

2020 ANNUAL FINANCIAL REPORT

SE (European Company) with a capital
of €121.810.000
11, avenue du Colonel Bonnet
75016 PARIS
www.synergie.com
of €121.810.000

CONTENTS

3 MANAGEMENT REPORT

60 CONSOLIDATED FINANCIAL STATEMENTS

106 CORPORATE FINANCIAL STATEMENTS

**130 DECLARATION FROM THE PERSON
IN CHARGE OF THE ANNUAL
FINANCIAL STATEMENT**

MANAGEMENT REPORT

| | |
|--|----|
| SYNERGIE Group's activity and significant events in 2020 | 4 |
| Consolidated and corporate financial statements | 5 |
| Events after the reporting period and outlook | 16 |
| Risk management | 16 |
| Internal control | 20 |
| Report by the independent third party on the consolidated declaration of extra-financial | 25 |
| Life of SYNERGIE stock | 56 |
| Other information and legal reminders | 60 |

MANAGEMENT REPORT

1. SYNERGIE GROUP'S ACTIVITY AND KEY EVENTS IN 2020

1.1 The SYNERGIE Group

SYNERGIE: A benchmark European player in Human Resources Management

Created more than 50 years ago, the SYNERGIE Group today is a major player and a benchmark in Human Resources Management. It is the fifth-largest player in its profession in Europe. International activity now accounts for 55% of consolidated turnover.

With operations in 17 countries through a network of 750 agencies, the Group is a player in specialised industrial sectors such as the naval industry and renewable energies as well as in transport and logistics, construction and public works, healthcare, agri-food, tertiary sectors, IT services and communication.

Activity during the 2020 financial year breaks down as follows:

Industry: 47%
Services: 26%
Transport and logistics: 17%
Construction and public works: 10%

SYNERGIE is therefore one of the leading specialists in temporary employment, recruitment, out-placement, social engineering, consultancy and training. Each of these businesses demands responsiveness, adaptation and stringency in order to meet the requirements of its clients, whether private companies or public institutions, whom it serves as a genuine, trusted partner.

With 4,200 permanent employees, we intervene on a day-to-day basis to place nearly 60,000 full-time equivalent (FTE) staff in France and outside France (2020 data).

1.2 Key events in 2020

The 2020 financial year was marked by a global pandemic that impacted to varying levels the organisation and operations of SYNERGIE in France and in all countries in which the Group operates.

In this context, thanks to the dedication of its teams, SYNERGIE confirmed the resilience of its activities and operating margins and succeeded in consolidating its trend of profitable growth.

In order to deal with the Covid-19 health crisis, the Group prioritised the following:

- The safety of its permanent and temporary personnel by:
 - implementing health measures and distributing protective equipment;
 - action plans to raise awareness among its managers, temporary workers and clients;
 - remote working for support services in particular as well as other suitable professions.
- Maintaining activity at all of its locations in order to meet the need for labour in areas that are considered essential.

The strategic choices made by SYNERGIE and the investments made over the last number of years (digital transformation, recruitment of expert consultants and training of permanent and temporary personnel) helped it to withstand the crisis:

- Activity was maintained at a high level thanks to the Group's multi-sector positioning and diverse clients;
- SYNERGIE accelerated its diversification strategy by filling out its portfolio of new clients, particularly in its core segment of SMEs/SMIs, which showed particularly good resilience in 2020 and account for 56% of the Group's turnover. Moreover, partnerships were entered into with major clients operating throughout Europe. This deliberate strategy to achieve a balance between key accounts and SMEs/SMIs ensures the company remains strong in the face of economic changes;
- As one of SYNERGIE's key values, proximity is a factor that enables the Group to stand out, particularly during periods of crisis: through its 750 branches, Open Centers and recruitment firms operating via regional networks and serving as employment pools, the teams were able to participate in many job forums and maintain connection with client companies and temporary personnel;
- The management of temporary personnel was also optimised through employees working directly within client premises and teams, helping to make further progress towards the complete outsourcing of HR management;
- SYNERGIE succeeded in maintaining its activity with companies and temporary personnel and in strengthening its responsiveness by implementing collaborative tools and dematerialising certain stages of the process for temporary personnel and clients.

2. CONSOLIDATED FINANCIAL STATEMENTS AND CORPORATE FINANCIAL STATEMENTS

The consolidated and corporate financial statements at 31 December 2020 were approved by the Executive Board on 29 March 2021.

Pursuant to EU Regulation 1606/2002 of 19 July 2002, companies listed on any regulated market in a Member State must present their consolidated financial statements using the IFRS (International Financial Reporting Standards) guidelines as adopted by the European Union.

2.1 Group consolidated financial statements

The scope of the consolidated entities is shown in Note 3 to the financial statements.

There were no changes in the consolidation scope during the year.

The Spanish digital services group TIGLOO acquired by DCS EASYWARE was consolidated from November 2019. The impact of this acquisition over the period from January to October 2020 was €15,075 thousand in terms of Group turnover and €1,304 thousand in terms of current operating profit.

