.2 NON-EQUITY SECURITIES

On March 22, 2017, the Company issued bonds worth €600 million, primarily to finance the acquisition of the German group SAG (see paragraph 4.1.2.1.2.2 of this Universal Registration Document). The bonds have been admitted for trading on Euronext Paris regulated market.

On June 18, 2019, the Company issued bonds worth €600 million, primarily to refinance half of the Senior Credit Facilities Agreement, and then to extend the average maturity of its debt (see paragraph 4.1.2.1.2.3 of this Universal Registration Document). The bonds have been admitted for trading on Euronext Paris regulated market.

6.4.3 TREASURY SHARES

At the date of this Universal Registration Document, the Company holds 390 treasury shares with a net book value of €7,020.00.

The Shareholders' General Meeting of May 29, 2020 authorised the Board of Directors, for a period of 18 months counting from the date of the meeting, and with faculty of sub-delegation in accordance with legislative and regulatory provisions, to implement a Company share repurchase programme, in accordance with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code.

The Board did not implement the share repurchase programme in 2020; no transaction therefore took place in connection therewith in 2020.

As a result, the Company's Shareholders' General Meeting to be held on May 12, 2021 will be asked to renew the authorisation and adopt the following resolution.

The Board of Directors shall be authorised, with faculty of sub-delegation in accordance with legislative and regulatory provisions, to implement a buy-back programme for the repurchase of the shares of the Company, in accordance with the provisions of Articles L. 22-10-62 *et seq.* of the French Commercial Code, on one or several times and when it deems appropriate, such number of shares of the Company that may not exceed:

- 10% of the total number of shares constituting the Company's share capital at any given time; or
- 5% of the total number of shares constituting the Company's share capital if the shares are purchased by the Company with the purpose of holding them for subsequent payment or tender in a merger, spin off or contribution.

These percentages apply to a number of shares adjusted, as necessary, to take into account the transactions which may impact the share capital after the given Shareholders' General Meeting.

Acquisitions made by the Company may under no circumstance result in the Company holding at any time more than 10% of the shares composing its share capital.

These shares may be acquired, pursuant to the decisions of the Board of Directors for the following purposes:

- ensuring liquidity and an active market in the Company's shares through an independent investment services provider pursuant to a liquidity agreement in accordance with the market practices recognised by the AMF on July 2, 2018;
- granting for free or assign shares to the corporate officers and to employees of the Company and the other entities of the Group, and in particular in the context of (i) any profit-sharing scheme of the Company; (ii) any Company's stock option plans in accordance with the provisions of Articles L. 225-177 *et seq.* of the French Commercial Code; or (iii) any employee savings plan sponsored by the Company pursuant to the provisions of Articles L. 3331-1 *et seq.* of the French Labour Code or (iv) any free granting of shares in accordance with the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code, as well as any hedging operation related to these operations subject to the conditions set out by the market authorities and at such times as, the Board of Directors or the person acting under the delegation of powers of the Board of Directors deems appropriate;

- delivering the Company's shares upon exercise of the rights attached to securities giving access, directly or indirectly, to the Company's share capital through repayment, conversion, exchange, presentation of a warrant or in any other manner as provided by law, as well as for the purpose of any hedging operation related to these operations subject to the conditions set out by the market authorities and at such times as, the Board of Directors or the person acting under the delegation of powers of the Board of Directors deems appropriate;
- holding Company shares for the purpose of subsequent payment or exchange in the context of potential external growth transactions;
- cancelling all or part of the shares thus repurchased;
- implementing any market practice accepted by the AMF from time to time, and more generally, perform all operations or any other accepted operation, in accordance with applicable laws and regulations.

The maximum purchase price per share shall not exceed, excluding charges, thirty-three euros (€33).

The Board of Directors may, nevertheless, in the event of transactions relating to the Company's share capital, and in particular in case of a change in the nominal value of the share, a capital increase through capitalisation of reserves followed by the issue and the free allotment of shares, a stock split or stock consolidation, adjust the maximum purchase price referred to above in order to take into account the impact of such transactions on the value of the Company's share.

The acquisition, sale or transfer of these shares may be made and paid for by all appropriate means in accordance with applicable laws and regulations, on a regulated market, on a multilateral trading systems, systematic internaliser or on an over-the-counter market, including by the purchase or sale of blocks, by using options or other financial derivatives or warrants, or more generally, by using securities granting rights to shares of the Company, at such times as the Board of Directors deems appropriate.

All powers are granted to the Board of Directors, with the right to sub-delegate, in order to carry out, in accordance with applicable legislative and regulatory provisions, all authorised allocation and, as necessary, reallocations of repurchased shares for the purposes of the program or any of its objectives, or their sale, on or off market.

The Board shall also be granted all powers, with faculty of sub-delegation under applicable legislative and regulatory conditions, to implement this authorisation, to specify its terms as necessary, and to set the conditions, in accordance with the terms of the legislative provisions and of this resolutions, and in particular take any trade order, conclude any agreement, in particular for maintaining the register of share purchases and sales, make all declarations to the AMF or any other competent authority, establish any information document, complete all formalities, and in general, do all that is necessary.

The Board of Directors shall inform the Shareholders' General Meeting, as provided by law, of transactions carried out pursuant to this authorisation.

This authorisation shall cancel and replace the one granted by the 9th resolution of the Shareholders' General Meeting of May 29, 2020, and is granted for a term of eighteen (18) months as from the Shareholders' General Meeting of May 12, 2021.

6.4.4 OTHER SECURITIES GRANTING ACCESS TO THE SHARE CAPITAL

At the date of this Universal Registration Document, there were no securities giving access to the Company's share capital.

6.4.5 CONDITIONS GOVERNING ALL ACQUISITION RIGHTS AND/OR OBLIGATIONS ATTACHED TO SUBSCRIBED CAPITAL WHICH HAS NOT BEEN FULLY PAID UP

Nil.

6.4.6 SHARE CAPITAL OF GROUP COMPANIES SUBJECT TO OPTIONS OR TO AN AGREEMENT ALLOWING THEM TO BE SUBJECT TO OPTIONS

Nil.

6.4.7 CHANGES IN THE COMPANY'S SHARE CAPITAL OVER THE PAST FINANCIAL YEAR

Date	Type of transaction	Capital before transaction	No. of shares before transaction	No. of shares after transaction	Par value	Capital after transaction
12/15/2020	Capital increase reserved for employees	€74,118,118.28	157,698,124	160,139,776	€0.47	75,265,694.72

6.5 FACTORS THAT COULD COME INTO PLAY IN THE EVENT OF A TAKEOVER BID

The table below shows information on factors likely to have an impact in the event of a takeover bid provided for in Article L. 22-10-11 of the French Commercial Code:

Legislative or regulatory reference	Items required	Chapters/sections of the Universal Registration Document
L. 22-10-115, 1° of the French Commercial Code	The structure of the Company's capital	6.1.1 Shareholders 7.1.5.8 Regulations applicable to foreign investments in France
L. 22-10-11, 2° of the French Commercial Code	Statutory restrictions on exercise of voting rights and on share transfers or clauses of signed agreements brought to the Company's attention in accordance with Article L. 233-11 of the French Commercial Code	6.1.2.1 Disclosure relating to control of the Company 7.1.5.3 Rights, privileges and restrictions attached to shares (Articles 10, 11, 12 and 13 of the Articles of Association) 7.1.5.7 Declaration of crossing of thresholds and identification of Shareholders
L. 22-10-11, 3° of the French Commercial Code	Direct or indirect holdings in the Company's capital of which it is aware, by virtue of Articles L. 233-7 to L. 233-12 of the French Commercial Code	6.1.1 Shareholders
L. 22-10-11, 4° of the French Commercial Code	A list of holders of any share comprising special rights of control and a description of these	N/A
L. 22-10-11, 5° of the French Commercial Code	The control mechanisms provided for in any employee shareholding system when the control rights are not exercised by employees	6.1.4 Employee shareholding
L. 22-10-11, 6° of the French Commercial Code	The agreements between Shareholders of which the Company is aware and which may result in restrictions on share transfer and exercise of voting rights	6.1.2.1 Disclosure relating to the control of the Company
L. 22-10-11, 7° of the French Commercial Code	The rules applicable to the appointment and replacement of members of the Board of Directors and to the amendment of the Company's Articles of Association	6.1.2.1 Disclosure relating to the control of the Company 7.1.5.2 Provisions of the Articles of Association governing the management and supervisory bodies – internal rules of the Board of Directors 7.1.5.5 Shareholders' General Meetings (Article 19 of the Articles of Association)
L. 22-10-11, 8° of the French Commercial Code	Powers of the Board of Directors, in particular share issue or repurchase	6.5.1 Paid-up share capital and authorised but unissued share capital 6.5.3 Treasury shares
L. 22-10-11, 9° of the French Commercial Code	The agreements concluded by the Company which are amended or which end in the event of change of control of the Company, except if this disclosure, apart from cases of mandatory disclosure under the law, would adversely affect its interests	4.1.2.1.2.1 Senior Credit Facilities Agreement 4.1.2.1.2.2 Bond issue with maturity in 2024 4.1.3.1.2.3 Bond issue with maturity in 2026
L. 22-10-11, 10° of the French Commercial Code	The agreements providing for compensation to members of the Board of Directors or employees if they resign or are dismissed without due and genuine cause, or if their employment ends on account of a takeover bid or share-based takeover bid.	5.3.2 Compensation of executive corporate officers

In addition, the Group is a party to a number of contracts containing change of control provisions, including the Senior Credit Facilities Agreement (see Section 4.1.2.1.2.1 of this Universal Registration Document) as well as a number of other commercial agreements.

