

**UNIVERSAL
REGISTRATION
DOCUMENT
2022**

INCLUDING THE ANNUAL FINANCIAL REPORT

**Chapter 2
Corporate governance**

**SQLI
DIGITAL
EXPERIENCE**

2.1 REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE – FINANCIAL YEAR 2022

Ladies and Gentlemen,

This report on corporate governance is presented separately from the management report, pursuant to the last paragraph of Article L. 225-37 of the French Commercial Code, as amended by Order No. 2017-1162 of 12 July 2017.

In particular, it reports on the various governance aspects put in place by SQLI, information concerning the mandates and functions exercised by the corporate officers of SQLI in any other company, aspects relating to the compensation of these corporate officers, including, in particular, the presentation of the draft resolutions to the General Meeting relating to this compensation (*ex ante* and *ex post* “say on pay” vote on compensation, in application of the Sapin II law), as well as information concerning the elements likely to have an impact in the event of a public offering.

We remind you that the Company refers to the Middelnext Corporate Governance Code (amended in September 2021), which can be consulted on the Company’s website and on the Middelnext website. This report specifies, in accordance with Article L. 22-10-10, paragraph 4 of the French Commercial Code and depending on the various topics addressed, the provisions of the Middelnext Code that were excluded by SQLI and the reasons for which they were excluded.

2.1.1 Administrative and management bodies

2.1.1.1 General Management procedures

Mr Philippe Donche-Gay has served as Chairperson of the Board of Directors since 27 June 2019, the date of his appointment by the Board of Directors (to replace Mr Hervé de Beublain, who resigned but was a Director of the Company until 10 February 2022). His term of office will expire at the end of the General Meeting called to approve the financial statements for the year ended 31 December 2024 (duration of his term of office as Director).

Following the dismissal by the Board of Directors of SQLI, at its meeting of 22 September 2020, of Mr Didier Fauque from his term of office as Chief Executive Officer (it being specified that Mr Didier Fauque resigned from his term of office as Director during the same meeting) and the decision taken by the Board of Directors during the same meeting to appoint Mr Philippe Donche-Gay as Chief Executive Officer, the functions of Chairperson of the Board of Directors and Chief Executive Officer are therefore no longer separated.

Mr Philippe Donche-Gay has assumed the roles of Chairperson and CEO of the Company since 22 September 2020.

Given the recent changes within the Company and its shareholding structure and the strategic and financial challenges facing the Group, the Board of Directors of 19 April 2022 confirmed Mr Philippe Donche-Gay as Chairperson and CEO of the Company. This decision should also facilitate the implementation of the Force One 2022 plan and allow a more fluid dialogue with DBAY Advisors, the Company’s majority shareholder.

The Chief Executive Officer is not assisted by Deputy Chief Executive Officers.

2.1.1.2 Composition of the Board of Directors

The table below shows the composition of the Board of Directors and its committees as of 9 March 2023. It reflects the new governance structure put in place following the public tender offer on SQLI shares successfully carried out by DBAY Advisors through the simplified joint stock company Synsion BidCo (as described in Chapter 5 of this 2022 Universal Registration Document, section 5.2 “Main shareholders”).

Surname, name, title/position of the Directors	Independent ⁽¹⁾	Start of term of office	End of term of office	Audit and Risk Committee	Appointments and Compensation Committee ⁽²⁾	Strategy and Acquisitions Committee	Experience and expertise provided
Philippe Donche-Gay Chairperson of the Board of Directors and CEO	No, due to his position as Chief Executive Officer of SQLI	Appointed Director on 27/06/2019 Appointed Chairperson of the Board on 27/06/2019 Appointed Chairperson and CEO on 22/09/2020	In respect of his term of office as Chairperson of the Board: Meeting called to approve the financial statements for the year ended 31/12/2024 In respect of his term of office as Chief Executive Officer (for a period enabling the Company to recruit a new Chief Executive Officer)			Member	Specific skills in finance and accounting
DBAY Advisors Represented by Iltay Sensagir	No, due to their position as reference shareholder	Appointed director on 30/01/2020 (by co-optation) Ratification of the co-optation by the General Meeting of 25/06/2020 Term of office renewed by the General Meeting of 25/06/2020	Meeting called to approve the financial statements for the year ended 31/12/2025	Member		Member	Specific skills in finance and accounting
Surible Topco Represented by Diederik Vos	No, due to their position as reference shareholder	Appointed director on 30/01/2020 (by co-optation) Ratification of the co-optation by the General Meeting of 25/06/2020 Term of office renewed by the General Meeting of 25/06/2020	Meeting called to approve the financial statements for the year ended 31/12/2025		Chairperson		Specific skills in finance and accounting
Ariel Steinmann	Independent	27/06/2019	Meeting called to approve the financial statements for the year ended 31/12/2024		Member		Specific skills in Marketing, Communication & Digital
Brand & Retail Represented by Nathalie Mesny	Independent	27/06/2019	Meeting called to approve the financial statements for the year ended 31/12/2024	Chairperson			Specific e-commerce skills
Synsion Bidco SAS Represented by Bev White	No, due to their position as reference shareholder	Appointed Director on 28/02/2022 (by co-optation) ⁽³⁾	Meeting called to approve the financial statements for the year ended 31/12/2025				Specific Human Resources skills

Surname, name, title/position of the Directors	Independent ⁽¹⁾	Start of term of office	End of term of office	Audit and Risk Committee	Appointments and Compensation Committee ⁽²⁾	Strategy and Acquisitions Committee	Experience and expertise provided
Synsion Midco SAS Represented by Alexis Nasard	No, due to their position as reference shareholder	Appointed Director on 28/02/2022 (by co-optation) ⁽⁴⁾	Meeting called to approve the financial statements for the year ended 31/12/2022 ⁽⁵⁾			Chairperson	Specific skills in management of international groups in the consumer goods, fashion and retail sectors, and consulting
SWJH Conseil Represented by Sven Hagemann	No, because of its services to the reference shareholder	Appointed Director on 23/06/2022 ⁽⁶⁾	Meeting called to approve the financial statements for the year ended 31/12/2027				Specific skills in finance

(1) The quality of Independent Director was examined by the Board of Directors on 9 March 2023, and it responds to the criteria of recommendation no. 3 of the Middelnext Corporate Governance Code.

(2) The Board of Directors, during its meeting of 18 February 2022, extended the powers of the Appointments and Compensation Committee, awarding it powers relating to corporate social responsibility ("CSR") in accordance with recommendation no. 7 of the Middelnext Corporate Governance Code.

(3) The General Meeting of 23 June 2022 ratified the co-optation of Synsion Bidco SAS represented by Ms Bev White.

(4) The General Meeting of 23 June 2022 ratified the co-optation of Synsion Midco SAS represented by Mr Alexis Nasard.

(5) The renewal of the term of office of Synsion Midco SAS represented by Mr Alexis Nasard will be proposed to the General Meeting of 28 June 2023.

(6) The General Meeting of 23 June 2022 appointed SWJH Conseil, represented by Mr Sven Hagemann, as a Director.

It is specified that Mr Jérôme Abergel resigned from his term of office as Director representing employees, on 25 November 2022. The Social and Economic Committee of the SQLI Economic and Social Unit and the Board of Directors took note of this, respectively, at their meetings of 15 December 2022 and 7 December 2022.

As the Company only had 917 employees in France on 9 March 2023, it was decided not to replace the Director representing the resigning employees at this time. As the elections to the Social and Economic Committee of the SQLI Economic and Social Unit are due to be held in November 2023, the issue of appointing a new Director representing employees will then be re-examined in this context.

Surname, name, title/position of the Directors	Independent ⁽¹⁾	Start of term of office	End of term of office
Jérôme Abergel	No, due to his status as an employee of SQLI	Term of office renewed by the Social and Economic Committee of the SQLI UES (Economic and Social Unit): 17/06/2021 Official decision by the Board of Directors on 23/07/2021	Resignation on 25/11/2022 Official decision by the Social and Economic Committee of the SQLI UES (Economic and Social Unit) on 15/12/2022 and by the Board at its meeting of 7 December 2022


1) The quality of Independent Director was examined by the Board of Directors on 9 March 2023 and it responds to the criteria of recommendation no. 3 of the Middelnext Corporate Governance Code.


It is specified that SQLI's Articles of Association set the term of office of directors at six years.

In addition, pursuant to Article 14 of the Articles of Association amended on this point at the General Meeting of 22 June 2022, the Board of Directors of 8 July 2022 appointed Mr Vincent Leprevots as non-voting member for a term of three years. It is reiterated, as necessary, that in his capacity as a non-voting member, Mr Vincent Leprevots attends Board meetings without voting rights.