2.1.1 Income statement

Key figures (consolidated data)

| In € thousand | 2020 | 2019 |
|--|----------------|----------------|
| Turnover | 2,190.3 | 2,642.3 |
| Ebitda ⁽¹⁾ | 112.7 | 138.5 |
| Current operating profit ⁽²⁾ | 89.5 | 121.7 |
| Amortisation and impairment of intangibles | (11.9) | (6.9) |
| Operating profit | 77.6 | 114.0 |
| Cost of net financial debt | (2.3) | (1.9) |
| Other financial income and expenses | (0.9) | 0.5 |
| Net profit before tax | 74.4 | 112.6 |
| Tax expense | (33.2) | (49.3) |
| Consolidated net profit | 41.3 | 63.4 |
| of which Group share | 38.3 | 60.1 |

(1) profit before interest, tax, depreciation and amortisation

(2) current operating profit before amortisation and impairment of intangible assets linked to acquisitions

The leverage effect on activity during the second half of the year, which showed an increase of 19% versus the previous year, enabled the Group to generate full-year net profit that was quadruple the size recorded in the first half of the year.

| In € million | H1 2020 | H2 2020 | 2020 |
|--|----------------|----------------|----------------|
| Turnover | 1,000.6 | 1,189.7 | 2,190.3 |
| Ebitda | 39.9 | 72.8 | 112.7 |
| Current operating profit | 30.0 | 59.5 | 89.5 |
| Amortisation and impairment of intangibles | (5.4) | (6.5) | (11.9) |
| Operating profit | 24.5 | 53.1 | 77.6 |
| Cost of net financial debt | (1.0) | (1.3) | (2.3) |
| Other financial income and expenses | (0.9) | 0.0 | (0.9) |
| Net profit before tax | 22.6 | 51.8 | 74.4 |
| Tax expense | (12.6) | (20.5) | (33.2) |
| Consolidated net profit | 10.0 | 31.3 | 41.3 |
| of which Group share | 8.9 | 29.4 | 38.3 |

2.1.1.1 Activity and current operating profit

Group turnover

| In € million | Turnover | | | |
|------------------------------------|----------------|----------------|----------------|----------------|
| | H1 2020 | H2 2020 | 2020 | 2019 |
| France | 454.0 | 530.5 | 984.5 | 1,280.7 |
| Italy | 191.7 | 240.0 | 431.7 | 450,7 |
| Spain | 77.1 | 95.1 | 172.2 | 191,8 |
| Portugal | 14.4 | 16.5 | 31.0 | 34,5 |
| Southern Europe | 283.2 | 351.7 | 634.9 | 677,0 |
| Belgium, Luxembourg | 106.9 | 132.5 | 239.4 | 286,8 |
| Netherlands | 15.6 | 18.5 | 34.1 | 38,7 |
| Germany | 20.3 | 24.0 | 44.3 | 54,3 |
| Austria | 28.3 | 33.8 | 62.0 | 81,9 |
| United Kingdom | 52.2 | 55.0 | 107.2 | 120,8 |
| Switzerland | 7.9 | 9.9 | 17.8 | 21,6 |
| Eastern Europe | 2.3 | 3.2 | 5.6 | 5,4 |
| Northern and Eastern Europe | 233.6 | 276.8 | 510.5 | 609,5 |
| Canada / Australia | 29.8 | 30.7 | 60.5 | 75,2 |
| Total International | 546.6 | 659.2 | 1,205.8 | 1,361.6 |
| Total | 1,000.6 | 1,189.7 | 2,190.3 | 2,642.3 |

SYNERGIE made consolidated turnover of €2,190.3 million over the full year (-17.1% on a like-for-like basis), significantly outperforming the target of €2 billion estimated in June 2020.

After suffering a significant impact from the Covid-19 pandemic at the start of the year, the recovery that began in mid-May accelerated sharply during the second half, leading to turnover of €1,189.7 million, a decrease of only 11.7% in relation to 2019.

SYNERGIE achieved this performance thanks to the international expansion strategy in place for several years in the 17 countries in which the Group currently operates, and its diversification in areas such as the environment, renewable energies, agri-food, the medical sector and new technologies.

Placement, other human resources activities (e.g. training, outsourcing, etc.) and digital services contributed 4.3% of total turnover, with a higher margin potential than our traditional activities.

In digital services, in which the Group has been present since June 2018 through its subsidiary DCS EASYWARE, turnover reached €62.7 million compared with €46.9 million in 2019, demonstrating the success of its diversification strategy, with like-for-like growth in France and the impact of the integration of the Spanish group TIGLOO acquired in November 2019 (€17.2 million in 2020).