The €600 million bond issued by the Company in March 2017 for the purpose of financing the SAG acquisition also includes a change of control provision which may incur the early repayment of said bond.

Finally, the €600 million bond issued by the Company in June 2019 for the purpose of refinancing half of the Senior Credit Facilities Agreement also includes a change of control provision which may incur the early repayment of said bond.

-7-

ADDITIONAL INFORMATION

©Ville d'Issy-les-Moulineaux

7.1 MAIN PROVISIONS OF THE LAW AND THE ARTICLES OF ASSOCIATION

7.1.1 COMPANY NAME

At the date of this Universal Registration Document, the Company's name is "SPIE SA".

7.1.2 PLACE, REGISTRATION NUMBER AND LEI

The Company is registered with the Pontoise Trade and Companies Registry under company number 532 712 825.

LEI: 969500TJNS5GSFWJ8X85.

7.1.3 DATE OF INCORPORATION AND DURATION OF THE COMPANY

The Company was incorporated on May 27, 2011 and registered on May 31, 2011. Its duration is 99 years unless it is dissolved earlier or extended by a decision of the Extraordinary Shareholders' General Meeting in accordance with the law and the Articles of Association.

The financial year ends on December 31 of each year.

7.1.4 REGISTERED OFFICE, LEGAL FORM AND APPLICABLE LAW

The Company's registered office is located at 10, avenue de l'Entreprise, 95863 Cergy-Pontoise, France. The phone number of the registered office is +33 1 34 41 81 81.

At the date of this Universal Registration Document, the Company is a joint stock company (*société anonyme*) incorporated under French law.

7.1.5 MEMORANDUM AND ARTICLES OF ASSOCIATION

7.1.5.1 CORPORATE PURPOSE

The purpose of the Company, in France and abroad, is (i) to serve as a holding company with all kinds of financial interests (majority or non-controlling) in French or foreign entities and firms, and (ii) provide consulting and support services in the fields of commerce, finance, accounting, law, tax, technical work, administration and IT, in negotiating all types of contracts and in management, and providing any other type of services to the benefit of firms, entities or groups.

Generally, the Company is authorised to perform any commercial, industrial or financial operation that may be directly or indirectly related, in whole or in part, to the purpose cited above or to all other related or complementary activities or those which could contribute to its expansion or development.

7.1.5.2 PROVISIONS OF THE ARTICLES OF ASSOCIATION GOVERNING THE MANAGEMENT AND SUPERVISORY BODIES – INTERNAL RULES OF THE BOARD OF DIRECTORS

The description below summarises the main provisions of the Articles of Association and internal rules governing the Board of Directors, particularly its operational procedures and powers.

The internal rules specify the provisions relating to the Board of Directors cited below, the organisational and operational conditions, and the powers and authority of the committees that the Board has created (see Section 5.2.2 of this Universal Registration Document).

(a) Board of Directors (Articles 15, 16 and 17 of the Articles of Association and 1, 2, 3, 4 and 7 of the internal rules)

Composition

The Company is supervised by a Board of Directors of at least three members and no more than 18, subject to the exceptions allowed by law.

The Board ensures that independent members comprise, to the extent possible, at least half of the Board, at least two thirds of the Audit Committee, and more than half of the Nominations and Compensation Committee and of the CSR and Governance Committee.

In accordance with the Afep-Medef Code, members of the Board are deemed independent if they have no relationship of any kind with the Company, its Group or its management that might compromise their freedom of judgement.

At the time of each renewal or appointment of a member of the Board, and at least once a year before the publication of the Company Universal Registration Document, the Board assesses the independence of each of its members (or candidates). During this assessment, the Board, after an opinion from the CSR and Governance Committee, reviews the independent qualification of each of its members (or candidates) on a case-by-case basis with regard to the criteria cited below, the specific circumstances and the situation of the interested party in relation to the Company. The conclusions of this review are reported to the Shareholders in the Universal Registration Document and, as applicable, to the Shareholders' General Meeting at the time of the appointment of the members of the Board.

The Board can appoint up to three non-voting Directors. Non-voting Directors can be natural persons or legal persons, chosen among or outside the Shareholders. The term of office of non-voting Directors is four years except in cases of resignation or early termination of office decided by the Board. The terms under which they carry out their duties, including their potential compensation, are approved by the Board. Non-voting Directors are eligible for reappointment. They must attend Board meetings and take part in deliberations with a right of discussion only.

Appointments

During the life of the Company, Directors are appointed, reappointed or dismissed under the conditions stipulated by the laws and regulations in force and these Articles of Association.

The Articles of Association and the Board's internal rules require each Director to own at least 100 shares during their entire term of office and, in any event, no later than six (6) months after their appointment. Stock-lending arrangements between the Company and members of the Board are not allowed. This restriction does not apply to Directors representing the employee Shareholders and employees of the Group. The Directors eligible for compensation, as decided by the Board of Directors, must own the number of shares recommended by the Board.

At the time they take office, members of the Board must register their shares. This also applies to any shares subsequently acquired.

Duties

The term of office of a Director is four years.

Directors may be reappointed. Their office may be terminated at any time by the Ordinary Shareholders' General Meeting.

Directors must be under the age of 75 (the number of Directors over the age of 70 must not exceed one-third of the Directors in office) and are subject to the applicable laws and regulations governing the total number of offices and positions held.

Identity of Directors

Directors may be natural or legal persons. When appointed, legal persons must appoint a permanent representative who is subject to the same conditions and obligations and who incurs the same responsibilities as though they were a Director in their own name, without prejudice to the joint liability of the legal person they represent.

The office of permanent representative is given for the duration of the term of office of the legal person they represent.

Should the legal person revoke the appointment of its permanent representative, they must immediately notify the Company by registered mail of this dismissal and the name of its new permanent representative. This is also required in the event of the death, resignation or prolonged impediment of the permanent representative.

Directors representing employees

In accordance with the provisions of Article L. 225-27-1 of the French Commercial Code, the Board of Directors shall comprise one Director representing employees. This Director is appointed by the Works Council.

When the number of members of the Board of Directors is higher than the number of Directors shown in Article L. 225-27-1-II of the French Commercial Code, and provided that this requirement is still met on the appointment date, a second Director representing employees shall be appointed by the European Works Council.

Directors representing employees are appointed for a term of four years, which expires immediately after the Shareholders' General Meeting deliberating on the financial statements for the preceding financial year, and held during the year during which the term expires. Directors representing employees may be reappointed.

Chairman of the Board of Directors

The Board of Directors elects a Chairman from among its natural members.

The Chairman is elected for a term that may not exceed his term as Director. He may be reappointed.

The Chairman of the Board organises and directs the work of the Board and reports on that work to the Shareholders' General Meeting. He ensures the proper functioning of the Company's corporate bodies and, in particular, ensures that the Directors are in a position to perform their duties.

Senior Independent Director

On a proposal from the Nominations and Compensation Committee, the Board may appoint from among its independent natural members a Senior Independent Director for a term which may not exceed his term of office as a member of the Board. The appointment of a Senior Independent Director is mandatory when the functions of Chairman of the Board Chief Executive Officer are combined and optional otherwise. The functions of the Senior Independent Director are detailed in Section 5.2.1 "Senior Independent Director" of this Universal Registration Document.

Deliberations of the Board of Directors

The Board assumes the duties and exercises the powers granted to it by the law, the Company's Articles of Association and the Board's internal rules. The Board of Directors determines the orientation of the Company's business and monitors its implementation. Subject to the powers expressly attributed to Shareholders' General Meetings, and within the limits of the corporate purpose, the Board considers any question affecting the proper running of the Company and governs the Company's affairs through its resolutions. The Board carries out the controls and verifications it deems appropriate.