Biography and main functions exercised by the directors


	Philippe Donche-Gay, Chairperson
	<p>Biography</p> <p>A graduate of École Polytechnique and Stanford University in California, Philippe Donche-Gay began his career at IBM in 1982.</p> <p>In 1994, he joined the management of Capgemini and took part in the construction of Capgemini Telecom & Media, where he became Chief Executive Officer in 2001. In 2004, he was appointed Chief Executive Officer of Capgemini France and then, in 2007, of Capgemini for Western Europe.</p> <p>In 2008, he became Head of Operations at Bureau Veritas. Appointed Chairperson of the Marine & Offshore Division in 2013, he became Deputy Chief Executive Officer of the Group in 2017, a position he held until early 2019.</p> <p>In June 2019, he became Chairperson of the Board of Directors of the SQLI Group, then Chairperson and CEO on 22 September 2020.</p>


	Synsion Bidco SAS represented by Bev White, Director
	<p>Biography</p> <p>With a scientific background and an MBA in Strategy, Marketing, Finance and Management, Bev White began her professional career in 1987 in the IT Department of Schlumberger.</p> <p>In 1994, she joined NTL, a cable operator, where she was Head of Information Systems for eight years.</p> <p>She then took her first steps in the world of Human Resources by becoming Chief Executive Officer of Penna Careers Services, a group specialising in HR management, the Employer brand and recruitment.</p> <p>She became a director in 2012.</p> <p>Co-founder and Chairperson of the Board of Career Star Group, an international network of career management specialists, she chaired its Board of Directors for four years.</p> <p>From Chief Executive Officer of Intoo UK and Ireland and of Gi Group UK in 2017, she then became Chief Executive Officer of Harvey Nash Group in 2020.</p>


	Brand & Retail represented by Nathalie Mesny, Director
	<p>Biography</p> <p>A graduate of ESSEC and holder of a Master's degree from INSEAD, Nathalie Mesny began her career at Unilever before joining Carrefour France in 1998 as Chief Food Officer and then, in 2005, as Marketing, Communication and Brand Director.</p> <p>In 2011, Nathalie took over as General Manager of Oxybul Eveil et Jeux, acquired by the IdKids group, and then in 2015 took the reins of Carrefour's non-food e-commerce business, managing the Rueducommerce.fr and topachat.fr sites. From 2019 to 2022, she managed the Monoprix group's e-commerce activities (Monoprix's food site and fashion & home site), as well as Sarenza.com.</p> <p>Nathalie Mesny is also a member of the Supervisory Board and Strategy Committee of Damartex (since May 2017), and volunteer Chairperson of the renaloo.com association for patients with kidney failure since 2015.</p>

	Synsion Midco SAS represented by Alexis Nasard, Director
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	<p>Biography</p> <p>Holder of an MBA (UC Berkeley) and an MS in Engineering, Alexis Nasard has 30 years of experience in major international groups in the fields of consumer goods, fashion and distribution, and consulting.</p> <p>After spending 17 years at Procter & Gamble, he joined Heineken in 2010 to become Chairperson for Western Europe and Global Marketing Director.</p> <p>From 2016 to 2021, he became Chairperson and CEO of the Bata Group.</p> <p>In parallel with his various missions, he sat on the Board of Directors of the BBH agency for five years and became a member of the Advisory Committee of Salvatore Ferragamo, and a member of the consumer industries group at the World Economic Forum. He is also a member in residence at IMD (Lausanne).</p> <p>After becoming Chairperson and CEO of Kantar, he joined the consulting firm McKinsey in 2022 as Senior Business Advisor.</p> <p>Alexis has been Chairperson of the Swarovski Group since 2022.</p>
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	<p>Ariel Steinmann, Director</p> <p>Biography</p> <p>A graduate of ISC Paris, Ariel Steinmann began her professional career in consulting and communication agencies in France and the United States. She has since developed a strong experience in Marketing, Communication & Digital by leading large-scale projects with large groups such as Bouygues Telecom and ING Direct France.</p> <p>Ariel Steinmann is now Head of Marketing, Communication and Digital for the Retail activities of BNP Paribas, a group she joined in 2011.</p> <p>Since 2013, she has been responsible for marketing and digital communication for retail banking in France for the two brands BNP Paribas and Hello bank!</p> <p>She is in charge of the management of retail sites and applications for both brands, as well as digital communication for acquisitions and customers.</p>
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	<p>Surible Topco represented by Diederik Vos, Director</p> <p>Biography</p> <p>From 2012 to 2018, Diederik Vos was Chief Executive Officer of SQS, a leading player in software testing and quality assurance services. Previously, he held Director responsibilities at AT&T, Lucent Technologies, AVAYA and International Network Services. A director of various companies, Diederik Vos has developed in-depth experience in the digital services sector.</p>
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	<p>DBAY Advisors represented by Iltay Sensagir, Director</p> <p>Biography</p> <p>Iltay Sensagir is a member of the DBAY Advisors investment team. A graduate of the EBS Business School (Oestrich-Winkel, Germany), Iltay Sensagir began his professional career at Goldman Sachs in the Investment Banking Division, in London. He was previously at Kartesia Advisor, an investment company present in several markets in Europe.</p>
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	SWJH Conseil represented by Sven Hagemann, Director
	<p>Biography</p> <p>After his studies at ESCP Europe (Berlin-Oxford-Berlin) and at the Ludwig-Maximilian University in Munich, Sven Hagemann began his career in the Investment Banking division of UBS in London. He then worked for Houlihan Lokey, Bank of America and Contrarian Capital. Sven Hagemann is currently working as a Financial Consultant.</p>

2.1.1.3 Diversity policy applied to members of the Board of Directors

SQLI takes into account the principle of balanced representation of men and women on its Board. In particular, SQLI complies with the provisions of Article L. 225-18-1 of the French Commercial Code, which stipulates that in a Board composed of no more than eight members, the difference between the number of directors of each gender may not be greater than two ⁽¹⁾. This principle of balanced representation between men and women was once again respected in the context of the co-optations made by the Board at its meeting of 18 February 2022, and the ratification of these co-optations by the General Meeting of 23 June 2022.

Strictly speaking, the Company does not have a gender balance policy at senior management level. However, it is attentive to gender diversity in terms of promotion and salary policy. Women account for 25% of the Company's management team. In addition, its professional equality index has been rising steadily since 2019 and stood at 94/100 in 2023, breaking down as follows:

- pay gap: 39/40;
- difference in individual increase rates: 20/20;
- difference in promotion rates: 15/15;
- employees who received a raise following their return from maternity leave: 15/15;
- number of women among the 10 highest paid employees: 5/10.

2.1.1.4 Director training

In accordance with recommendation 5 of the Middlednext Code, when a new director is appointed, various sessions are offered with the Group's main senior executives on its activity, organisation and governance. The new Directors received the Company's documentation on governance (in particular the Articles of Association, the Board's rules of procedure (which they have signed) and the SQLI Code of Conduct) as well as specific training on corporate governance. They were made aware of the obligations arising from stock market regulations that apply to directors of listed companies. In accordance with recommendation 1 of the Middlednext Code, Directors are reminded of the periods when they are not trading in the Company's shares (reporting obligations for transactions on securities and blackout periods).

In addition, specific external training is provided for directors from time to time.

2.1.1.5 Conditions for the preparation and organisation of the work of the Board of Directors

1. Missions of the Board of Directors

In accordance with the law, the Board of Directors determines the Company's business strategies and ensures their implementation. As such, at any time of the year, it carries out the checks and controls it deems appropriate, and may request any documents it deems necessary for the performance of its mission.

Subject to the powers expressly granted by law to Shareholders' Meetings and within the limits of the corporate purpose, it deals with any issue affecting the smooth running of the Company and settles the matters concerning it through its deliberations.

In exercising its legal prerogatives, the Board of Directors fulfils the following main missions: it defines and approves the Company's strategy, the annual budget, closes the annual and half-yearly financial statements, appoints the executive corporate officers responsible for managing the Company, as part of this strategy, sets their compensation and chooses the method of organisation (separation of the functions of Chairperson and CEO or the aggregation of these duties), controls the management and ensures the quality of the information provided to the shareholders as well as markets, through the financial statements or on the occasion of major transactions. It prepares the Annual General Meetings and approves the terms of the related documentation.

(1) It is specified that Article L. 225-27-1 II of the French Commercial Code provides, in its 2nd paragraph, that directors representing employees are not taken into account for the application of the first paragraph of Article L. 225-18-1 of the French Commercial Code, which sets the gender balance rules applicable to the Board of Directors of public limited companies whose securities are admitted to trading on a regulated market.

2. Duties of the Chairperson of the Board of Directors

In exercising his legal prerogatives, the Chairperson of the Board of Directors:

- organises and directs the work of the Board on which it reports to the General Meeting;
- oversees the proper functioning of the Company's bodies and ensures in particular that the directors are able to fulfil their duties;
- prepares a report on the composition, preparation and organisation of the Board's work, as well as the internal control and risk management procedures implemented by the Company.
- The Chairperson of the Board coordinates the work of the various Committees as delegated by the Board of Directors.
- Ensuring the Company's relationship with its shareholders, it also helps represent the Group before institutional authorities, major clients or partners.