Consolidated results by region

EBITDA

| In € million | EBITDA | | | |
|------------------------------------|-------------|-------------|--------------|--------------|
| | H1 2020 | H2 2020 | 2020 | 2019 |
| France | 19.0 | 35.7 | 54.6 | 78.3 |
| Italy | 9.4 | 13.6 | 23.0 | 24.0 |
| Spain | 1.0 | 3.0 | 4.0 | 3.5 |
| Portugal | 0.0 | 0.5 | 0.5 | 0.4 |
| Southern Europe | 10.4 | 17.1 | 27.5 | 27.9 |
| Belgium, Luxembourg | 5.8 | 8.5 | 14.3 | 20.8 |
| Netherlands | 0.4 | 1.4 | 1.8 | 1.9 |
| Germany | 0.0 | 1.9 | 1.9 | 1.8 |
| Austria | 0.6 | 2.3 | 2.9 | 4.8 |
| United Kingdom | 1.0 | 1.8 | 2.8 | 2.0 |
| Switzerland | (0.3) | 0.3 | 0.0 | (0.2) |
| Eastern Europe | 0.0 | 0.2 | 0.2 | (0.2) |
| Northern and Eastern Europe | 7.5 | 16.3 | 23.8 | 30.9 |
| Canada / Australia | 3.0 | 3.7 | 6.7 | 1.4 |
| Total International | 20.9 | 37.1 | 58.1 | 60.2 |
| Total | 39.9 | 72.8 | 112.7 | 138.5 |

SYNERGIE reported consolidated EBITDA of €112.7 million compared with €138.5 million in 2019, the difference illustrating the Group's considerable resilience in an unprecedented situation.

Country-specific action plans were set up, including the implementation of government measures aimed at preserving employment and supporting companies, most of which continued throughout the second half of the year. The main measures can be summarised as follows:

- Direct grants mainly provided to help maintain jobs and based on several criteria, including a decrease in turnover;
- The assumption of charges relating to part-time work of structural employees, thus reducing fixed costs;
- Compensation of the wages of temporary personnel (including temporary employees on open-ended employment contracts) for contracts in place when the relationship with the client was interrupted due to the health crisis, to neutralise the impact on the gross margin of non-billable wages.

The Group was therefore able to preserve its teams and ensure continuity of service for clients in their ongoing business.

In France and abroad, the implementation of cost cutting measures helped to underpin the results:

- Stoppage of investment;
- Limited use of external service providers;
- A sharp cut in travel expenses due to employees working from home and the use of effective IT and telecommunication tools;
- Renegotiation of rental payments (premises, vehicles, etc.).

Thanks to these measures, all of the group's geographical entities generated positive EBITDA in 2020.

The digital services company DCS contributed substantially to the consolidated results with an EBITDA/turnover ratio of 10.4%.

The impairment of non-performing receivables was contained at 0.17% of turnover, while the Group's client credit remained at 66 days.

Current operating profit before amortisation and impairment of intangible assets (EBITA)

| In € million | Current operating profit | | | |
|------------------------------------|--------------------------|-------------|-------------|--------------|
| | H1 2020 | H2 2020 | 2020 | 2019 |
| France | 13.8 | 29.1 | 42.9 | 70.3 |
| Italy | 8.1 | 12.0 | 20.2 | 21.6 |
| Spain | 0.6 | 2.2 | 2.8 | 2.8 |
| Portugal | 0.0 | 0.3 | 0.3 | 0.4 |
| Southern Europe | 8.7 | 14.6 | 23.3 | 24.8 |
| Belgium, Luxembourg | 4.7 | 6.6 | 11.3 | 18.9 |
| Netherlands | 0.3 | 1.1 | 1.4 | 1.7 |
| Germany | (0.3) | 1.4 | 1.0 | 1.0 |
| Austria | 0.4 | 1.9 | 2.3 | 4.5 |
| United Kingdom | 0.6 | 1.4 | 2.0 | 1.2 |
| Switzerland | (0.4) | 0.1 | (0.3) | (0.5) |
| Eastern Europe | (0.1) | 0.1 | 0.0 | (0.4) |
| Northern and Eastern Europe | 5.2 | 12.5 | 17.7 | 26.5 |
| Canada / Australia | 2.4 | 3.2 | 5.6 | 0.1 |
| Total International | 16.3 | 30.3 | 46.6 | 51.4 |
| Total | 30.1 | 59.4 | 89.5 | 121.7 |

France

SYNERGIE made turnover of €984.5 million compared with €1,280.7 million in 2019 (-23.7%) in the context of a sharp fall in activity within the sector according to Prism'Emploi; the lockdown measures implemented to deal with the health crisis led to a 75% cut in the availability of temporary jobs during the second half of March.

SYNERGIE was particularly severely impacted in the aeronautical sector, in which it is a major player, in the automotive manufacturing sector, and to a lesser degree in building and public works.

Thanks to the gradual pick-up in activity and the Group's diversified approach, combined with its own management measures, EBITA came out at €42.9 million.

Outside France

The international activity made turnover of €1,205.8 million compared with €1,361.6 million in 2019 (-11.4%), bringing its contribution to 55% of consolidated turnover, with mixed changes depending on the geographical area.

a) Southern Europe

Italy

Growth in activity and operating profit in southern Europe was impacted by the substantial contribution from Italy, which made turnover of €431.7 million (19.7% of consolidated turnover).