The Board meets when called by the Chairman, the Senior Independent Director or one of its members as often as the Company's interests require; the frequency and duration of Board meetings must be such that they allow in-depth review and discussion of matters falling within the jurisdiction of the Board.

The Board may validly deliberate, even in the absence of a notice of meeting, if all members are present or represented.

The Board of Directors may validly deliberate only if at least half of its members are present. Decisions are adopted by a simple majority of the members present or represented. In case of a split-vote, the Chairman of the meeting shall have a casting vote.

The following decisions are subject to prior authorisation by the Board voting by a simple majority of the members present or represented:

(i) approval or amendment to the business plan or to the budget (including investment budgets together with the related financing plan) of the Company, including the Group's consolidated annual budget;

(ii) any investment (except Section (iii) below) not approved in terms of Section (i) above, under the business plan or the budget for an amount of more than ten million euros (€10,000,000);

(iii) any external growth transaction, takeover or acquisition of equity interest, provided that this transaction involves an enterprise value or a transaction amount exceeding thirty million euros (€30,000,000);

(iv) any launch of a significant activity not within the usual scope of the companies of the Group or any decision to stop or significantly reduce the main businesses of the Group;

(v) constitution of security interests (endorsements and guarantees) by the Company for the benefit of a third party, except guarantees granted to customs and tax authorities in the normal course of business;

(vi) any decision to participate in a project involving a Group entity up to a unit amount greater than fifty million euros (€50,000,000), and the conclusion of any agreement of an overall unit amount equal to or greater than fifty million euros (€50,000,000);

(vii) any amendment to the Company's Articles of Association;

(viii) proposal in relation with any financial undertaking or any operation of indebtedness that would change the leverage ratio of the Group's net debt/EBITDA calculated and submitted to financial markets;

(ix) any decision of issuance of any securities granting access to the Company's share capital (including stock-options plan, any company savings plan or, any incentive mechanism of the employees of the Group);

(x) any decision to amend the conditions for fixed, variable, cash or in kind compensation of the Company's corporate officers;

(xi) any disposal of a Group entity or any disposal of one or more of its main businesses involving an enterprise or transaction value higher than fifty million euros (€50,000,000) or a firm or business with annual revenue higher than one hundred and fifty million euros (€150,000,000); and

(xii) any merger, spin-off or contribution in kind involving a Group entity and a third-party entity involving an enterprise value of the third-party or a transaction value higher than fifty million euros (€50,000,000) or a third-party firm or business with annual revenue higher than hundred and fifty million euros (€150,000,000).

Compensation of Board members

On the recommendation of the Appointment and Compensation Committee, the Board:

- freely pays to its members the compensation allocated to the Board by the Shareholders' General Meeting, taking into consideration the effective attendance of Directors at Board and Committee meetings. A portion determined by the Board and collected on the amount of the compensation granted to the Board is paid to the members of the committees as well as the Senior Independent Director, taking into account their attendance at said committees' meetings;
- determines the amount of the Chairman's compensation;
- may also allocate exceptional compensation to certain members for the duties or offices assigned to them.

The Board of Directors reviews the aptness of the amount of Directors' compensation with regard to the tasks and responsibilities of the Directors.

(b) General Management (Article 18 of the Articles of Association)

Authority

The General Management of the Company is undertaken, under their responsibility, either by the Chair of the Board of Directors, or by another natural person, appointed by the Board of Directors from among or outside its members and bearing the title of Chief Executive Officer.

The Board of Directors chooses between these two methods of exercising the General Management at any time and, at least, at each expiry of the term of office of the Chief Executive Officer or of the term of office of the Chair of the Board of Directors when the latter also assumes General Management of the Company.

Shareholders and third parties must be informed of this choice under the conditions required by regulations.

When the General Management of the Company is undertaken by the Chair of the Board of Directors, the following provisions relating to the Chief Executive Officer shall apply to the Chairman. In this case, he bears the title of Chairman and Chief Executive Officer.

General Management

On the recommendation of the Chief Executive Officer, the Board may appoint one or more individuals charged with assisting the Chief Executive Officer and bearing the title of Chief Operating Officer.

There may be no more than five Chief Operating Officers.

The Chief Executive Officer and Chief Operating Officers may not be older than 65.

The term of office of the Chief Executive Officer or Chief Operating Officers is determined at the time they are appointed but may not exceed their term of office on the Board, if applicable.

The Chief Executive Officer may be dismissed at any time by the Board. This is also true for the Chief Operating Officers, on the recommendation of the Chief Executive Officer. If dismissal is decided without grounds, it may result in damages, except when the Chief Executive Officer assumes the position of Chairman of the Board.

When the Chief Executive Officer ceases or is prevented from performing his duties, the Chief Operating Officers retain their duties and powers, unless decided otherwise by the Board, until the appointment of the new Chief Executive Officer.

The Board determines the compensation of the Chief Executive Officer and Chief Operating Officers.

Powers of the Chief Executive Officer and Chief Operating Officers

The Chief Executive Officer is vested with the most extensive powers to act in all circumstances in the name of the Company. He exercises these powers within the limits of the corporate purpose and subject to the powers attributed expressly to the Shareholders' General Meeting and the Board by law.

He represents the Company in its relations with third parties. The Company is bound by the acts of the Chief Executive Officer which do not fall within the corporate purpose, unless it proves that the third party knew that the act exceeded this purpose or that the third party could not have been aware of this fact given the circumstances; simple publication of the Articles of Association is not sufficient to establish such proof.

Decisions of the Board limiting the powers of the Chief Executive Officer are not enforceable against third parties.

In agreement with the Chief Executive Officer, the Board determines the scope and duration of the powers granted to the Chief Operating Officers. The Chief Operating Officers have the same powers as the Chief Executive Officer with respect to third parties.

The Chief Executive Officer or Chief Operating Officers may, within the limits set by the laws in force, delegate the powers they deem appropriate, for one or more specific purposes, to all officers, even outside the Company, individually or in a committee or commission, with or without possibility of substitution, subject to the limitations stipulated by law. These powers may be permanent or temporary, and include or exclude the option of substitution. The delegations so granted retain all their effects despite the expiration of the term of office of the person who granted them.

7.1.5.3 RIGHTS, PRIVILEGES AND RESTRICTIONS ATTACHED TO SHARES (ARTICLES 10, 11, 12 AND 13 OF THE ARTICLES OF ASSOCIATION)

Fully paid-up shares are in registered or bearer form, at the Shareholder's discretion, under the conditions defined by the regulations in force.

Each share gives a right to a share of the profits and corporate assets in proportion to the percentage of capital it represents. Moreover, it gives the right to vote and to be represented at Shareholders' General Meetings under the conditions set by law and the Articles of Association.

A double voting right is granted to fully paid-up shares that have been held in registered form by the same Shareholder for at least two (2) years. The calculation of this holding period does not take the period for which the Company's shares were held before they were listed on the regulated Euronext Paris stock exchange into account.

In accordance with Article L. 225-123 par. 2 of the French Commercial Code, in the event of a share capital increase by capitalisation of reserves, profits or premiums, double voting rights are granted as from their issue to new bonus shares awarded to Shareholders by virtue of the existing shares for which they already enjoy the same right.

Double voting rights may be exercised at any Shareholders' General Meeting.

Double voting rights automatically cease when the shares are converted to the bearer or transferred to a new owner.

Shareholders are liable for losses only up to the amount of their contributions.

The rights and obligations attached to a share remain with the share when it is transferred. Ownership of a share legally implies compliance with the Articles of Association and the resolutions of the Shareholders' General Meeting.

Whenever it is necessary to hold several shares to exercise a right, individual shares or a number of shares less than the number required give no rights to their owners against the Company; in this case, it is the responsibility of the Shareholders to combine the number of shares necessary.

Shares are indivisible with respect to the Company.

Co-owners of indivisible shares are represented at Shareholders' General Meetings by one of the owners or by a single agent. If they disagree, the agent shall be designated by a court at the request of one of the co-owners.

If there is a beneficial owner, the share registration must show the existence of the beneficial ownership. Except where otherwise stipulated in an agreement notified to the Company by registered mail with return receipt, the voting right belongs to the beneficial owner at Ordinary Shareholders' General Meetings and to the bare owner at Extraordinary Shareholders' General Meetings.

Registered or bearer shares are freely tradable except where otherwise stipulated by laws or regulations. They are registered in an account and are transferred, with respect to the Company, by a transfer between accounts under the conditions defined by the laws and regulations in force.