3. Limitations on the powers of the Chief Executive Officer (and Deputy CEOs, if any)

The rules of procedure, which have not been amended on this point, specify that the following decisions and acts must be submitted to the Board of Directors for prior approval:

- financial commitments for the year:
 - approval of the annual budget,
 - any investment not included in the annual budget (which includes an “investment” component) and exceeding a total amount of €500,000;
- long-term financial commitments:
 - the conclusion of any loan or issue of bonds that would not be included in the annual budget and the conclusion of any off-balance sheet commitment whose amount would exceed €1,000,000 (including liability guarantees),
 - the granting of any collateral affecting the assets of the Company and/or its subsidiaries outside its normal activity beyond the annual budget,
 - any transaction to increase or reduce the capital, any issue of securities of any category whatsoever, any merger, partial transfer of assets or demerger concerning a Group company,
 - the implementation or modification of any shareholding, profit-sharing, stock option, allocation of free shares or carry-on share subscription warrants,
 - any decision relating to a change in the listing location of the Company’s shares, including the change in listing location or delisting,
 - any change in accounting standards;
- significant changes within the Group:
 - any major reorganisation of the Group,
 - any change in the legal scope: external growth transaction, creation of subsidiary, joint venture agreement,
 - any agreement or act of disposal or sale, free of charge or against payment, of essential assets of the Company and/or its subsidiaries,
 - any decision that would result in the amendment of the Company’s Articles of Association, including without limitation the change of corporate form, mode of governance, corporate purpose and/or activity,
 - any decision impacting the SQLI trademark by extension or restriction of its use;
- the following points will be regularly reported to the Board:
 - cash position,
 - any change in the Executive Committee (reporting to the Chief Executive Officer) and in the Company’s contractual relationship with each of its members.

4. Preparation and organisation of the work of the Board of Directors

Board of Directors' rules of procedure

The updated version of the Board of Directors' rules of procedure is available at the registered office and on the Company’s website: <http://www.sqli.com>.

These rules of procedure may be amended by the Board of Directors at any time in view of changes in laws and regulations and its own operating methods.

On 8 July 2022, the Board of Directors adopted new rules of procedure to:

- (i) take into account the new Middelnext Code of September 2021 and the new responsibilities of the Appointments and Compensation Committee in terms of CSR (see section on the Appointments and Compensation Committee);
- (ii) include the option of inviting external guests to the meetings of the Board of Directors;
- (iii) specify the rights and obligations of non-voting members (following the approval by the General Meeting of 23 June 2022 of the amendment to Article 14 of the Articles of Association).

The purpose of the rules of procedures is to:

- specify the composition, organisation, role and powers of the Board of Directors with respect to the General Meeting by supplementing certain existing legal and statutory provisions;
- optimise the effectiveness of meetings and discussions and serve as a reference for the Board of Directors’ periodic assessment of its operations;
- remind directors of their duties, in particular with respect to loyalty, non-disclosure and holding of privileged information; and

- more generally, to ensure that the Company's management conducts its business within the framework of rules guaranteeing compliance with the fundamental principles of corporate governance.

With this in mind, the rules of procedure provide that the Chairperson of the Board or the CEO is required to provide each Director with all the documents and information necessary for the performance of their duties.

The Board of Directors' rules of procedure provide that, for the purposes of calculating the quorum and majority, directors who take part in the meeting of the Board of Directors by means of videoconferencing and telecommunication allowing their identification and guaranteeing their effective participation are deemed to be present. However, participation in the Board of Directors by videoconference or telecommunication is not possible for the transactions referred to in Articles L. 232-1 and L. 233-16 of the French Commercial Code, i.e. for the preparation of annual financial statements and the management report as well as for the preparation of the Group's consolidated financial statements and management report.

Work of the Board of Directors

The members of the Board of Directors are informed, prior to the meeting of the latter, of the elements essential to the examination of the points on which the Board of Directors is called to discuss.

The Board of Directors met seven times in 2022 and its decisions or deliberations were recorded in the minutes. The attendance rate of its members was 100%. The Chairperson of the Board of Directors chaired 100% of the meetings. Each meeting was preceded by the communications and information required by the rules of procedure.

During these meetings, the Board discussed the following points:

- Group development strategy;
- budget;
- approval of the half-year and annual financial statements;
- financial management;
- capital increase specifically for employees;
- governance points;
- executive compensation, preparation of the Annual Meeting;
- new distribution of the Company's shareholding structure following the finalisation of the takeover bid; and
- adoption of the Board's new rules of procedure.

It should also be noted that, in accordance with recommendation no. 2 of the Middlednext Code, the Board of Directors, at its meeting of 9 March 2023, conducted an annual review of the conflicts of interest that may exist within it: no conflicts of interest were identified by the directors.

Any situations in which such potential conflicts of interest are likely to occur are always treated with the necessary attention, and the directors concerned do not take part in the discussions or decisions relating thereto.

At its meeting of 7 December 2022, the Board of Directors also carried out its annual assessment, in accordance with the Middlednext Corporate Governance Code, after issuing a questionnaire on the role and performance of the Board and its committees, their composition and operations, the organisation and holding of their meetings as well as the information provided to Directors, to each of its members in the second quarter of 2022. The conclusions of this assessment were presented by Ariel Steinmann, Independent Director, and discussed by the Board of Directors' meeting of 7 December 2022.

Committees

The rules of procedure adopted by the Board of Directors on 8 July 2022, supplement the legal, regulatory and statutory rules in order to specify the operating procedures of the Board Committees. More specifically, the new rules of procedure set out the new responsibilities of the Appointments and Compensation Committee in terms of CSR (see section on the Appointments, Compensation and CSR Committee). The Committees have a strictly advisory role. They act under the exclusive and collective responsibility of the members of the Board of Directors. They report on their assignments to the Board of Directors, which has a sovereign assessment of the follow-up it intends to give to the opinions presented.

The composition of the committees was modified by the Board of Directors at its meeting of 18 February 2022 in order to reflect the composition of the Company's capital following the successful public tender offer on SQLI shares by DBAY Advisors, as well as the new governance structure put in place following this transaction.

Audit and Risk Committee (ARC)

On 1 September 2009, the Board of Directors set up an Audit and Risk Committee.

In accordance with Article L. 823-19 II of the French Commercial Code, the Committee is responsible for the following tasks:

- it monitors the process of preparing financial information and, where applicable, makes recommendations to ensure its integrity;
- it monitors the effectiveness of the internal control and risk management systems, as well as, where applicable, the internal audit, with regard to the procedures relating to the preparation and processing of accounting and financial information, without infringing its independence;
- it issues a recommendation on the Statutory Auditors proposed for appointment by the General Meeting. This recommendation to the Board of Directors is prepared in accordance with the provisions of Article 16 of Regulation (EU) 537/2014; it also issues a recommendation to this body when the renewal of the term of office of the statutory auditor(s) is planned under the conditions defined in Article L. 823-3-1 of the French Commercial Code;
- it monitors the Statutory Auditors' performance of their duties and takes into account the findings and conclusions of the High Council of Statutory Auditors following the audits carried out in accordance with Articles L. 821-9 *et seq.* of the French Commercial Code;
- it ensures that the Statutory Auditors comply with the independence conditions defined in Section 2 of Chapter II of Title II of Book VIII of the French Commercial Code; where applicable, it takes the measures necessary for the application of paragraph 3 of Article 4 of Regulation (EU) 537/2014 and ensures compliance with the conditions referred to in Article 6 of the same Regulation;

- it approves the provision of the services referred to in Article L. 822-11-2 of the French Commercial Code;
- it regularly reports to the Board of Directors on the performance of its duties. It also reports on the results of the certification of the financial statements, the way in which this duty contributed to the integrity of the financial information and the role it played in this process. It immediately informs it of any difficulties encountered.

Since 18 February 2022 and 9 March 2023, the composition of the ARC is as follows:

Chairperson		Brand & Retail represented by Nathalie Mesny
Director		DBAY Advisors represented by Ittay Sensagir

During 2022, the Audit and Risk Committee met twice and the attendance rate of its members was 100%.

Appointments, Compensation and CSR Committee (ACC)

At its meeting of 18 February 2022, the Board of Directors extended the powers of the Appointments and Compensation Committee, by assigning it responsibilities in terms of corporate social responsibility ("CSR"), in accordance with recommendation no. 7 of the Middlednext Corporate Governance Code.

The duties of the ACC are specified in the rules of procedure adopted on 8 July 2022.

This Committee:

- gives its opinion on proposed appointments by the Board of the Chairperson and, on the proposal of the Chairperson, of the Executive Management;
- reviews and gives an opinion on proposals for the appointment and dismissal of the Group's main executives (reporting to the Chief Executive Officer);
- formulates proposals on the selection of Board members and committee members, taking into account the desirable balance of the composition of the Board with regard to the composition and changes in the Company's shareholding structure and the distribution of men and women on the Board;
- reviews the independence of Board members and candidates for Board or Committee membership;
- draws up a succession plan for executive corporate officers in order to be able to propose succession solutions to the Board in the event of an unforeseen vacancy.
- The ACC is informed of the policy developed by Executive Management for the management of the Group's senior executives.
- As part of its CSR component, the ACC:
 - reviews and gives an opinion on the Group's strategy in terms of CSR and the implementation of projects related to this strategy;
 - formulates CSR proposals with regard to the challenges specific to the Group's activity and objectives, particularly in terms of well-being at work, diversity and the environment, and reviews the commitments made by the Group in this area;
 - reviews the annual non-financial performance statement.

Since 18 February 2022 and 9 March 2023, the composition of the ACC is as follows:

Chairperson		Surible Topco represented by Diederik Vos
Director		Ariel Steinmann

In 2022, the ACC met three times and the attendance rate of its members was 100%.

Acquisitions and Strategy Committee (ASC)

The mission of the ASC is to study the strategy(ies) of the Company that the Executive Management wishes to implement, particularly in the area of investments and the review of the Group's current activities, and to assess the progress of development decisions made.