The high cutting costs and diversifying activities (healthcare +68%, services +5%, agri-food +27%, logistics and transport +89%, retail +13%) helped to bring EBITDA to €23 million (5.3% of turnover), close to the level generated in 2019.

This was supported by the fact that the network has grown significantly in density since 2017 (around a dozen agencies created per year) enabling the Group to operate nationwide.

Spain

The local temporary employment and HR management subsidiary posted turnover of €153.8 million, which was significantly impacted by the local lockdown measures and the reduction in the weighting of certain large accounts.

From September, there was a clear improvement in activity, with slight growth in the fourth quarter compared with 2019, enabling the subsidiary to generate a profit.

Portugal

The Portuguese entities mirrored the trend at the Spanish entities, but with a more moderate fall in full-year turnover (-10.2%) and a sharp recovery in the fourth quarter; current operating profit was close to the level seen in 2019.

b) Northern and Eastern Europe

Benelux

The Benelux countries made turnover of €273.5 million compared with €325.5 million in 2019, with current operating profit of €12.7 million.

Belgium contributed significantly to this growth thanks to its in-house activity (implants), which accounted for nearly 30% of clients and helped in retaining clients.

The current operating profit of the Belgian network remained at a high level of €11.4 million, representing 4.8% of turnover.

The Dutch subsidiaries showed a decrease in their turnover and operating profit compared with 2019 (-11.9%), with current operating profit (€1.4 million) impacted in particular by sourcing logistics in Eastern Europe and continued high fixed costs due to the health measures (hosting, transport, etc.)

United Kingdom

The moderate fall in turnover to €107.2 million (-9.8% like-for-like) combined with strong restructuring measures from April helped to generate current operating profit of €2.0 million.

The potential impact of Brexit on sourcing (employees returning to their native country) was limited as the subsidiary had greater use of local labour.

Germany

SYNERGIE PERSONAL DEUTSCHLAND generated turnover of €44.3 million, a decrease of 18% in relation to 2019, with current operating profit remaining at €1 million.

The restructuring undertaken in 2019 and continued in 2020 (grouping of agencies, reduction of headcount) helped it to reach this target at a time when temporary employment in Germany is suffering from the gradual effects of the legislative measures introduced in 2018 (equal pay), the automotive crisis and the Covid-19 pandemic.

Austria

VÖLKER made turnover of €62.0 million in 2020, a decrease on the previous year (-24.3%), with a strong impact on operating profit; this should be seen in light of the difficult comparison base due to high profit in the previous year.

Switzerland

SYNERGIE's local subsidiaries generated turnover of €17.8 million versus €21.6 million in 2019; the difference is mainly related to the building and construction subsidiary.

This led to an operating loss of €0.3 million, which is nevertheless lower than that seen in 2019 thanks to the implementation of strict measures to reduce costs.

Eastern Europe

The Czech and Slovakian subsidiaries made overall turnover of €5.6 million in 2020, higher than in 2019 thanks to lower personnel turnover, enabling them to maintain operating profit at breakeven.

c) Markets outside Europe

Canada

The Canadian activity benefited from particularly favourable governmental measures because of the fall in activity (-32.5% like-for-like); the effect of these was enhanced by the significant fall in the subsidiary's headcount over two years, enabling it to generate an operating profit of €3.7 million.

Australia

With the health situation in Australia having had a relatively lower impact than in Europe, it was possible in 2020 to finalise the integration of ENTIRE, reduce costs and generate a sharp increase in operating profit to €1.9 million versus €0.1 million in 2019.

2.1.1.2 Other consolidated income statement items

Operating profit

Amortisation and impairment of intangible assets explain the transition from current operating profit to operating profit in 2020.

They came to €11.9 million, of which impairment of €4 million (versus €1 million in 2019) and €1.7 million in non-current amortisation.

Financial income and expenses

The net cost of financial debt came to €2.3 million versus €1.9 million in 2019.

Excluding interest on leasing liabilities, it came to €1.4 million versus €1.3 million in 2019. The currency exchange rate had a negative effect of €0.9 million.

Profit before tax

All of this gave rise to earnings before tax of €74.4 million (versus €112.6 million in 2019).

Net profit

Taking into account the sharp decrease in corporate income tax on the one hand, and the CVAE, French value-added contribution for businesses (€13.1 million related to the French subsidiaries), on the other hand, consolidated net profit came out at €41.3 million (of which Group share €38.3 million) versus €63.4 million in 2019 (of which Group share €60.1 million).

2.1.2 Financial position

SYNERGIE's consolidated statement of financial position reads as follows:

In assets

- Total goodwill and other intangible assets (client base, brand, etc.) of €147 million, with the change in relation to 2019 mainly related to recognised amortisation and impairment;
- Property, plant and equipment in support of the Group's activity for €65.2 million;
- Rights-of-use of €68.7 million, with the increase reflecting the impact of remeasurement in 2020 linked to the application of IFRS 16 (Note 1.4.7);
- Non-current financial assets of €43.2 million, incorporating the 2018 CICE receivable of €40.3 million with a maturity beyond one year;
- A sharp fall in trade receivables (€508 million) linked to activity in the fourth quarter;
- An increase in other receivables to €99.1 million, incorporating the 2017 CICE receivable of €47 million which is payable in 2021;
- A high cash position of €256.8 million, which increased sharply.