7.1.5.4 CHANGES TO THE SHARE CAPITAL AND RIGHTS ATTACHED TO SHARES

Insofar as the Articles of Association make no specific provisions, changes in the rights attached to shares are governed by law.

7.1.5.5 SHAREHOLDERS' GENERAL MEETINGS (ARTICLE 19 OF THE ARTICLES OF ASSOCIATION)

Notice and place of meeting

Shareholders' General Meetings are called under conditions, forms and times set by law.

They are held at the registered office or at any other location indicated in the notice of meeting.

Agenda

The meeting agenda is provided on the notices and letters of meeting; it is decided by the author of the notice.

The meeting may deliberate only on items indicated on the agenda; however, in all circumstances, it may dismiss one or more Directors and replace them.

One or more Shareholders representing at least the percentage of capital required by law, and acting under the statutory conditions and within the statutory time periods, have the option to require the inclusion of proposed resolutions on the agenda.

Access to meetings

Any Shareholder has the right to attend Shareholders' General Meetings and participate in the deliberations personally or through an agent.

Any Shareholder may participate in meetings in person or through their agent, under the conditions defined by the regulations in force, with proof of their identity and ownership of their shares in the form of accounting registration under the conditions defined by the laws and regulations in force.

On the decision of the Board published in the notice of meeting to use such telecommunications methods, Shareholders who attend the meeting *via* videoconferencing or other telecommunication or electronic transmission methods, including the Internet, which allow identification under the conditions required by the regulations in force, are deemed present for the calculation of quorum and majority.

On a decision by the Board, any Shareholder may vote remotely or give their proxy in accordance with the regulations in force using a form prepared by and sent to the Company under the conditions defined by the regulations in force, including electronic or broadcast transmission methods. This form must be received by the Company under the regulatory conditions in order to be counted.

Meetings are chaired by the Chairman of the Board or, if he is absent or unable to do so, by the member of the Board specifically designated for this purpose by the Board. If not, the meeting elects a chair.

Minutes of meetings are prepared and the copies are certified and delivered as required by regulations.

The legal representatives of Shareholders who are legally incapacitated or the individuals representing legal entities shall participate in meetings, whether or not they are Shareholders themselves.

Attendance sheet, office, minutes

At each meeting, an attendance sheet containing the information required by law is kept.

Meetings are chaired by the Chairman of the Board or, in his absence, by a Director specifically designated for this purpose by the Board. If not, the meeting elects a chair.

The duties of tellers are performed by the two members of the meeting who are present and accept the duties and who themselves or as agents have the largest number of votes.

The officers name the secretary who does not have to be a Shareholder.

The mission of the officers is to verify, certify and sign the attendance sheet, to ensure the proper conduct of discussion, to settle incidents at meetings, to count the votes cast, and to ensure the meeting is properly conducted and that minutes are prepared.

Minutes are prepared and copies or excerpts of the resolutions are issued and certified as required by law.

Ordinary Shareholders' General Meeting

The Ordinary Shareholders' General Meeting is a meeting called to make all decisions that do not amend the Articles of Association. It meets at least once a year within six months of the closing of each financial year to approve the financial statements for the year and the consolidated financial statements.

On the first notice of meeting, it may legally deliberate only if the Shareholders present or represented, or voting by mail and electronically, hold at least one-fifth of the voting shares. On the second notice of meeting, no quorum is required.

It rules by a majority of the votes held by the Shareholders present, represented or who have voted by mail or electronically.

Extraordinary Shareholders' General Meeting

Only the Extraordinary Shareholders' General Meeting is authorised to amend all provisions of the Articles of Association. It may not, however, increase Shareholders' commitments, subject to operations resulting from a legally performed consolidation of shares.

It legally deliberates only if the Shareholders present, represented or who have voted by mail or electronically, hold at least one quarter of the voting shares on the first notice of meeting, and one-fifth of the voting shares on the second notice. If the second quorum is not reached, the second meeting may be moved to a date no more than two months from the date on which it was called.

The meeting rules by a two-thirds majority of the votes of the Shareholders present, represented or voting by mail or electronically.

However, under no circumstances may the Extraordinary Shareholders' General Meeting increase the commitments of the Shareholders or damage the equality of their rights unless this is done by unanimous vote of the Shareholders.

7.1.5.6 PROVISIONS FOR DELAYING, DEFERRING OR PREVENTING A CHANGE OF CONTROL OF THE COMPANY

The Company's Articles of Association contain no provisions that allow delaying, deferring or preventing a change in control.

7.1.5.7 CROSSING OF THRESHOLDS AND IDENTIFICATION OF SHAREHOLDERS (ARTICLE 14 OF THE ARTICLES OF ASSOCIATION)

As long as the Company's shares are listed for trading on a regulated market, in addition to the threshold declarations expressly stipulated by the laws and regulations in force, any natural or legal person that comes to directly or indirectly hold, alone or in partnership, a 1% portion of the Company's share capital or voting rights (calculated according to Articles L. 233-7 and L. 233-9 of the French Commercial Code and the AMF's general regulation), or any multiple of this percentage, must notify the Company of the total number of (i) shares and voting rights which they directly or indirectly hold, alone or in partnership, (ii) securities giving future rights to the Company's share capital which they directly or indirectly hold, alone or in partnership, and the voting rights potentially attached to said securities, and (iii) shares already issued which they may acquire under an agreement or a financial instrument stipulated in Article L. 211-1 of the French Monetary and Financial Code. This notification must be made, by registered mail with return receipt, within a period of four trading days from the date the relevant threshold is crossed.

The obligation to inform the Company also applies, within the same deadlines and under the same conditions, when the Shareholder's interest in the capital or voting rights falls below one of the aforementioned thresholds.

If the threshold declaration obligation cited above is not met, at the request of one or more Shareholders representing at least 1% of the capital or voting, recorded in the minutes of the Shareholders' General Meeting, the shares exceeding the fraction that should have been declared are deprived of voting rights until the expiry of a period of two years after the notification is regularised.

The Company reserves the right to inform the public and the Shareholders of either the information which it was notified of or the noncompliance by the person in question with the aforementioned obligations.

As long as the shares of the Company are listed for trading on a regulated market, the Company has the right to request identification of holders of securities that grant voting rights immediately or in the future in its Shareholders' General Meetings, as well as the number of securities held, under the conditions stipulated by the laws and regulations in force.

7.1.5.8 REGULATIONS APPLICABLE TO FOREIGN INVESTMENTS IN FRANCE

At the date of this Universal Registration Document, the Group had activities in certain industries falling under the ambit of regulations applicable to foreign investments in France, in particular with respect to National Security. Because of these activities, the Company and the Group fall within the scope of application of laws and regulations related to foreign investments in France set out in Articles L. 151-3 and R. 151-2 *et seq*. of the French Monetary and Financial Code.

In accordance with these provisions, the acquisition of control within the meaning of Article L. 233-3 of the French Commercial Code by a foreign investor of the Company or any of its French subsidiaries with activities listed in the above-mentioned provisions is subject to the prior approval of the minister in charge of the Economy. The acquisition of more than 25% of the share capital or voting rights of the Company or any of its French subsidiaries with such activities by an investor that is not a national of a European Union member State or of a member of the European Economic Area that has an administrative assistance agreement with France is subject to the same procedure.

Under this prior approval procedure, the minister of the Economy is in charge of verifying that the conditions under which the transaction is contemplated do not impact the national interest; he or she may on this account attach one or more conditions to his or her authorisation in order to safeguard the sustainability of the relevant activities, industrial capabilities, R&D capabilities, or any related know-how, and may also, upon justification, refuse such approval, particularly in the event of a negative impact on the national interest.

Any transaction carried out in breach of these provisions is null and moreover may be subject to a financial penalty of up to double the amount of the illegal investment and to criminal penalties set out in Article 459 of the French Customs Code.

7.1.5.9 SPECIFIC CLAUSES GOVERNING CHANGES IN SHARE CAPITAL

The Company's Articles of Association contain no specific provisions governing changes in the share capital that are stricter than the legal provisions.

7.2 LEGISLATIVE AND REGULATORY ENVIRONMENT

7.2.1 MULTI-TECHNICAL SERVICES

(A) PUBLIC PROCUREMENT REGULATIONS

For the multi-technical services offered by the Group within the European Union, if the client is in the public sector, it is subject to the European and national regulations applicable to the awarding of public contracts.