In terms of strategy, the Committee's mission is to make recommendations to the Board and monitor implementation after the Board's decision on:

- the Company's and Group's strategic plan;
- strategic partnership, acquisition and asset disposal projects;
- plans to change the distribution of the Company's capital among shareholders;
- any project related to the development and implementation of the Group's strategy.

Since 18 February 2022 and 9 March 2023, the composition of the ASC is as follows:

Chairperson	Synsion Midco represented by Alexis Nasard
Directors	DBAY Advisors represented by Iltay Sensagir Philippe Donche-Gay

In 2022, the Strategy Committee met three times and the attendance rate of its members was 100%.

Since 2020, the Strategy Committee has organised a strategic conference each year, bringing together all directors for a full day.

2.1.1.6 Offices and positions held in any company by each of the corporate officers as of 9 March 2023

In the table below, we provide you with a list of all the offices and positions held in any company by each of the corporate officers of SQLI, during the past financial year and until 9 March 2023:

TABLE 1. DIRECTORS OF THE COMPANY (OTHER THAN PHILIPPE DONCHE-GAY REFERRED TO BELOW)

Name of the corporate officers	Terms of office or positions	Company in which the term of office or position is exercised	Location of the company's registered office
Members of the Board of Directors on 9 March 2023			
DBAY Advisors Representative Iltay Sensagir (Director since 30 January 2020)	Director	SQLI (SA)	166, rue Jules Guesde 92300 Levallois-Perret
Surible Topco Representative Diederik Vos (Director since 30 January 2020)	Director	SQLI (SA)	166, rue Jules Guesde 92300 Levallois-Perret
	Director	Harvey Nash Group	3, Noble Street London EC2V 7EE (United Kingdom)
Synsion Bidco SAS represented by Bev White	Director	SQLI (SA)	166, rue Jules Guesde 92300 Levallois-Perret
Synsion Midco SAS represented by Alexis Nasard	Director	SQLI (SA)	166, rue Jules Guesde 92300 Levallois-Perret
SWJH Conseil represented by Sven Hagemann	Director	SQLI (SA)	166, rue Jules Guesde 92300 Levallois-Perret
Ariel Steinmann (Director since 27 June 2019)	Director	SQLI (SA)	166, rue Jules Guesde 92300 Levallois-Perret
Brand & Retail represented by Nathalie Mesny (Director since 27 June 2019)	Director	SQLI (SA)	166, rue Jules Guesde 92300 Levallois-Perret
	Director	Damartex	160, boulevard de Fourmies 59100 Roubaix

TABLE 2. CHAIRPERSON AND CEO AS OF 9 MARCH 2023

Name of the corporate officers	Terms of office or positions	Company in which the term of office or position is exercised	Location of the company's registered office
Chairperson and CEO as of 9 March 2023			
Philippe Donche-Gay	Chairperson and CEO	SQLI (SA)	166, rue Jules Guesde 92300 Levallois-Perret
	Chief Executive Officer	SYNSION BIDCO SAS	95 rue la Boétie 75008 Paris
	Chairperson	EXPLEO (SAS)	3, avenue des Prés 78180 Montigny le Bretonneux
	Permanent representative of SQLI (Chairperson)	INVENT COMMERCE (SAS)	166, rue Jules Guesde 92300 Levallois-Perret
	Co-manager	GEIE ICE	Parc de Lisieux - Building B 6, impasse de Lisieux 31300 Toulouse
	Director and Chief Executive Officer	SQLI Luxembourg (SA)	Route d'Arlon 204 L 8010 Strassen Luxembourg
	Director and Chief Executive Officer	SQLI SA	204, route d'Arlon L-8010 Strassen Luxembourg
	Chairperson and CEO	SQLI MAROC SA (company incorporated under Moroccan law)	Mahaj Ryad Center, Buildings 1 and 2, 3 rd , 4 th and 5 th floors, Hay Riad, Rabat, Morocco
	Chief Executive Officer	SQLI BELGIUM (company incorporated under Belgian law formerly Eozen Belgium)	Lambroekstraat 5C B-1831 Diegem, Belgium
	Chairperson	SQLI SUISSE (company incorporated under Swiss law)	3 avenue William Fraise CH-1006 Lausanne, Switzerland
	Representative of SQLI SA (Director)	SQLI SPAIN	Carrer de la Constitució, 3, 2 ^a 3 ^a - 08960 Sant Just Desvern - Spain
	Manager	WAX INTERACTIVE (company incorporated under Belgian law)	B-9830, Saint-Martens-Lateme Kortrijksesteenweg 90 (Belgium)
	Director	SQLI Ltd	118 Commercial Street, London E1 6NF, United Kingdom
	Director	SQLI UK Ltd (formerly REDBOX Digital Ltd)	118 Commercial Street, London E1 6NF, United Kingdom
	Director	REDBOX Digital ME FZ-LLC	No. 118, Floor Number 1, Building Name Loft No. 02, Dubai Design District, Dubai, (United Arab Emirates)
	Director	REDBOX Group SA Property Ltd	South Africa

	Director	SQLI Nordics (formerly STAR REPUBLIC)	Ekelundsgatan 9 Göteborg, Sweden
	Director	OSUDIO BELGIUM NV	Wetenschapspark 24 3590 Diepenbeek (Belgium)
	Director	SQLI Danmark Aps	Adelgade 15 13040 Copenhagen (Denmark)
	Director	SQLI Deutschland GmbH	Phoenixseestrasse 20, 44263 Dortmund, (Germany)
	Director	SQLI Services BV	Luchthavenweg 18D, 5657 EB Eindhoven (The Netherlands)
	Director	OSUDIO HOLDING BV	De Ruijterkade 6H - 1013A AMSTERDAM, The Netherlands

2.1.2 Compensation and benefits of any kind and “Say on pay” vote

2.1.2.1 Approval of the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components of the total compensation and benefits of any kind, attributable to the executive corporate officers of SQLI (Article L. 22-10-8 of the French Commercial Code)

General principles and criteria for determining the executive compensation policy

The general compensation policy applicable to each executive corporate officer of SQLI is decided by the Board of Directors, on the recommendation of the Appointments and Compensation Committee, in principle at the time of the appointment or reappointment of each executive corporate officer.

It is reviewed and discussed each year by the Board, after consulting the Appointments and Compensation Committee.

The determination of this compensation, and in particular, the setting of the annual amount of the variable portion awarded, if applicable, to the corporate officer, is decided on the basis of the work carried out, the results obtained, the experience in the function, the length of service in the Group and the responsibility assumed with the aim of retaining and motivating the Company’s executives.

To determine the compensation policy, the Board of Directors also takes into account the principles of comprehensiveness, balance, benchmark, consistency, understandability, proportionality and transparency recommended by the Middelnext Corporate Governance Code.

Consequently, the Board of Directors ensures that:

- the compensation of executive officers is determined in an exhaustive manner, so that all components (fixed portion, variable portion, stock options, free shares, Directors’ fees, special benefits, etc.) are included in the overall assessment of compensation;
- the components of the compensation are justified and are in the general interest of the Company;
- the compensation is assessed, as far as possible, in the context of a benchmark business and market and proportionate to the Company’s situation, while paying attention to its inflationary effect;
- the compensation of executive corporate officers is determined in accordance with that of the Company’s other executives and employees;
- the rules are simple and transparent; the performance criteria used to establish the variable portion of compensation must be in line with the Company’s performance, correspond to its objectives, be demanding, explainable and, as far as possible, long-term. They must be detailed without calling into question the confidentiality, which may be justified for certain items. The determination of compensation and the allocation of options or free shares must strike a fair balance and take into account the general interest of the Company, market practices and the performance of executives;
- shareholders are informed on all compensation and benefits received by executives annually and in accordance with the applicable regulations.

Implementation of these general principles and criteria for the 2023 financial year

Pursuant to Article L. 22-10-8 of the French Commercial Code, this section describes the implementation of the principles and criteria referred to above, with regard to the determination of the total compensation policy and benefits of any kind, attributable to the Chairperson and CEO of SQLI, by virtue of his office, in respect of the 2023 financial year.

It should be noted that the Company no longer has Deputy Chief Executive Officers since the beginning of the 2020 financial year.

In accordance with the aforementioned Article of the Code, these principles and criteria are submitted to the approval of the General Meeting of SQLI of 28 June 2023, by a so-called “*ex ante*” vote.

In the event that these principles and criteria are actually approved by the General Meeting of SQLI of 28 June 2023, during the “*ex ante*” vote, the amounts resulting from their implementation will be, pursuant to Articles L. 22-10-34 and L. 22-10-9 of the French Commercial Code, submitted for shareholder approval in 2024 in a so-called “*ex post*” vote.

It is specified that the payment of variable and/or exceptional components of compensation of corporate officers by virtue of their office held in respect of the 2023 financial year is subject to the approval by the 2024 General Meeting of the components of compensation of the corporate officers concerned in respect of said financial year (“*ex post*” vote).

1. Approval of the principles and criteria for determining, distributing and awarding the components of the total compensation and benefits, of any kind, attributable to the Chairperson and CEO in respect of the performance of his office in respect of the 2023 financial year

The compensation policy for the Chairperson and CEO was reviewed and discussed by the Board of Directors at its meeting of 9 March 2023, after consulting the Appointments and Compensation Committee.

This Board therefore decided to continue the policy for determining and allocating the compensation that was applicable to the Chairperson and CEO, confirmed its compensation structure and, in accordance with the principles set out above, the criteria for determining, distributing and allocating the fixed and variable components of this compensation for 2023, as set out below.