In liabilities

- Shareholders' equity strengthen to €583.5 million (of which Group share of €564.3 million);
- An increase in non-current liabilities mainly due to lease rights recognised in relation to the rights-of-use recorded under assets over the medium to long term (€57.9 million);
- A decrease in current liabilities, in particular operating liabilities in parallel with the change in trade receivables.

2.1.3 Financing of the Group

| In € thousand | 2020 | 2019 |
|--|--------------|--------------|
| Consolidated shareholders' equity | 583.5 | 544.7 |
| Net cash position | 227.7 | 127.0 |
| Financial debt excluding IFRS 16 | 182.3 | 78.1 |
| Leasing liabilities | (69.3) | (40.2) |
| Cash position net or any debt | 113.0 | 37.9 |
| Cash position including CICE | 200.3 | 161.1 |
| Self-financing capacity | 78.3 | 86.4 |
| Change in working capital requirement | 49.9 | 50.9 |
| "Industrial" investments | 4.3 | 17.6 |
| Cost of net debt/turnover | 0.1% | 0.1% |

Consolidated shareholders' equity stands at €583.5 million (of which Group share of €564.3 million); the net profit of €41.3 million explains the change in relation to the balance at the close of the previous period; the company paid no dividends.

The sharp reduction in working capital requirement (€49.9 million) can be explained by the positive impact on cash from the sharp fall in activity during the year, combined with effective receivables recovery.

Cash net of bank debt stood at €227.7 million and net of all debt at €113.0 million (after leasing liabilities of €69.3 million).

After including payable CICE receivables (€87.3 million), cash stood at €200.3 million.

This very favourable situation means the Group has the necessary resources to pursue its development and to carry out new acquisitions.

2.2 Corporate financial statements of SYNERGIE SE

2.2.1 Income statement

| In € million | 2020 | 2019 |
|-------------------|--------------|----------------|
| Turnover | 924.5 | 1,221.1 |
| Operating result | 23.1 | 52.3 |
| Financial result | 4.5 | 17.4 |
| Net profit | 22.8 | 44.9 |

SYNERGIE SE made a net profit of €22.8 million (versus €44.9 million in 2019) and turnover of €924.5 million, with the difference mainly due to the impact of the sharp fall in activity linked to the health crisis (-24.3%).

SYNERGIE SE's contribution to the Group's activity, representing 42.1% of business volumes handled, remains significant although the balance is shifting year on year towards the foreign subsidiaries.

The following should be noted:

- The significant impact of the reduction in social security contributions on operating profit, their applicable rates and changes in applicable legal rules;
- The impact of the key accounts/SME and SMI mix and the sector mix;
- The financial profit of €4.5 million mainly linked to dividends from foreign subsidiaries (€6.0 million);
- Non-recurring items of €0.4 million versus -€0.4 million in 2019.

2.2.2 La structure bilantielle Financial position

The statement of financial position at 31 December 2020 shows:

In assets

- Fixed assets of €160.9 million, unchanged;
- A decrease in current assets, and particularly in trade receivables as a corollary to the fall in activity;
- A very strong cash position of €199.9 million (versus €110.9 million in 2019).

In liabilities

- Shareholders' equity at a high level of €451.0 million, mainly impacted by profit for the year;
- Provisions for risks remaining unchanged at €5.4 million (of which provision for foreign exchange risk of €4.9 million);

- Financial debt mainly comprising the current accounts of subsidiaries with surplus cash flow, since SYNERGIE SE acts as a central treasury department;
- A decrease in current operating liabilities due to the fall in activity.

2.2.3 Financing of SYNERGIE

At 31 December 2020, SYNERGIE SE had a positive net cash position of €224.5 million (adjusted for current accounts vis-à-vis the Group's subsidiaries), a significant improvement in relation to December 2019 (€163.3 million).

SYNERGIE SE also provides part of the working capital requirements of some subsidiaries by making current account contributions, and provides guarantees to local banks.

In accordance with the law, we would like to point out that supplier credit (excluding training and invoices not yet received) was 36 days on average in 2020 (identical to 2019), with past due dates breaking down as follows at the year-end:

Payables

| Article D. 441-6 I.-1 ^e : Invoices <u>received</u> and in arrears on the reporting date | | | | | | |
|---|---|--------------|------------------|------------------|---------------------|---------------------------|
| In € thousand | 0 days (indicative) | 1 to 30 days | 31 to 60 days | 61 to 90 days | 91 days and over | Total (1 day and over) |
| (A) Payments in arrears | | | | | | |
| Number of invoices concerned | 626 | 356 | 39 | 30 | 44 | 469 |
| Total amount of invoices concerned in euros including tax | 1 243 | 525 | 40 | 19 | 44 | 628 |
| Percentage of total purchases over the period including tax | 1.97% | 0.84% | 0.06% | 0.03% | 0.07% | 1.00% |
| Percentage of turnover over the period excluding tax | | | | | | |
| (B) Invoices excluded from (A) related to debts and receivables in litigation or not recognised in the accounts | | | | | | |
| Number of invoices excluded | | | | | 204 | 204 |
| Total amount of invoices excluded | | | | | 267 | 267 |
| (C) Reference payment times used (contractual or legal payment times - Article L. 441-6 or Article L. 443-1 of the French Commercial Code) | | | | | | |
| Payment times used to calculate late payments | <input checked="" type="checkbox"/> Contractual payment times <input type="checkbox"/> Legal payment times | | | | | |