European regulations on public procurement mainly consist of two directives: Directive 2004/17 of March 31, 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors, and Directive 2004/18 of March 31, 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts. These two directives simplify and modernise the pre-existing legal framework, in particular by combining the former sector directives. They eliminate all restrictions on the four fundamental economic freedoms of the European Union and protect the interests of economic operators based in one member State and providing goods, services or public works to awarding authorities in another member State. They also guarantee effective competition by, on the one hand, subjecting a large number of entities to competition rules and, on the other hand, improving transparency at each stage of the contracting process. Moreover, they improve the effectiveness of public procurement through the use of electronic measures to transmit information and as a means of procurement. They also facilitate the standardisation of several factors at Community level, specifically technical specifications and the means by which awarding authorities publicise and describe their requirements. Lastly, in certain circumstances, the directives authorise awarding authorities to take into account considerations of an environmental, cultural or social nature when awarding contracts.

The directives described above have been reformed through the adoption of two new directives: European Directive 2014/24/EU on public procurement contracts and European Directive 2014/25/EU relating to procurement by entities operating in the water, energy, transport and postal services sectors. The amended directives aim to increase the efficiency of public expenditure, enable purchasers to use public works contracts to support social objectives, and facilitate the access of SMEs to public works contracts. More specifically, they limit turnover requirements imposed by public purchasers on prospective bidders, ease administrative burdens on contractors, and reduce procedural delays. They also expand the recourse of public purchasers to the competitive negotiation process while affording procedural guarantees to economic operators, and further strengthen measures to detect abnormally low bids. Lastly, the amended directives seek to more broadly encourage the development of innovation by creating a new procedure, the innovation partnership, which will allow purchasers to incorporate, within a single competitive procedure, both the research and development phase and the purchasing phase. The directives were transposed into French law by:

- Order 2015-899 of July 23, 2015 relating to public procurement, which unified the different procedures for open competition existing until then in the French Public Procurement Code, and

Order 2005-649 of June 6, 2005 concerning contracts awarded by certain public or private parties not subject to the Public Procurement Code, such as national public industrial and commercial institutions and public interest groups; and

- Decree 2016-360 of March 25, 2016 implementing the Order of July 23, 2015 relating to public procurement.

The above Order and Decree were supplemented by an Order published in the government gazette on March 31, 2016 and a series of notices published in the government gazette on March 27, 2016. These texts came into force on April 1, 2016 and repealed the French Public Procurement Code.

In France, many of the calls for tenders issued by the State in which the Group takes part were subject to Order 2015-899 of July 23, 2015 and Decree 2016-360 of March 25, 2016. These texts, which transpose the amended EU directives of 2014 into French law, impose disclosure and competition requirements on awarding authorities, as well as compliance with the principles of free access to public contracts, equal treatment of operators, and procedural transparency.

Article 38 of Law No. 2016-1691 of December 9, 2016 respecting transparency, the fight against corruption and the modernisation of economic life (known as Sapin 2) has empowered the government to establish a new public Procurement Code by decree. Order No. 2018-1074 of November 26, 2018 respecting the legislative portion of the Public Procurement Code and Decree No. 2018-1075 of December 3, 2018 respecting the regulatory portion of the Public Procurement Code were published in the Official Journal of December 5, 2018.

In addition to the provisions of Order Nos. 2015-899 of July 23, 2015 and 2016-65 of January 29, 2016 and their implementing decrees resulting from the transposition of European directives, the Public Procurement Code is a compendium of all rules governing public procurement law.

Both the legislative portion and regulatory portion of the Public Procurement Code entered into force on April 1, 2019.

(B) REGULATIONS RELATING TO THE USE OF SUBCONTRACTING

The Group enters into works contracts as a subcontractor to economic operators and under public works contracts and private contracts. Moreover, the Group itself makes use of subcontractors when performing its works or services contracts. In these cases, it is subject to the regulations applicable to subcontracting in each country in which it participates, especially in France.

Subcontracting framework in France

Law 75-1334 of December 31, 1975 on subcontracting defines the general subcontracting regime applicable to public or private contracts. The law specifically sets the conditions for accepting and approving subcontractors, the rights of subcontractors to receive direct payment from the contractor, and subcontractors' guarantee of payment and recourse to legal action.

The use of subcontractors in public procurement is governed by Article 62 of Order 2015-899 of July 23, 2015, Articles 133–137 of Decree 2016-360 of March 25, 2016, and the administrative circulars and general administrative terms and conditions applicable to public procurement regarding in particular the conditions and modes of direct payments to subcontractors by contractors and the liability of successful bidders for damages caused by the subcontractor.

French regulations on undeclared work

The Group is subject to regulations on undeclared work, specifically when it uses subcontractors. Articles L. 8222-1, L. 8222-5 and R. 8222-1 of the French Labour Code impose a duty of care on contractors for any contracts with a minimum value of €5,000. Contractors must, on the one hand, ensure that their subcontractors are in compliance with their obligations in terms of Social Security contributions and, on the other hand, put an immediate end to any illegal situation of which it learns. Failure to make the appropriate checks exposes contractors to joint financial liability under which they may be obliged to settle the Social Security contributions owed by subcontractors if the latter resorted to undeclared work, over and above applicable civil and criminal penalties.

(C) ENVIRONMENTAL REGULATIONS

Electrical waste processing

For its activities in multi-technical services and communication, the Group is subject to European regulations respecting the treatment of electrical and electronic equipment waste.

Directive 2002/96/EC on waste electrical and electronic equipment (WEEE), and Directive 2002/95/EC on the restriction of the use of certain hazardous substances in electrical and electronic equipment require producers of electrical and electronic equipment to ensure the removal and treatment of their products at the end of their useful lives. Directive 2002/96/EC was amended by Directive 2012/19/EU, the purpose of which is to collect 20 kg of WEEE per inhabitant by the year 2020. From 2016, member states must guarantee that 45% of electrical and electronic equipment sold in each country is collected. Starting in 2018, the scope of the Directive was broadened to include, in addition to the categories currently affected, all electrical and electronic equipment. Starting in 2019, the collection target will increase to 65% of electrical and electronic equipment sold or, according to another calculation method, 85% of WEEE. In addition, Directive 2002/95/EC was amended by Directive 2011/65/EU and aims to restrict the use of certain hazardous substances in electrical and electronic equipment.

In the course of its business, the Group recovers waste from electrical or electronic equipment, bulbs and tubes on a daily basis. It thus partnered with Recylum, a waste recycling firm, to meet the requirements of Decree of July 20, 2005 on the composition of electrical and electronic equipment and the elimination of waste from such equipment.

The Group has developed a range of WEEE services to assist its customers with processing equipment acquired before August 13, 2005, including project steering and management, logistics, collection, sorting, diagnostics, selective processing, decommissioning and packaging, waste inventory and the recovery of user data.

7.2.2 OIL AND GAS BUSINESS

As part of its Oil & Gas sector, the Group operates in certain countries whose governments prioritise the safeguarding of national interests and where regulation is susceptible to rapid and major changes.

OBLIGATION TO USE A LOCAL PARTNER

The Group is active in countries in Africa, Asia and the Middle East in which regulations require foreign investors to use local partners. Certain countries where the Group is present, such as the United Arab Emirates, Indonesia and Thailand, require that a local partner hold an equity stake – over 50% in some cases – in firms seeking to operate on their territory. In other countries, such as Angola and Nigeria, an equity stake held by a local partner is not mandatory but may be a prerequisite to taking part in calls for tenders issued by local authorities.

EMPLOYMENT OF LOCAL WORKFORCE

Under the laws of certain countries in which the Group is active (such as Gabon or Nigeria), foreign firms may be required to observe a quota of local workers in their workforce. This obligation reduces the number of expatriate workers foreign firms can make use of by requiring them to show proof of a certain number of local employees before they can obtain visas for foreign staff. It also requires them to train the necessary local workers.

FOREIGN EXCHANGE CONTROL

The Group operates in countries with foreign exchange controls that regulate outflows of funds by firms registered locally. One example is Angola whose central bank (National Bank of Angola) is authorised to accept contracts entered into with foreign firms for purposes of transferring funds outside the country.

APPLICABLE LAW

In the course of its Oil & Gas business, the Group is sometimes required to enter into contracts in countries requiring the application of domestic law, particularly in litigation settlements. This is particularly the case in countries, such as Saudi Arabia, Nigeria and Indonesia, where sharia law has been instituted and applies to the Group's contracts.

ENVIRONMENTAL REGULATIONS

Besides its QHSE (Quality, Hygiene, Safety, Environment) policy, the Group is subject to various environmental regulations applicable in countries where it is active, with the oil or gas operator retaining primary responsibility.

7.2.3 ACTIVITIES IN THE NUCLEAR INDUSTRY

The services the Group offers in the field of nuclear energy, particularly in France, are subject to very strict regulations due to the risks and constraints inherent to the industry.