It is specified that in the event of early termination of the term of office of the Chief Executive Officer, the components of compensation will be assessed *pro rata temporis*, until the end date of said term of office.

Annual fixed compensation

The annual fixed compensation of the Chairperson and CEO is determined by taking into account the level and difficulty of responsibilities, experience in the role, length of service in the Group and practices in groups or companies of comparable size.

It may be reviewed, taking into account events affecting the Company and other components of compensation; this review may lead to a reassessment of this fixed portion.

At its meeting of 8 July 2022, and following the appointment of Mr Philippe Donche-Gay as Chief Executive Officer of Synsion Bidco SAS, the Board of Directors amended the terms of his corporate office and decided that his compensation as Chairperson and CEO for the end of the 2022 financial year would be calculated on the basis of a gross annual compensation of €305,000, divided between his gross compensation of €185,000 paid for his duties as Chief Executive Officer, and his unchanged gross compensation of €120,000 paid in respect of his duties as Chairperson of the Board of Directors.

Annual variable compensation

Annual variable compensation rewards the performance of the Chairperson and CEO for the past year and aims to establish a link between the interests of this executive and the operational strategy of the Company over the period in question.

This variable compensation is based on specific performance assessment criteria determined in the first half of the year by the Board of Directors, on the advice of the Appointments and Compensation Committee.

The maximum amount of the annual variable compensation of the Chairperson and CEO amounts, for 2023, to €350,000 gross, which corresponds to the achievement of 100% of the objectives set based exclusively on the various quantitative criteria approved by the Board of Directors. These criteria are distributed as follows:

for 60%: achievement of the 2023 budget (revenue and recurring income);

for 40%: specific qualitative objectives including CSR.

The weighting of each of the components of the aforementioned criteria and the objectives to be achieved are set in the first part of the year and communicated to the Chairperson and CEO.

Long-term compensation (allocation of free shares, share purchase/subscription options, financial instruments, etc.)

The annual compensation of the Chairperson and CEO may be supplemented by deferred items with longer-term issues: the allocation of free shares and/or stock options or financial instruments, including the vesting or the possibility of exercise are subject to the fulfilment of conditions and criteria that are determined to be in line with the Group’s strategy.

Subject to the adoption by the General Meeting of the authorisations to be granted to the Board of Directors to issue and allocate such instruments, the conditions and criteria for the allocation and exercise of these instruments are determined by the Board of Directors, after consulting the Appointments and Compensation Committee.

Benefits in kind

The benefits in kind awarded to the Chairperson and CEO include the use of a company car, as well as the cost of mandatory and optional insurance, fuel costs, repairs and maintenance and parking of this vehicle, for the part relating to the personal use of this vehicle by the Chairperson and CEO.

Severance payments

In view of the significant contribution of Mr Philippe Donche-Gay in recent years in a difficult context, the Board of Directors of 19 April 2022 approved

the implementation of a compensation system in the event of the termination of his duties as an executive corporate officer, which it finalised during its meeting of 8 July 2022, and which entitles him to compensation corresponding to the amount of the total gross annual compensation defined as the sum of (i) 120% of the fixed compensation, on an annual basis, received by the Chairperson and CEO on the date of termination of his duties and (ii) the average of his annual variable compensation received in respect of the last three complete financial years during which he served as Chairperson and CEO, (which excludes any exceptional and/or long-term compensation).

The payment of this compensation would apply in the event of (i) dismissal from his duties as Chairperson and CEO unless it is justified by reason of serious or gross misconduct or misconduct that cannot be separated from the duties of Chairperson and CEO, or (ii) in the event of non-renewal of his term of office at the end of his term, unless it is at the initiative of the Chairperson and CEO. By way of exception, this compensation would not apply when the termination of the duties of Chairperson and CEO occurs in the context of a change in the Articles of Association and/or duties within the Company or the Group, the principle and terms of which would have been accepted in advance and in writing by the Chairperson and CEO.

Other compensation items

The Board of Directors takes into account, in the overall assessment and determination of the executive's compensation, the other compensation items submitted to the approval of the General Meeting as part of the related-party agreements and commitments procedure.

As a reminder, Mr Philippe Donche-Gay does not receive other compensation items.

At its meeting of 8 March 2022, the Board of Directors confirmed, in line with what it had decided in respect of the previous financial year, that the Chairperson and CEO would not receive the compensation referred to in Article L. 225-45 of the French Commercial Code (formerly referred to as "directors' fees").

Appointment of a new Chairperson and CEO

In general, and with the exception of the severance payment, the components of compensation and its structure described in this compensation policy will also apply, if necessary with the necessary adaptations, to any new Chairperson and CEO who would be appointed during the period of application of this policy, taking into account their scope of responsibility and professional experience. This principle will also apply to other benefits that may be offered.

Thus, it will be up to the Board of Directors to determine the compensation of the corporate officer corresponding to these characteristics, in line with that of the current Chairperson and CEO and the practices of comparable companies.

Lastly, if the latter does not belong to an entity of the SQLI Group, this new Chairperson and CEO could benefit from compensation for taking office in order in particular to indemnify them, if necessary, for any compensation which they would forfeit by leaving their previous employer, up to a ceiling of three months' compensation.

Accordingly, as a result of point 1 above, we submit the following draft resolution to your ex ante vote.

Draft resolution submitted to an ex ante vote with regard to the Chairperson and CEO

Approval of the principles and criteria for determining, distributing and awarding the components of the total compensation and benefits of any kind attributable to the Chairperson and CEO

The General Meeting, ruling in ordinary form, having reviewed the Board of Directors' report on corporate governance provided for in the last paragraph of Article L. 225-37 of the French Commercial Code, approves the principles and criteria determining, distributing and awarding the components of the total compensation and benefits of any kind attributable to the Chairperson and CEO, in respect of his term of office for the 2023 financial year, as presented in section 2.1.2. "Compensation and benefits in kind and the Say on Pay vote" of this report.

2.1.2.2 Compensation of corporate officers for financial year 2022

TABLE 3. SUMMARY TABLE OF COMPENSATION PAID AND OPTIONS AND SHARES GRANTED TO CORPORATE OFFICERS

Mr Philippe Donche-Gay	2022
Compensation paid during the financial year	638,789
Valuation of options granted during the financial year	N/A
Valuation of performance shares granted during the financial year	N/A
TOTAL	638,789

Summary tables of compensation due/paid to each executive corporate officer by the Company and controlled companies within the meaning of Article L. 233-16 of the French Commercial Code by the Company.

TABLE 4. COMPENSATION PAID OR AWARDED TO MR PHILIPPE DONCHE-GAY IN RESPECT OF HIS OFFICE AS CHAIRPERSON OF THE BOARD AND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 SUBMITTED TO THE VOTE OF THE GENERAL MEETING OF 28 JUNE 2023

Mr Philippe Donche-Gay Chairperson of the Board of Directors for the 2022 financial year	Financial year 2022	
	Amounts due ⁽¹⁾	Amounts paid ⁽¹⁾
Fixed compensation ⁽²⁾	120,000	120,000
Annual variable compensation	N/A	N/A
Exceptional compensation	N/A	N/A
Directors' fees/compensation (Art. L. 225-45 of the French Commercial Code)	N/A	N/A
Benefits in kind	N/A	N/A
TOTAL	120,000	120,000

(1) Compensation due to the executive corporate officer during the financial year and of which the amount is not likely to change regardless of the payment date.

(2) Gross base before tax.

Description of the application of the compensation policy for Mr Philippe Donche-Gay for the exercise of his office as Chairperson of the Board of Directors for the 2022 financial year, as approved by the General Meeting of 23 June 2022

We remind you that the compensation policy for Mr Philippe Donche-Gay for his office as Chairperson of the Board of Directors was reviewed and discussed by the Board of Directors at its meeting of 19 April 2022, after consulting the Appointments and Compensation Committee; it was then approved by the General Meeting of 23 June 2022, under the eighth resolution.

As a result of the application of this policy, the compensation items paid or awarded to Mr Philippe Donche-Gay for his office as Chairperson of the Board of Directors of SCLI, exercised in respect of the 2022 financial year, are as follows:

Annual fixed compensation

The annual fixed compensation for Mr Philippe Donche-Gay for 2022 was determined by taking into account the level and difficulty of the responsibilities entrusted, the practices observed in groups or companies of comparable size and market practices, and it is the same as that set for the 2021 financial year.

This annual fixed compensation amounts to €120,000 gross per year.

Annual variable compensation

At its meetings of 19 April and 8 July 2022, the Board confirmed that it would not award variable compensation to Mr Philippe Donche-Gay in his capacity as Chairperson of the Board of Directors.

Compensation referred to in Article L. 225-45 of the French Commercial Code (formerly referred to as “directors’ fees”)

It is specified that the Chairperson of the Board does not receive any benefits in respect of his office and does not receive the compensation referred to in Article L. 225-45 of the French Commercial Code (formerly referred to as “directors’ fees”) allocated to the members of the Board of Directors.