Receivables

| D. 441-6 I.-2 ^e : Invoices <u>received</u> and in arrears on the reporting date | | | | | | |
|---|---|--------------|------------------|------------------|---------------------|---------------------------|
| In € thousand | 0 days (indicative) | 1 to 30 days | 31 to 60 days | 61 to 90 days | 91 days and over | Total (1 day and over) |
| (A) Payments in arrears | | | | | | |
| Number of invoices concerned | 49,279 | 9,698 | 2,487 | 978 | 2,676 | 15,839 |
| Total amount of invoices concerned in euros including tax | 147,274 | 21,894 | 2,533 | 1,037 | (1,111) | 24,352 |
| Percentage of total purchases over the period including tax | | | | | | |
| Percentage of turnover over the period excluding tax | 15.93% | 2.37% | 0.27% | 0.11% | -0.12% | 2.63% |
| (B) Invoices excluded from (A) related to debts and receivables in litigation or not recognised in the accounts | | | | | | |
| Number of invoices excluded | | | | | | |
| Total amount of invoices excluded | | | | | | |
| (C) Reference payment times used (contractual or legal payment times - Article L. 441-6 or Article L. 443-1 of the French Commercial Code) | | | | | | |
| Payment times used to calculate late payments | <input checked="" type="checkbox"/> Contractual payment times <input type="checkbox"/> Legal payment times | | | | | |

2.2.4 Appropriation of earnings

In view of the results set out below and given that SYNERGIE's financial structure has been further strengthened, the projected appropriation of earnings is as follows:

| | |
|---|------------------------|
| Net profit for the year | €22,812,407.80 |
| Retained earnings from previous years | €276,789,604.33 |
| Available profit | €299,602,012.13 |
| Reserve for treasury shares (reversal of appropriation) | €114,848.06 |
| Distributable profit | €299,716,860.19 |
| Dividends | €19,896,00 |
| Retained earnings | €280,227,260.19 |

A dividend of €0.80 per share will be proposed at the Shareholders' Meeting of 24 June 2021. This dividend will be paid out on 02 July 2021.

The treasury shares held by the Company on the date of payment of the dividend do not confer entitlement to the dividend payment. The amounts corresponding to the unpaid dividends attached to these shares will be allocated to the "retained earnings" account.

It should be remembered in this regard that:

- Since 1 January 2018, the method of taxation on securities income and particularly dividends is selected by the shareholder in accordance with their personal situation (selected in their income tax return):
 - Either at the single withholding tax rate (PFU) of 12.8% plus social security deductions of 17.2%, in which case dividends are taxed without taking the 40% allowance into account;
 - Or based on the progressive income tax scale, in which case dividends are taxed according to the relevant scale but with a 40% reduction of the tax base and, where relevant, a non-definitive mandatory deduction of 12.8%.
- Dividends and similar payments continue, nevertheless, to be subject, on payment, to social security deductions of 17.2% and a non-definitive flat-rate deduction at a rate aligned with that of the single withholding tax rate (PFU) of 12.8% (instead of 21% previously for dividends);
- Taxpayers whose reference taxable income for the previous year falls below a certain amount (i.e. set at €50,000 for a person who is single, divorced or widowed and €75,000 for a person subject to joint taxation, for the non-definitive flat-rate deduction) retain the right to request exemption from the payment of this latter tax.

Distribution of dividends

Pursuant to the law, it should be noted that the respective dividends for the last three years were as follows:

| Financial year | Overall dividend | Unit dividend |
|----------------|------------------|---------------|
| 2017 | €19,489,600 | €0.80 |
| 2018 | €19,489,600 | €0.80 |
| 2019 | - | - |

As a result of the Covid-19 health crisis, SYNERGIE SE's Executive Board, which met on 6 May 2020, decided that it would not propose a dividend for the 2019 financial year during its Shareholders' Meeting of 18 June 2020.

3. EVENTS AFTER THE REPORTING PERIOD AND OUTLOOK

3.1 Significant events after the reporting period

No events likely to call into question the 2020 financial statements or requiring an additional declaration in the financial statements took place after the reporting date.

3.2 Outlook in France and abroad

In an economic environment in which compliance with health regulations remains the primary concern, flexibility in human resources management has become a significant attribute for the companies that use our services, thus opening up the prospect of strong growth in our activity in 2021.