NUCLEAR FACILITIES

The order of February 7, 2012 setting out the general rules relating to base nuclear facilities, as amended by the order of June 26, 2013 and the decree of December 30, 2015 relating to nuclear pressure equipment, defines the obligations of nuclear operators to guarantee the safety of facilities, security and health of the employees, the population and the environment around the sites and the protection of interests.

Specifically, operators must have sufficient technical capacity, either internally or *via* third parties, to ensure the design, construction, functioning, permanent shut-down, decommissioning, maintenance and oversight of base nuclear facilities. In this regard, it exercises oversight over outside participants, including the Group, in activities they execute or the goods and services they provide.

Furthermore, operators must implement a policy and an integrated management system aimed at protecting health, sanitation, nature and the environment. They must identify the necessary protective measures and operations, the latter of which can only be undertaken by persons with the proper skills and qualifications. Operators must thus ensure that outside participants, such as the Group, put similar measures in place for their staff and their subcontractors. Lastly, operators and their subcontractors, such as the Group, must take measures to detect defects, report any significant event to the French Nuclear Safety Authority, and implement protection to prevent and control any accidents.

RADIATION PROTECTION

The system for protecting individuals from exposure to ionising radiation, which applies to Group employees working at nuclear facilities, falls under European Directive 96/29/Euratom of May 13, 1996 whose provisions were transposed to the French Public Health Code and Labour Code. Decree n°2016-128 of February 10, 2016 relating to various provisions on nuclear issues, takes into account the new Euratom directive 2013/59 which will be incorporated within French law prior to February 6, 2018.

Articles L. 1333-1 to L. 1333-20 and R. 1333-1 to R. 1333-112 of the Public Health Code set out the regulations for the general protection of the population against ionising radiation. All nuclear activities are thus subject to reporting or authorisation regulations. Article R. 1333-8 of the French Public Health Code sets the maximum public exposure level at one milliSievert (doses unit of measurement of radiations absorbed by living organisms, or mSv) per year.

Articles L. 4451-1 *et seq*. and R. 4451-1 *et seq*. of the French Labour Code set out the procedures for worker protection against ionising radiation. Other than imposing various obligations on firms with employees who may be exposed, such as demarcating controlled and restricted areas, monitoring emitters of radiation and setting up collective and individual protective measures, the French Labour Code sets the maximum exposures of workers to ionising radiation, and notably the one at 20 mSv per 12 consecutive months for the efficient dose [1].

(1) The effective dose corresponds to the measurement in sievert (Sv) of the impact of the exposure of a part or the whole of the body to various types of ionising radiation, in particular a source of radioactivity, taking into account the sensitivity of the tissues affected and the nature of the radiation.

As such, the Group is required to have a management system certified by CEFRI (the body tasked with certifying firms operating in the nuclear industry with staff exposed to ionising radiation) under the responsibility of an employee appointed as "Designated Manager" and an employee appointed "Competent Person in matters of Radioprotection". It is also required to implement preparation methods to prevent or restrict radiation to which workers are exposed, as well as a process of detecting, analysing and treating violations.

In 2018, 3 new rules (n° 2018-434, 437 and 438 of June 4, 2018), transposing European texts (following the Euratom provisions) entered into effect. The main evolutions related to the limited exposure levels for the eye lens (100 mSv over 5 years but inferior to 50 mSv per year) and the evolution of companies' internal missions with the appointment of a radioprotection adviser.

FRENCH NUCLEAR SAFETY AUTHORITY (ASN)

As a contractor working directly in the Nuclear sector, and as a provider to customers operating in this sector, the Group is subject to the decisions of the ASN, an independent administrative authority responsible for monitoring civil nuclear activities in France. It, on behalf of the State, monitors nuclear safety and radiation protection in France to protect workers, patients, the public and the environment from risks related to nuclear activities. For all activities carried out at base nuclear facilities, the ASN also conducts plant inspections. These audits and inspections, to which the Group is subject, may uncover breaches or lead to instructions aimed at improving or enhancing services on the basis of which the Group would have to respond and propose an action plan. Moreover, the Group is required to report to the ASN its own incidents with regard to safety, radiation protection and the environment.

The ASN plays an important role in drawing up regulations applicable to the nuclear industry; it is consulted on draft decrees and ministerial orders of a regulatory nature relating to nuclear safety, and may make technical regulatory decisions to supplement the mode of enforcement of decrees and orders issued in matters of nuclear safety or radiation protection. The ASN may also hand down individual decisions and impose instructions under the conditions set out by Articles L. 592-1 *et seq.* and Articles L. 592-19 *et seq.* of the French Environmental Code.

PROTECTION OF OFFICIAL SECRETS

The Decree of November 30, 2011 (as amended by the decrees 2016-308, 2016-1337 and 2014-445) approving Interministerial General Directive 1300 (IGI 1300) aims to strengthen legal certainty relating to the protection of official secrets and describes its general structure. The Decree applies to the facilities of some of the Group's major customers. In this context, the Group depends on two authorisation sectors, the Direction Générale de l'Armement for our intervention on military sites and sites of the CEA DAM, and the Nuclear Sphere for interventions on EDF, ORANO and CEA DEN facilities.

Under the Decree and its Directive, the Group must obtain, for legal persons working on these facilities, the appropriate clearance from the relevant national defence authorities according to the level of secrecy (either the *Secrétariat général de la défense et de la sécurité nationale*, the *Haut fonctionnaire de défense et de sécurité*, the *Autorités de sécurité déléguées*, or the *préfet*). The Group must also obtain clearance from the same authorities for all its employees working on these facilities and/or handling documents or information relating to them.

7.2.4 WORKPLACE HEALTH AND SAFETY REGULATIONS

In most countries in which it is active, the Group is legally required to ensure the safety and protect the health of its employees. The French Labour Code in particular requires employers to ensure the safety and protection of their workers' physical and mental health. Employers must adopt the necessary measures to prevent occupational risks, assess company-specific risks, and inform and train their employees with regard to these risks.

7.3 INFORMATION ON EQUITY ASSOCIATES

Information on equity associates is provided in Section 4.4.1 of this Universal Registration Document, under Note 24 to the Company's consolidated financial statements for the year ended December 31, 2020.

7.4 MAJOR CONTRACTS

See Section 4.1.2.1.2 of this Universal Registration Document.

7.5 RELATED-PARTY TRANSACTIONS AFR

7.5.1 MAIN TRANSACTIONS WITH RELATED PARTIES

Parties related to the Group consist primarily of the Company's Shareholders, its unconsolidated subsidiaries, entities under joint control (proportionate consolidation), affiliates (companies accounted for using the equity method), and entities over which the different executives of the Group exercise at least significant influence.

The figures specifying the relationships with the related parties are found in Note 23 of the notes to the consolidated financial statements for the year ended December 31, 2020 and presented in Section 4.4.1 of this Universal Registration Document.

There has been no significant transaction between related parties between January 1, and December 31, 2020, or significant modifications between related parties described in the Note 23 of the notes to the consolidated financial statements for the year ended December 31, 2020.

7.5.2 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS AND COMMITMENTS FOR 2020

(Annual Shareholders Meeting for the approval of the financial statements for the year ended December 31, 2020)

This is a free translation into English of the statutory auditors' report issued in the French language 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 auditing standards applicable in France.

To the Shareholders of SPIE SA

In our capacity as statutory auditors of your company, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R. 225-31 of the French Commercial Code *(Code de commerce)*, it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R. 225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual Shareholders Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information provided to us is consistent with the underlying documents.

AGREEMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE ANNUAL SHAREHOLDERS MEETING

We were not informed of any agreement authorized and entered into during the year to be submitted for the approval of the Annual General Meeting pursuant to the provisions of Article L. 225-38 of the French Commercial Code.

Agreements already approved by the annual shareholders meeting

Agreements approved in prior years

A) THAT WERE IMPLEMENTED DURING THE YEAR

In accordance with Article R.225-30 of the French Commercial Code, we were informed that the following agreement, approved by the Annual Shareholders Meeting in prior years, remained in force during the year ended December 31, 2019.