Draft resolution on the principle of Say on pay – Ex post vote (Article L. 22-10-34 II of the French Commercial Code):

As a result of the foregoing and in application of Article L. 22-10-34 II of the French Commercial Code, in view of the adoption by the General Meeting of 23 June 2022 of the 8th resolution relating to the compensation policy for Mr Philippe Donche-Gay for the 2022 financial year, the shareholders, at the next Annual General Meeting, will be asked to approve, by means of an ex post vote, the items of the total compensation and benefits of any kind paid or allocated to Mr Philippe Donche-Gay, in respect of his office as Chairperson of the Board of Directors for the 2022 financial year, as presented above.

Draft text of the resolution: Approval of the components of the total compensation and benefits of all kinds paid or allocated in respect of the past financial year to Mr Philippe Donche-Gay, Chairperson of the Board of Directors for the financial year 2022.

The General Meeting, pursuant to Article L. 22-10-34 II of the French Commercial Code, ruling in its ordinary form, approves the components of the total compensation and benefits of any kind paid or awarded in respect of the financial year ended in respect of Mr Philippe Donche-Gay's office as Chairperson of the Board of Directors for 2021, as presented in section 2.1.2 "Compensation and benefits in kind and the Say on Pay vote" of this report.

Compensation items paid or awarded to Mr Philippe Donche-Gay in respect of his office as CEO for the financial year 2022, which will be submitted to the vote of the General Meeting of 28 June 2023.

Information relating to the general principles and criteria used to determine the compensation items paid or awarded to Mr Philippe Donche-Gay in respect of his office as Chief Executive Officer for the 2022 financial year

The compensation policy for the Chief Executive Officer (combining the roles of Chairperson and CEO) was reviewed and discussed by the Board of Directors at its meeting of 19 April 2022, after consulting the Appointments and Compensation Committee; it was then approved by the General Meeting of 23 June 2022, under the 8th resolution. However, at its meeting of 8 July 2022, the Board of Directors decided to set and approve new compensation terms for Mr Philippe Donche-Gay in respect of his office as Chief Executive Officer.

As a result of the application of this policy, the compensation items paid or awarded to Mr Philippe Donche-Gay for his office as Chief Executive Officer of SQLI, in addition to his duties as Chairperson of the Board, exercised in respect of 2022, are as follows:

Annual fixed compensation

Following the review of the structure of the Chief Executive Officer's compensation by the Board of Directors on 19 April 2022, the latter's fixed compensation is

- for the period from 1 January 2022 to 10 July 2022, calculated on the basis of gross annual compensation of €250,000;
- for the period from 11 July 2022 to 31 December 2022, calculated on the basis of a gross annual compensation of €185,000 (following the appointment of Mr Philippe Donche-Gay as Chief Executive Officer of Synsion Bidco, the Company's parent company).

The fixed compensation of Mr Philippe Donche-Gay amounted to €218,789 gross.

Annual variable compensation

The maximum amount of the Chief Executive Officer's annual variable compensation for the 2022 financial year is €3,500,000 gross, which corresponds to the achievement of 100% of the objectives set based on the various criteria approved by the Board of Directors, after recommendation by the Appointments and Compensation Committee, on the basis of quantitative and qualitative criteria (it being specified that the precise details and the weighting of these criteria are communicated to the Chief Executive Officer but are not made public for reasons of confidentiality).

These criteria are distributed as follows:

- for 60%: achievement of the 2022 budget (revenue and recurring income);
- for 40%: achievement of specific qualitative objectives.

In accordance with these principles, Mr Philippe Donche-Gay received the following amounts:

	Financial year 2022	
	Amounts due ⁽¹⁾	Amounts paid ⁽²⁾
Fixed compensation ⁽²⁾	218,789	218,789 ⁽³⁾
Annual variable compensation	391,004	300,000
Exceptional compensation	N/A	N/A

Directors' fees/compensation (Art. L. 225-45 of the French Commercial Code)	N/A	N/A
Benefits in kind	1,786	1,786
TOTAL	611,578	520,575

(1) Compensation due to the executive corporate officer during the financial year and of which the amount is not likely to change regardless of the payment date.

(2) Gross base before tax.

(3) This amount corresponds Mr Philippe Donche-Gay's annual fixed compensation in respect of his term of office as Chief Executive Officer for the 2022 financial year, taking into account the signature of the amendment to his term of office on 11 July 2022, i.e. the sum of €218,789.

As indicated above, the Board of Directors decided, at its meeting of 9 March 2023, on the recommendation of the Appointments and Compensation Committee, to set, with regard to the aforementioned criteria, at €391,004, the quantum of variable compensation of Mr Philippe Donche-Gay for the 2022 financial year, given the 112% achievement of the objectives.

Draft resolution on the principle of Say on pay – Ex post vote (Article L. 22-10-34 II of the French Commercial Code)

As a result of the foregoing and in application of Article L. 22-10-34 II of the French Commercial Code, the shareholders, meeting at the next Annual General Meeting, will be asked to approve, by way of a so-called ex post vote, the components of the total compensation and benefits of any kind paid or allocated to Mr Philippe Donche-Gay, in respect of his office as Chief Executive Officer for the 2022 financial year, as presented above.

Draft text of the resolution: approval of the components of the total compensation and benefits of all kinds paid or awarded in respect of the past financial year to Mr Philippe Donche-Gay, in respect of his office as Chief Executive Officer.

The General Meeting, pursuant to Article L. 22-10-34 II of the French Commercial Code, ruling in its ordinary form, approves the components of the total compensation and benefits of any kind paid or awarded in respect of the past financial year, in respect of his term of office, to Mr Philippe Donche-Gay, Chief Executive Officer, as presented in section 2.1.2. "Compensation and benefits of any kind and Say on Pay vote" of this report.

TABLE 5. TABLE SHOWING THE COMPENSATION REFERRED TO IN ARTICLE L. 225-45 OF THE FRENCH COMMERCIAL CODE (FORMERLY REFERRED TO AS “DIRECTORS’ FEES”) AND OTHER COMPENSATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS OR SALARIED DIRECTORS IN RESPECT OF THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Non-executive corporate officers	Amounts paid in financial year 2021	Amounts paid in financial year 2022
Ms Reille Soult de Dalmatie <i>Resignation from her directorship on 08/02/2022</i>		
Directors' fees	20,000	5,000
Other compensation	N/A	N/A
Mr de Beublain <i>Resignation from his term of office as Director on 10/02/2022 and from his term as Chairperson on 27/06/2019</i>		
Directors' fees	20,000	5,000
Other compensation	N/A	N/A
Dbay Advisor <i>Appointment by co-optation at the Board meeting of 30/01/2020, ratified by the General Meeting on 25/06/2020</i>		
Directors' fees	20,000	20,000
Other compensation	N/A	N/A
Surible Topco <i>Appointment by co-optation at the Board meeting of 30/01/2020, ratified by the General Meeting on 25/06/2020</i>		
Directors' fees	20,000	30,000 ⁽¹⁾
Other compensation	N/A	N/A
Synsion Bidco SAS <i>Appointment by co-optation at the Board meeting of 28/02/2022, ratified by the General Meeting on 23/06/2022</i>		
Directors' fees	N/A	20,000
Other compensation	N/A	N/A
Synsion Midco SAS <i>Appointment by co-optation at the Board meeting of 28/02/2022, ratified by the General Meeting on 23/06/2022</i>		
Directors' fees	N/A	30,000 ⁽¹⁾
Other compensation	N/A	N/A
SWJH Conseils <i>Appointment GM 23/06/2022</i>		

Directors' fees	N/A	20,000
Other compensation	N/A	N/A
Ms Steinmann <i>Appointment GM 27/06/2019</i>		
Directors' fees	20,000	20,000
Other compensation	N/A	N/A
Brand & Retail <i>Appointment GM 27/06/2019</i>		
Directors' fees	20,000	30,000 ⁽¹⁾
Other compensation	N/A	N/A

(1) Committee Chairperson gives rise to an additional compensation of €10,000.

The amount of compensation referred to in Article L. 225-45 of the French Commercial Code (formerly referred to as “directors’ fees”) is assessed by taking into consideration the attendance of directors at Board meetings.

1. Free shares

The General Meeting of 15 June 2016 authorised the Board of Directors to allocate free existing ordinary shares of the Company, up to a limit of 30,000 shares, to employees and/or corporate officers, or to some of them, the Company and/or entities directly or indirectly related to it within the meaning of Article L. 225-197-2 of the French Commercial Code.

The Board of Directors, making use of this authorisation, made such allocations on 22 February 2017, 18 October 2017 and 27 March 2018.

Similarly, the Combined General Meeting of 25 June 2020 authorised the Board of Directors to allocate, on one or more occasions, free ordinary shares of the Company, existing or to be issued, for the benefit of corporate officers and employees of the Company and companies or groups directly or indirectly related to it, under the conditions of Article L. 225-197-2 of the French Commercial Code and within the limit of 5% of the capital on the day of the allocation decision.

On 29 January 2021, the Board of Directors, making use of this authorisation, delegated the power to the Chairperson and CEO to determine, under the control of the Appointments and Compensation Committee (the “ACC”), within the limits and conditions set by the said Combined General Meeting of 25 June 2020, the criteria and conditions for the allocation of free shares and to establish the payment(s) of the free share plan(s). The Chairperson and CEO, using this delegation, determined the criteria and conditions for the allocation of free shares under the terms of the decisions of 4 March 2021 and approved three free share allocation plans, which were approved and ratified by the Board of Directors pursuant to the decisions of 5 March 2021.