The first two months of 2021 confirmed the sharp recovery in international activity observed during the fourth quarter of 2020. The situation in France remains more tense, with the aeronautical, automotive, textile and tourism sectors impacted by the ongoing curfew and lockdowns in certain regions.

Given its very solid financial structure and strong cash position, SYNERGIE has the means to pursue its expansion and carry out new acquisitions both in France and outside France with a view to achieving turnover above €2.5 billion over the year and a sharp improvement in profitability.

4. RISK MANAGEMENT

Risk management, a major focus for management

Information on risks and uncertainties relating to the Group's activities is provided below.

4.1 Economic risk linked to Covid-19

The lack of visibility and the possibility of further lockdowns, even partial measures, may impact the Group's business development, while the gradual recovery seen after the exit from lockdown moderates this risk.

Moreover, client risk will continue to be watched very closely given that the risk around company bankruptcies may be stronger in 2021 in the event of a review of the financial supports provided to businesses.

The fact that the SYNERGIE Group has a diversified and well spread out client base is also a positive factor that moderates this risk.

Finally, during this crisis period, the various governments introduced laws with almost immediate effect to support businesses and employment, the effects of which are already evident in the first-half of the year, with mechanisms enabling short-time work having been extended to the second half of the year in most countries in which SYNERGIE operates.

4.2 Management of financial risk

Interest rate risk

Loans requiring repayment at 31 December 2020 were more or less all taken out at a fixed rate.

The average interest rate on the Group's loans was 0.94% in 2020 (1.38% in 2019).

Currency risk

Activity outside of the Eurozone accounted for 8.6% of consolidated turnover as at 31 December 2020 (compared with 8.4% as at 31 December 2019).

Our expansion in the UK through successive acquisitions, partly financed by current account contributions, and changes in the UK currency, have made the Group sensitive to exchange rate fluctuations.

The impact of Brexit on the euro/pound sterling exchange rate gave rise to a significant financial expense in 2016, reflecting the impact of a change in provision in line with the exchange rate at the year-end; the impact of the changes in exchange rate observed in 2019 and 2020 was not material.

Currency hedges were implemented in 2020 to limit exchange rate risks during certain periods.

Currency prices against the euro

| 1 euro = Price | reporting period | | 12 months average | |
|-------------------|------------------|---------|-------------------|---------|
| | 2020 | 2019 | 2020 | 2019 |
| Pound sterling | 0.8990 | 0.8508 | 0.8894 | 0.8759 |
| Canadian dollar | 1.5633 | 1.4598 | 1.5380 | 1.4822 |
| Swiss franc | 1.0802 | 1.0854 | 1.0709 | 1.1111 |
| Czech crown | 26.2420 | 25.4080 | 26.4976 | 25.6587 |
| Australian dollar | 1.5896 | 1.5995 | 1.6567 | 1.6079 |

Liquidity and credit risks

Given the Group's cash position at 31 December 2020, underpinned by the potential transfer of CICE receivables recognised under its assets and prudent management of investments, liquidity risk can be ruled out in the short term.

Share and investment risks

SYNERGIE implements a very prudent policy in managing its financial investments.

The investments made are in term accounts of up to three months and in very short-term money market SICAVs (open-end investment companies), mostly bought and sold within the same month, for which there is no risk.

Treasury shares are managed under both the liquidity contract and the share buyback programme.

4.3 Management of non-financial risks

Client risk

The Group retains its independence vis-à-vis its clients, with only three clients contributing more than 1% to its consolidated turnover.

This means that work on optimising receivables management takes place daily. On this point, over the past number of years, all of our employees have been made aware of the notion of "client risk" and the management of payment delays.

Processes for freezing authorised amounts outstanding, relating to client risk as estimated by the Credit Management service, and incorporated into trade and sales force software, are effective aids in making decisions about and containing this risk.

By employing these methods, the Group ensures that its sales can grow in a secure environment.

Legal risk

Internal control, in legal terms, is based on the precautionary principle, which relies on a responsible attitude on the part of each employee and on upstream intervention on major issues, as well as active resolution of disputes downstream.

Insurance and risk coverage

Exceptional risks are covered by insurance programmes negotiated by Executive Management. These programmes ensure an appropriate level of coverage. They are taken out with insurers with international profiles.

The insurance programmes mainly cover the following operating risks:

- The financial consequences of any implication of the civil liability of Group companies;
- Specific areas such as multiline premises insurance, insurance for car fleets and IT equipment, insurance for managers and corporate officers;
- Cybersecurity.

Tax risk

Given the regulations governing transfer pricing in the OECD, their evolving nature and differing levels of application in the various states concerned, SYNERGIE has enhanced its vigilance around compliance with international and local standards.

In this context, and in accordance with the regulations in force, the SYNERGIE Group documents its transfer pricing policy in a master file, which is available at the parent company and provides an overview of the Group's organisation, and in a local file for each Group subsidiary.

Brand-related risk

As part of its branding policy, the Group may grant the use of its trademarks and graphic representations to its subsidiaries through negotiated licence agreements.

In line with our image policy, therefore, we regularly file new brands and slogans to adjust our identity to economic developments and our internationalisation.