Letter of Commitment from Sponsors dated May 22, 2015 and amendment dated May 29, 2015

Persons concerned

Roberto Quarta, Company Director until March 16, 2017

Christian Rochat, Company Director until September 6, 2017

Clayton Dubilier & Rice, Ardian and Caisse de Dépôt et Placement du Québec ("CDPQ")

Nature, purpose and terms and conditions

On May 29, 2015, the Board of Directors authorized the Company to countersign the Amendment to the Letter of Commitment, which provides that:

- The Consortium will be represented on the Company's Board of Directors by a maximum of:
  - four Directors selected from the recommended candidates, three recommended by Clayton Dubilier & Rice and the fourth recommended by Caisse de Dépôt et Placement du Québec ("CDPQ"), and
  - a non-voting Director recommended by CDPQ.
- This representation on the Board of Directors will be altered in the event that members of the Consortium sell their shares at the request of the Company and according to the following conditions:
  - Clayton Dubilier & Rice will be represented by three, two or one Director(s) when it directly or indirectly holds at least 25%, 15% or 5%, respectively, of the Company's share capital;
  - CDPQ will be represented by a Director and a non-voting Director when it directly or indirectly holds at least 5% of the Company's share capital and by two Directors when it directly or indirectly holds at least 15% of the Company's share capital and Clayton Dubilier & Rice's representation comes to only two Directors; and
  - Ardian will be represented by a non-voting Director when it directly or indirectly holds at least 2% of the Company's share capital.

These commitments came into force at the date the Company's shares were first listed on the market in connection with its initial public offering and will no longer apply to a member of the Consortium when they directly or indirectly hold less than 2% of the Company's share capital and are no longer a shareholder of the holding company for the Consortium's shares in the Company.

The Letter of Commitment also provides that:

- the Consortium has a duty to inform the Chairman of the Company's Board of Directors in the event that one or more members of the Consortium sells or transfers shares, in any manner whatsoever, representing at least 1% of the Company's capital;
- the Consortium has a duty to obtain the agreement of the Company's Board of Directors before the sale or transfer of shares, by one or more members of the Consortium, in any manner whatsoever, representing at least 1% of the Company's capital, to a competitor or significant trading partner of the Company.

B) THAT WERE NOT IMPLEMENTED DURING THE YEAR

We have also been informed of the following agreements and commitments that were approved by the Annual Shareholders Meeting in prior years but not implemented during the year.

Signature by the Company of an indemnity agreement

Persons concerned

Gauthier Louette, Chairman and Chief Executive Officer

Denis Chêne, Company Director until March 12, 2019

Nature, purpose and terms and conditions

In connection with the initial public offering of SPIE SA shares and the legal restructuring resulting from the merger of the Management Companies (SPIE 20 PP, SPIE 20 RA, SPIE 350 PP and SPIE 350 RA) into SPIE SA, the Company signed on June 9, 2015 an indemnity agreement with the former shareholders of the Management Companies in their capacity as Guarantors, pursuant to which the Guarantors agreed to indemnify the Company against any harm suffered as a result of a known or unknown liability relating to the Management Companies and caused by a fact or event arising prior to the IPO.

Signature by the Company of an underwriting agreement

Persons concerned

Roberto Quarta, Company Director until March 16, 2017

Christian Rochat, Company Director until September 6, 2017

Clayton Dubilier & Rice, Ardian and Caisse de Dépôt et Placement du Québec ("CDPQ")

Nature, purpose and terms and conditions

In connection with the initial public offering of SPIE SA shares, the Company signed on June 9, 2015 an underwriting agreement in its capacity as Issuer, with Clayax Acquisition Luxembourg 1 S.à.r.l. and FCPE SPIE Actionnariat 2011 in their capacity as Selling Shareholders, and with the group of financial institutions comprising the Global Coordinators and their associated Lead Managers, Bookrunners and Co-Lead Managers.

Neuilly-sur-Seine and Paris-La Défense, April 9, 2021

The Statutory Auditors

PricewaterhouseCoopers Audit	Ernst & Young et Autres
Edouard Sattler	Henri-Pierre Navas

7.6 INFORMATION FROM THIRD PARTIES, EXPERT STATEMENTS AND DECLARATIONS OF INTERESTS

Nil.

7.7 DOCUMENTS AVAILABLE TO THE PUBLIC

The Articles of Association, minutes of Shareholders' General Meetings and other corporate documents of the Company, as well as the historical financial information and any valuation or declaration established by an expert at the Company's request that must be available to the Shareholders, as required by the applicable law, may be viewed at the Company's registered office.

Regulated information as defined by the AMF's general regulation is also available on the Company's website.

7.8 PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AFR

7.8.1 NAME AND TITLE OF PERSON RESPONSIBLE

Gauthier Louette, Chairman and Chief Executive Officer of SPIE SA.

7.8.2 CERTIFICATION OF THE PERSON RESPONSIBLE

"I declare, having taken all reasonable care to ensure that such is the case, that the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I certify, to the best of my knowledge, that the financial statements are prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and of all companies included in the scope of consolidation, and that the information included in this Universal Registration Document contained in the management report of the Board of Directors listed in the concordance table on page 256 to 258 of this Universal Registration Document presents a true and fair view of the development of the business, results and financial position of the Company and of all companies included in the scope of consolidation and a description of the main risks and uncertainties they face".

April 12, 2021

Gauthier Louette

Chairman and Chief Executive Officer of SPIE SA

7.8.3 NAME AND TITLE OF THE PERSON RESPONSIBLE FOR FINANCIAL INFORMATION

Gauthier Louette, Chairman and Chief Executive Officer of SPIE SA.

7.9 PERSONS RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS AFR

7.9.1 PRINCIPAL STATUTORY AUDITORS

Ernst & Young et Autres

1 place des Saisons

92400 Courbevoie – La Défense 1, France

Represented by Henri-Pierre Navas

Appointment date: Ernst & Young et Autres was appointed by the Company's Articles of Association on May 27, 2011.

Last reappointed: at the Combined Shareholders' General Meeting of May 25, 2016 for a duration of six financial years, namely until the end of the Ordinary Shareholders' General Meeting called to approve the financial statements for the year ending December 31, 2021.

Ernst & Young et Autres is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

Pricewaterhousecoopers Audit

63, rue de Villiers

92200 Neuilly-sur-Seine Cedex

Represented by Edouard Sattler

Appointment date: PricewaterhouseCoopers Audit was appointed by the Shareholders' General Meeting of November 15, 2011.

Last reappointed: at the Combined Shareholders' General Meeting of May 16, 2017 for a duration of six financial years, namely until the end of the Ordinary Shareholders' General Meeting called to approve the financial statements for the year ending December 31, 2022.

PricewaterhouseCoopers Audit is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

7.9.2 ALTERNATE STATUTORY AUDITORS

Auditex

1-2, Place des Saisons

Paris La Défense 1

92400 Courbevoie

Represented by Christian Scholer

Appointment date: Auditex was appointed by the Company's Articles of Association on May 27, 2011.

Last reappointed: at the Combined Shareholders' General Meeting of May 25, 2016 for a duration of six financial years, namely until the end of the Ordinary Shareholders' General Meeting called to approve the financial statements for the year ending December 31, 2021.

Auditex is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

CROSS-REFERENCE TABLES

UNIVERSAL REGISTRATION DOCUMENT

To facilitate the reading of this Universal Registration Document, the cross-reference table below identifies the main headings set out by Annexes 1 and 2 of Delegated Regulation (EU) 2019/980 of March 14, 2019 Supplementing Regulation (EU) 2017/1129 of June 14, 2017.

Universal Registration Document cross-reference table – annexes 1 and 2 of Delegated Regulation (EU) 2019/980 of March 14, 2019 Supplementing Regulation (EU) 2017/1129 of June 14, 2017		Pages
14.	**Functioning of administrative and management bodies**	
14.1	Expiry date of current terms of office	206
14.2	Service contracts between corporate officers and the Group, for which benefits are due to be paid out at the end of the contract	226-227
14.3	Information about the Audit Committee, the Nominations and Compensation Committee and the CSR and Governance Committee	211-213
14.4	Statement of compliance with a Corporate Governance Code	196
14.5	Potential significant impacts on governance	193-199
15.	**Employees**	
15.1	Number and breakdown of employees	72-73
15.2	Equity interests held by members of the Board of Directors and General Management, and any options attached to these interests	228
15.3	Employee shareholding	226
16.	**Main Shareholders**	
16.1	Shareholders holding more than 5% of the share capital or voting rights	226-231
16.2	Existence of different voting rights	226-231
16.3	Control of SPIE	226-231
16.4	Agreements of which SPIE is aware, which could subsequently lead to a change in the Company's control	226-231
17.	**Transactions with related parties**	**249**
18.	**Financial information on assets and liabilities, the financial position and results**	
18.1	Historical financial information	100-164, 169-189
18.2	Interim and other financial information	100-164, 169-189
18.3	Audit of historical annual financial information	100-164, 169-189
18.4	Pro forma financial information	100-164, 169-189
18.5	Dividend policy	232
18.6	Legal proceedings and arbitration	39-41
18.7	Significant changes to SPIE's financial position	100-164, 169-189
19.	**Additional information**	
19.1	Share capital	226
19.2	Memorandum of Association and Articles of Association	240-245
20.	**Material contracts**	**248**
21.	**Documents available**	**252**

BOARD OF DIRECTORS' MANAGEMENT REPORT

This Universal Registration Document includes all the elements of the Company's Board of Directors' management report required by Articles L. 225-100-1 *et seq*. and L. 232-1 II of the French Commercial Code. Below are the references to the sections of this Universal Registration Document corresponding to the different parts of the management report as approved by the Company's Board of Directors.