Similarly, the Combined General Meeting of 23 June 2022 authorised the Board of Directors to allocate, on one or more occasions, free ordinary shares of the Company, existing or to be issued, for the benefit of corporate officers and employees of the Company and companies or groups directly or indirectly related to it, under the conditions of Article L. 225-197-2 of the French Commercial Code and within the limit of 10% of the capital on the day of the allocation decision.

The Board of Directors, making use of this authorisation, on 8 July 2022, approved the implementation of a 2022 free share plan, approved the 2022 free share plan and delegated the power to the Chairperson and CEO to determine, under the supervision of the Appointments and Compensation Committee (the “ACC”), within the limits and conditions set by the Combined General Meeting of 23 June 2022 and within the framework of the 2022 free share plan approved by the Board of Directors, the identity of the beneficiaries and the number of 2022 free shares to be awarded to each beneficiary. The Chairperson and CEO, using this delegation, thus and pursuant to the terms of the respective decisions of 12 August 2022, 27 September 2022 and 10 October 2022, determined the said beneficiaries and the number of 2022 free shares to be awarded to each of them, under the conditions mentioned above. The vesting of these 2022 free shares is subject to performance conditions relating to revenue growth and operating profitability.

TABLE 6. SUMMARY OF FREE SHARE ALLOCATION PLANS IN PROGRESS IN 2022

	2017		2018	2021				2022			Total
	1 st allocation	2 nd allocation		1 st allocation	2 nd allocation	3 rd allocation	4 th allocation	1 st allocation	2 nd allocation	3 rd allocation	
Date authorised by the GM	15/06/2016	15/06/2016	15/06/2016	25/06/2020	25/06/2020	25/06/2020	25/06/2020	23/06/2022	23/06/2022	23/06/2022	N/A
Allocation date	22/02/2017	18/10/2017	27/03/2018	08/03/2021	26/05/2021	23/08/2021	12/01/2022	12/08/2022	27/09/2022	10/10/2022	N/A
Total initial number of free shares granted	22,437	2,300	565	15,000	7,000	3,000	13,500	80,000	25,000	73,500	242,302
Total adjusted number of free shares granted ⁽¹⁾	23,010	2,358	579	15,000	7,000	3,000	13,500	80,000	25,000	73,500	242,947
Cancellation of free shares following the departure of beneficiaries at the end of the 2021 financial year	-5,334	-	-	-	-	2,000	-	-	-	-	-7,334
Total adjusted number of free shares <u>definitively</u> allocated on 31/12/2022	-17,676	-2,358	-579	-5,001	-2,334	-1,000	-	-	-	-	-28,948
Cancellation of free shares following the departure of beneficiaries in financial year 2022	-	-	-	-	-	-	-	-	-	-	-
TOTAL ADJUSTED NUMBER OF FREE SHARES NOT YET DEFINITELY ALLOCATED AS OF 31/12/2022	-	-	-	9,999	4,666	-	13,500	80,000	25,000	73,500	206,665

(1) Adjustment of the number of free shares granted, in order to take into account the capital increase by incorporation of sums deducted from the "share premium" item, decided by the Board of Directors on 18 July 2018, subject to authorisation by the Combined General Meeting of 22 June 2018 (the "Capital Increase"). This adjustment is the result of the following calculation: Adjusted number of free shares granted = number of free shares initially granted x (number of SQLI shares post Capital Increase/Number of SQLI shares before Capital Increase, rounded upwards).

The information required on these free share allocations pursuant to Article L. 225-197-4 of the French Commercial Code is provided in the special reports of the Board of Directors to the Annual General Meeting for the years mentioned above, including in the Board of Directors' report at the upcoming General Meeting of 28 June 2023 on the allocation of free shares during the 2022 financial year.

Free shares granted to corporate officers under the aforementioned plans

In February 2017, the Board of Directors, pursuant to the authorisation granted by the Combined General Meeting of 15 June 2016, decided to allocate, free of charge, (i) 1,437 shares to Mr Didier Fauque, then Chief Executive Officer (ii) as well as a total number of 21,000 shares to certain employees.

In March 2018, the Board of Directors, pursuant to the authorisation granted by the Combined General Meeting of 15 June 2016, decided to grant 565 free shares to Mr Didier Fauque, then Chief Executive Officer.

The free shares allocated to Mr Didier Fauque, specified above, were definitively allocated to him on 1 January 2021.

None of the free shares granted by the Board of Directors under the plans set up subsequently were granted to a corporate officer of the Company, and were only granted to certain employees.

2. Stock options

The General Meetings of 15 June 2016 and 28 June 2017 authorised the Board of Directors to grant to the employees and/or corporate officers, or to some of them, of the Company and/or its affiliated entities, within the meaning of Article L. 225-180 of the French Commercial Code, options giving the right to acquire shares at a determined price.

The Board of Directors, making use of these various authorisations, granted stock options on 22 February 2017, 18 October 2017 and 27 March 2018.

The information required on these stock options pursuant to Article L. 225-184 of the French Commercial Code is provided in the special report of the Board of Directors to the Combined General Meeting of 22 June 2018 on the stock options.

TABLE - SUMMARY OF STOCK OPTION PLANS OUTSTANDING IN 2022:

	2017	
	1 st allocation	2 nd allocation
Date authorised by the GM	15/06/2016	28/06/2017
Date of the Board of Directors meeting	22/02/2017	18/10/2017
Total number of stock options granted	28,000	2,000
Expiry date	22/02/2024	18/10/2024
Initial purchase price (in euros)	€32.84	€33.01
Adjusted purchase price ⁽¹⁾ (in euros)	€32.04	€32.20
Total adjusted number of shares to which stock options give entitlement ⁽²⁾	22,042	
Total number of options already exercised at 31/12/2022		

(1) Adjustment of the purchase price, in order to take into account the capital increase by incorporation of sums deducted from the "share premium" item, decided by the Board of Directors on 18 July 2018, subject to the authorisation of the Combined General Meeting of 22 June 2018 (the "Capital Increase"). This adjustment results from the following calculation: $\text{adjusted purchase price} = \text{initial purchase price} \times (\text{number of SQLI shares before Capital Increase} / \text{number of SQLI shares after the Capital Increase})$.

(2) Adjustment of the number of shares to which the options give right so that the total of the purchase prices remain constant, in order to take into account the capital increase by incorporating the amounts drawn on the item "issue premium", decided by the Board of Directors on 18 July 2018, on the authorisation of the Combined General Meeting of 22 June 2018 ("Capital Increase"). This adjustment results from the following calculation: $\text{total adjusted number of shares to which the options give right} = \text{total adjusted number of shares to which the options give right} \times (\text{initial purchase price} / \text{adjusted purchase price, rounded to the higher unit})$.

It should be noted that the purchase options were definitively granted on 1 January 2021, but have not yet been exercised.

Stock options granted to corporate officers under the aforementioned plans

On 22 February 2017, the Board of Directors, pursuant to the authorisation granted by the Combined General Meeting of 15 June 2016, decided to grant (i) 10,000 stock options to Mr Didier Fauque and (ii) a total number of 18,000 stock options to certain employees.

The table below describes the stock options thus granted to Mr Fauque:

Stock options granted during the 2017 financial year to the corporate officer by the issuer								
Name	Plan number and date	Nature	Valuation of options according to the method used ⁽¹⁾	Number of options granted during the 2014 financial year	Strike price	Adjusted number of shares ⁽²⁾ to which the options granted give entitlement	Performance conditions	Exercise period
Didier Fauque	2017 plan 22/02/2017	Purchase options	€91,600	10,000	Initial: €32.84	10,250	Without	23/02/2019 22/02/2024

					After adjustment ⁽³⁾ : €32.04			
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(1) Appendix 2 of the aforementioned AMF Position-Recommendation No. 2014-14 specifies that this box must be completed by the "value of the shares at the time of their allocation as used in the context of the application of IFRS 2, in particular after taking into account a potential discount linked to performance criteria and the probability of continued employment in the Company at the end of the vesting period, but before the deferral of the expense under IFRS 2 over the acquisition period".

(2) Adjustment of the number of shares to which the options give right so that the total of the purchase prices remain constant, in order to take into account the capital increase by incorporating the amounts drawn on the item "issue premium", decided by the Board of Directors on 18 July 2018, on the authorisation of the Combined General Meeting of 22 June 2018 ("Capital Increase"). This adjustment results from the following calculation: total adjusted number of shares to which the options give right = total adjusted number of shares to which the options give right x (initial purchase price/adjusted purchase price, rounded to the higher unit).

(3) Adjustment of the purchase price, in order to take into account the capital increase by incorporation of sums deducted from the "share premium" item, decided by the Board of Directors on 18 July 2018, subject to the authorisation of the Combined General Meeting of 22 June 2018 (the "Capital Increase"). This adjustment results from the following calculation: adjusted purchase price = initial purchase price x (number of SQLI shares before Capital Increase/number of SQLI shares after the Capital Increase).

The Board of Directors meeting of 22 February 2017 did not make the exercise by Mr Didier Fauque of all or part of the stock options subject to a performance condition, notwithstanding the provisions of the Middenext Code for the following reasons:

The Board of Directors, at its meeting of 22 September 2020, which pronounced the dismissal of Mr Didier Fauque from the office of Chief Executive Officer, took the decision to lift the presence condition for the exercise of the stock option plans and free share plans in force, of which Mr Didier Fauque was the beneficiary to date. No options have been exercised to date.

2.1.2.3 Equity ratios and comparative evolution of compensation

In accordance with Article L. 22-10-9 I, paragraph 6, the ratios between the level of compensation of the Chief Executive Officer and the average and median compensation of SQLI SA employees (France scope) as well as their annual evolution of compensation are provided below:

TABLE 7. EQUITY RATIOS

Chief Executive Officer (Philippe Donche-Gay - start of term of office 22/09/2020)	2020	2021 ⁽¹⁾	2022 ⁽¹⁾
Compensation ratio compared to the average of the Company's employees	15.5	15.0	14.4
Change N/N-1 (in %)	N/A	-3.2%	-4.1%
Compensation ratio compared to the median of the Company's employees	19.6	16.6	16.8
Change N/N-1 (in %)	N/A	-15.4%	1.4%
Compensation ratio compared to the minimum wage	38.98	37.75	36.22
Change N/N-1 (in %)	N/A	-3.1%	-4.0%

(1) Ratios calculated for a full year (pro forma).

TABLE 8. COMPARATIVE EVOLUTION OF THE COMPANY'S COMPENSATION AND PERFORMANCE

In accordance with Article L. 22-10-9 I, paragraph 7, the annual percentage changes in the Company's performance, the average compensation of employees and the compensation of executives are provided below.

	2020/2019	2021/2020 ⁽¹⁾	2022/2021 ⁽¹⁾
Chief Executive Officer (Philippe Donche-Gay - start of term of office 22/09/2020)	N/A	0%	1.4%
Average of the Company's employees	-4.9%	3.3%	5.7%
Revenue	-10.5%	5.4%	9.1%

Current margin	-45%	+ 83%	+ 64%
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(1) Ratios calculated for a full year (pro forma).

2.1.3 Other information required in the corporate governance report

2.1.3.1 Information on capital

1. Capital structure

We remind you that Article 26 of the SQLI Articles of Association grants double voting rights:

"to all fully paid-up shares that have been registered in the name of the same shareholder for at least three (3) years;

to the registered shares allocated to a shareholder, in the event of a capital increase by incorporation of reserves, profits or issue premium, due to old shares for which they benefit from this right".

2. Summary table of delegations valid at 31 December 2022 in the area of capital increases (Article L. 225-37-4, paragraph 3 of the French Commercial Code)

TABLE 9. SUMMARY TABLE OF DELEGATIONS VALID AT 31/12/2022

Date GM	Resolution no.	Delegation of authority granted to the Board of Directors to...	Validity period	Maximum nominal amount	Used 2022
23 June 2022	16	Reduce capital by cancelling shares	18 months	10% of the Company's capital per 24-month period	No
	17	Decide on the issue of ordinary shares and securities, with preferential subscription rights for shareholders	26 months	€2,000,000	No
	18	Decide on the issue of ordinary shares and securities giving access to the share capital, in the event of excess requests	26 months	€2,000,000	No
	19	Decide to grant stock options	38 months	10% of capital	No
	20	Decide to grant stock options	38 months	10% of capital	No
	21	Decide to proceed with the allocation of free shares, existing or to be issued, with in the latter case, cancellation of the preferential subscription right	38 months	10% of capital	Yes
	22	Carry out a capital increase under the conditions provided for in Articles L. 3332-18 <i>et seq.</i> of the French Labour Code (PEE)	26 months	3% of capital	No

2.1.3.2 Elements likely to have an impact in the event of a takeover bid

There are no statutory restrictions on the exercise of voting rights and share transfers or clauses of the agreements referred to in Article L. 233-11 of the French Commercial Code that have been brought to the attention of the Company.

The direct or indirect shareholdings in the capital of SQLI of which the latter is aware appear in paragraph c/ of Title III of the Management Report.

There are no securities that provide special control rights.

There are no control mechanisms in the employee shareholding system, when the rights of control are not exercised by the latter.

There is no agreement between shareholders of which SQLI is aware that could result in restrictions on the transfer of shares or the exercise of voting rights.

The rules applicable to the appointment and replacement of members of the Board of Directors are those provided for by law.

In terms of amendment of the Articles of Association, Article 28 of the Articles of Association of SQLI provides that "The Extraordinary General Meeting may amend the Articles of Association in all their provisions and notably decide on the transformation of the Company into a company in another form, civil or commercial. However, it may not increase shareholders' commitments, subject to transactions resulting from a duly carried out reverse stock split.

The Extraordinary General Meeting may validly deliberate only if the shareholders present or represented, or voting by post, hold at least one-quarter of the shares with voting rights on the first notice and, on the second notice, one-fifth of the shares with voting rights. In the absence of this last quorum, the second General Meeting may be extended to a date no later than two months after the date on which it was convened.

The Extraordinary General Meeting rules by a two-thirds majority of the votes held by shareholders present or represented, or voting by post, unless otherwise permitted by law."

The Board of Directors has been authorised by the General Meeting to carry out certain share issues or buybacks.

This report includes a summary table of the current delegations granted by the General Meeting to the Board of Directors in the area of capital increases, showing the use made of these delegations during the financial year ended 31 December 2022.

The General Meeting did not restrict the Board's ability to implement the delegation during a takeover bid.

There are no agreements concluded by SQLI that would be modified or would cease in the event of a change in control, it being specified that in the event that any third party person outside of the Group (besides manager shareholders), acting alone or in concert, comes to hold more than 30% of the capital or more than 30% of the voting rights in SQLI, SQLI would be obliged to repay the outstanding borrowings approved under the loan agreement dated 16 March 2017 specified in the Management Report.

There is no agreement providing for compensation for members of the Board of Directors, should they resign as a result of a takeover or exchange offer.

2.1.3.3 Shareholder participation in the General Meeting

SQLI Articles of Association ⁽¹⁾ do not provide for any specific terms and conditions for participation in General Meetings. General Meetings are held under the conditions provided for by law and the Regulations, at the Company's registered office or at any other place indicated in the notice of meeting.

Any shareholder may participate in General Meetings, in person or by proxy, under the conditions set by law.

Thus, a shareholder may be represented by his or her spouse, his or her civil partner, another shareholder, and any natural or legal person of his or her choice who can hold a mandate under the conditions provided for by law and the Regulations.

Any shareholder may vote by post using a form, which they may obtain under the conditions indicated in the General Meeting notice.

In order to facilitate the participation of shareholders in General Meetings, and in accordance with the recommendations of the French Financial Markets Authority (AMF - *Autorité des Marchés Financiers*), the Law and the Regulations, the Company publishes all Meeting documentation on a dedicated website for at least 21 days before the Meeting.

Combined, Ordinary and Extraordinary General Meetings are generally held in June of each year. Attendance at these meetings for the last three years was as follows:

1. Combined General Meeting of 25 June 2020: the shareholders present, represented or having voted by post represented 59.793% of the shares with voting rights and 56.887% of the total number of votes;
2. Combined General Meeting of 24 June 2021: the shareholders present, represented or having voted by post represented 68.126% of the shares with voting rights and 64.640% of the total number of votes;
3. Combined General Meeting of 23 June 2022: the shareholders present, represented or having voted by post represented 88.632% of the shares with voting rights and 85.739% of the total number of votes.

2.1.3.4 Agreement(s) entered into by a director or significant shareholder of the parent company with a subsidiary

In accordance with Article L. 225-37-4, paragraph 2 of the French Commercial Code, we hereby inform you that the Board of Directors of the Company authorised, at its meeting of 19 April 2022 and pursuant to Articles L. 225-38 *et seq.* of the French Commercial Code, the signing of an agreement called the Master Service Agreement between the Company and Synsion Bidco SAS (the "Agreement"), allowing the Company to benefit from the services and expertise of Synsion Bidco SAS in certain specific areas.

The Agreement was entered into on 19 April 2022 and approved by the Combined General Meeting of 23 June 2022.

The persons or entities with a direct or indirect interest in the conclusion of the Agreement are Synsion Bidco SAS, a shareholder holding more than 10% of the voting rights of the Company and a party to the Agreement.

The main terms and conditions of the Agreement are as follows:

- the Agreement details the various services provided by Synsion Bidco SAS to the Company, namely:
 - assistance in the implementation of external growth projects and in particular:
 - identifying potential targets and networking,
 - project management,
 - structuring and negotiation of transactions,
 - analysis and help with improving:
 - internal reporting systems and procedures,
 - sales procedures and techniques and business strategy,
 - team structure and organisation,
 - internal tax structuring;
- the Agreement is concluded until 31 December 2022 and can be automatically renewed for a period of one calendar year;
- the agreement may be terminated:
 - at any time and without any particular reason, subject to giving three months' notice,
 - in the event of a breach by a party of its contractual obligations which is not remedied within 30 days,
 - in the event of a change of control of one of the parties.
- The reasons justifying the benefits of this Agreement are as follows:
- the Agreement allows DBAY Advisors to benefit from its expertise in important areas that can generate growth and/or productivity gains for the Company;
- the conclusion of the Agreement is in this respect in line with the Group's strategy as well as the intentions of DBAY Advisors as described in the prospectus relating to its public offer;
- the proposed price corresponds to the market price for this type of consulting service;
- the maximum amount of services is reasonable in view of the Group's financial capacities;
- the Agreement is of limited duration and preserves the right of the parties to terminate it at any time without penalty. In this context, the Board of Directors approved the signing of the Agreement.