	Sections of the Universal Registration Document	Pages
1 – Business		
Position and business of the Company and, where applicable, the subsidiaries and entities it controls by branch of activity during the financial year ended, and of the whole consisting of the entities within the consolidation scope.	1 and 4.1	15-28, 80-97
Income from the operations of the Company and its subsidiaries and controlled entities by branch of activity (brief analysis of accounting documents, at least for the most significant items: revenue, operating expenses, current income and net income).	4.1 and 4.4.1	80-97, 100-164
Objective and comprehensive analysis of the development of business, results and the financial position of the Company and notably its debt situation with regard to business volume.	1, 4.1 and 4.4.1	15-28, 80-97, 100-164
Analysis of key non financial performance indicators related to the specific business of the Company and notably information relating to the environment or employees.	1, 3.1.6, 4.1 and 4.4.1	15-28, 72-73, 80-97, 100-164
Description of the main risks and uncertainties with which the Company is confronted and instructions on the use of financial instruments when this is relevant changes in the assets and liabilities, financial position, and profits and losses of the Company.	2.1	32-41
Price, credit, liquidity and cash risks, risk of share price fluctuations, risks incurred in case of changes in interest rates or falling exchange rates: indication of the reasons which led to intervention in such a market.	2.1	32-41
Predictable changes in the position of the Company, of all entities within the consolidation scope, and prospects for the future.	4.3	98
Important events occurring between the date of closure of the financial year and the date of preparation of the report, and between the date of closure of the financial year and the date of preparation of the consolidated financial statements.	4.2	98
Indications on the financial risks linked to climate change and presentation of actions undertaken by the Company to reduce them through a low-carbon strategy in all aspects of its business	3.1	49-78
Main characteristics of internal control processes and risk management put in place by the Company in relation to the production and handling of financial and accounting information.	2.3.4	47
2 – Accounting and financial information		
Changes made to the presentation of the annual financial statements or the valuation methods used.	4.4.1 and 4.5.1	100-164, 169-189
Amount of expenses that are not tax-deductible.	4.4.1	100-164
Overall amount of luxury expenditure and amount of the corresponding tax (Article 223 quater of the French General Tax Code).	4.4.1	100-164
Reintegration into taxable profit of certain general expenses by overall figures and category of expenditure.	4.4.1	100-164
Income for the year and proposal for the appropriation of earnings.	6.3	232
Reminder of the amount of dividends paid during the last three years.	6.3	232

	Sections of the Universal Registration Document	Pages
3 – Information on subsidiaries and equity investments		
Status of equity interests in entities having their registered office on the territory of the French Republic and representing more than 1/20, 1/10, 1/5, 1/3, 1/2, 1/3 of the share capital or voting rights of these entities.	4.4.1	100-164
Status of takeovers of entities having their registered office on the territory of the French Republic.	4.1.1, 4.1.3, 4.4.1 Note 6	80-89,97,114-115
4 – Information concerning share capital, cross-holdings and treasury shares		
Names of controlled entities and proportion of share capital they hold in the Company (treasury stock).	4.4.1, Note 18 and 6.1.1	132, 226
Identity of natural or legal persons having more than1/20,1/10, 3/20, 1/5,1/4, 1/3, 1/2, 2/3, 18/20 or 19/20 of the share capital or voting rights in Shareholders' General Meetings.	6.1.1 and 6.1.2	226-227
5 – Holdings of employees in the share capital on the last day of the financial year		
Percentage of the Company's share capital held by employees.	6.1.4	231
Status of the holdings of employees in the share capital on the last day of the financial year.	6.1.1	226
Mention of the proportion of share capital represented by the shares held by Company employees and employees or related entities.	6.1.4	231
Agreements between Shareholders which may lead to a restriction on transferring shares and exercising voting rights.	6.1.2	227
6 – Stock options and bonus shares		
Stock options and bonus shares	3.1.6, 6.4	72-73, 233-237
7 – Information concerning corporate officers		
List of appointments and functions exercised in any entity by each of the corporate officers.	5.2	199-213
Choice of the means of General Management of the Company.	5	195-224
Situation of the corporate officers: appointments, reappointments and notifications of co-option.	5.2	199-213
Transactions carried out by officers in Company shares.	6.1.3	228-230
Corporate officers' obligation to hold bonus shares and/or stock options awarded to them.	6.1.3	228-230
Compensation of corporate officers:	5.3	214-223
Total compensation and benefits of all kind paid to corporate officers;	5.3	214-223
Description of the fixed, variable and exceptional components of executive compensation and benefits and the criteria under which they were calculated or the circumstances in which they were established;	5.3	214-223
Details of all obligations on the part of the Company to its corporate officers, notably all components of compensation, indemnities or benefits due or likely to be due because of taking on, relinquishing or changing these functions or prior to them.	5.3	214-223
Details of the procedures for determining said obligations and their amounts, if they are shown in the agreements.	5.3	214-223
Compensation amount paid to members of the Board of Directors for the financial year ended.	5.3	214-223
8 – Miscellaneous information		
Agreements concluded between a corporate officer or Shareholder holding more than 10% of the voting rights and a subsidiary (excluding routine agreements).	7.5, 4.4.1 Note 24	249, 152-153
Summary presentation of the resolutions submitted to the Shareholders' General Meeting.	6.4.1	233-236
Factors that could come into play in the event of a takeover bid.	6.5	238
Information on facilities classified as at-risk: • Company policy to prevent the risk of technological accidents; • ability of the Company to cover its civil liability in relation to persons and property due to the operation of said facilities; • resources put in place by the Company to manage the compensation of victims in case of a technological accident implicating the liability of the Company.	2.1.2.6, 2.1.2.2, 2.1.2.10, 2.2 and 2.3	35-37, 41-47

	Sections of the Universal Registration Document	Pages
9 – Statutory Auditors		
Appointments of the Statutory Auditors.	7.9	253
Documents to be attached to the management report and/or to be submitted to Shareholders		
Table of results for the last five years.	4.6	193
Information on supplier payment periods.	4.7	194
• Board of Directors' management report on Corporate Governance pursuant to Article L. 225-37 of the French Commercial Code.	5	195-224
• Statutory Auditors' report on the Corporate Governance report by the Chairman of the Board of Directors; • Statutory Auditors' report on the annual financial statements, including the certification from the Statutory Auditors on the accuracy and honesty of the information contained in the management report on the compensation of corporate officers; • Supplementary reports on the transactions carried out by the Company with regard to stock options and bonus shares.	4.5.2	190-192
• Inventory of securities held in the portfolio at year-end.	4.4.1 Note 28	155-164
Summary table: • of the status of valid delegations of competence and powers granted by the Shareholders' General Meeting to the Board of Directors or Management Board in matters of increasing the share capital; • of the usage made by these delegations during the financial year ended.	6.4.1	233-236
Report on the implementation of share repurchases previously authorised by the Shareholders' General Meeting as part of a share repurchase programme.	6.4.3	236-237

INCLUDING THE ANNUAL FINANCIAL REPORT

This Universal Registration Document also serves as the Company's annual financial report. To facilitate its reading, the cross-reference table below lists the information found in the annual financial report that must be published by publicly traded companies in accordance with Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the AMF's general regulation.

	Chapters/sections of the Universal Registration Document	Pages
1 – Consolidated financial statements	4.4.1	100-164
2 – Company financial statements	4.5.1	169-189
3 – Management report	See cross-reference table above	256-258
4 – Statement of the natural person responsible for the annual financial report	7.8	252
5 – Report of the Statutory Auditors on: • the consolidated financial statements; • the parent company financial statements.	4.4.2, 4.5.2	165-168, 190-192
6 – Statement on the fees of the Statutory Auditors	4.1.1, Note 26	154
7 – Board of Directors' report on Corporate Governance (Article L. 225-37 of the French Commercial Code)	5	195-224
8 – Statutory Auditors' report on the Board of Directors' Corporate Governance report (Article L. 225-37 of the French Commercial Code)	4.5.2	190-192

NOTES

NOTES

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