In addition, the Group is required to conduct a policy of defending the "SYNERGIE" brand, when third parties in particular use the term "SYNERGIE" to refer to a part of the business which, without being similar or related, can target protected services or otherwise more directly competing activities relating to temporary work or human resources management.

Legislative environment

Also of note is the entry into force on 30 July 2020 of new European rules adopted in 2018 aimed at tightening regulations governing secondment in order to strengthen employee protection and create equitable employment conditions. To effectively combat the effects of potential distortion of competition, this directive draws on the principle of equal pay for equal work.

Corporate legislation specific to temporary employment

Most of the Group's turnover is generated from temporary employment, which is subject - in France and in the other Eurozone countries in which it operates - to specific legislation. The main features of this, which is similar in the various States, enable the activity to be integrated into national economies to enhance flexibility in the labour market.

This context, illustrated by the significant progress made in recent years and the widespread increase in temporary employment legislation in the European Union, attests to the long-term nature of the activity.

It should also be remembered that French, Italian, Spanish, Portuguese, Swiss and Luxembourg legislation requires the submission of a guarantee from a financial institution as security for payment of the salaries of temporary workers and the associated social security contributions.

Given the structure of the income statement and the predominance of salary and social security contribution items within the operating accounts, the social measures and decisions with a direct impact on salaries and related charges (measures to support the economy due to partial activity in 2020, various relief measures, changes in contribution rates, etc.) could affect the Company's financial statements.

The effects of the implementation of the European Directive on Temporary Agency Work in each country are therefore carefully monitored, as legislation is harmonised progressively.

Moreover, increases in the minimum wage, if not all wage levels, can have consequences for negotiations with clients and the structural costs of the countries concerned.

Information technology risk

In a context in which digital technology has become a key factor in ensuring the Group's day-to-day operation, and to accompany its digital transformation, SYNERGIE has implemented a strategy, steered by the head of IT security, to strengthen the security of its information systems.

After an analysis of the risks, a general information system security policy (PGSSI) was established along with a subsidiary-based information system policy.

Security audits are performed each year by specialised companies with PASSI certification to ensure continuous improvements in information system security at all of the Group's subsidiaries.

Environmental risk

As the Group's activity involves the provision of a service, it is not exposed to any major environmental risk; in particular, there are no financial risks linked to the impacts of climate change.

Nevertheless, all of the measures associated with the analysis of these risks are discussed in the declaration of extra-financial performance included in this report.

5. INTERNAL CONTROL

5.1 Internal control procedures established by the Company

5.1.1 Definition and objectives of the Company's internal control procedures

Internal control is defined within SYNERGIE Group as a group of measures designed to manage activity and risk and to ensure that its operations are legitimate, safe and effective.

The purpose of the internal control procedure in force within the Company and the Group as a whole is as follows:

- To ensure that management actions and employee conduct are in line with the guidelines issued to the Company's businesses by the management bodies, the applicable laws and regulations and the Company's internal rules;
- To verify that the accounting and financial information provided to the Company's management bodies presents a true reflection of the Company's activity and situation;
- To ensure that the Company's assets are properly safeguarded;
- To prevent and manage risks arising from the Company's activity and the risks of error and fraud.

The internal control system cannot provide an absolute guarantee that these risks are completely eliminated, but is designed to provide a reasonable assurance of this.

5.1.2 General organisation of internal control procedures

The Group's international development and the various regulations with which it must comply have led to an overhaul of its procedures, both generally and as implemented within the subsidiaries, outside of France in particular. Management is responsible for ensuring that these procedures are properly implemented.

It should be noted, moreover, that new employees are informed of the internal procedures from their initial orientation, partly through mandatory and tested knowledge of a certain number of internal documents and partly through the provision of training in the internal quality procedures. The Executive Board relies on the work of the risk manager, the quality unit, internal audit, the management control team and the legal department, as well as the conclusions issued by the Statutory Auditors as part of their auditing activities.

The key players in this grouping form working groups to ensure that procedures to prevent the effects of risks intrinsic to the activity and operation of SYNERGIE are implemented and operational.

Due to the challenges of organising information systems, an IT Committee and a Strategic IT Security Committee have been created and meet regularly.

5.1.3 Description of the internal control procedures

5.1.3.1 Financial and accounting internal control procedures

a) Communicating Group information: the reporting system

SYNERGIE Group's financial reporting is structured as follows:

- Weekly centralisation of delegated employees and clients undergoing change, the first indicator of a change in activity;
- Weekly cash pooling;
- Monthly management reporting in the form of a detailed income statement from the subsidiaries.

b) Recognition of revenue

As indicated in the notes to the annual and consolidated financial statements, revenue recognition methods have been developed as part of an integrated process, starting with completion of the service and ending with client billing. This procedure means that the accrual accounting rules can be strictly applied.

From a practical point of view, analysis of differences between hours paid and hours billed ensures that revenue realised is consistent, and enables the exceptions (hours paid but not billed) with a direct impact on margins to be analysed.

c) Recovery of trade receivables

The "trade receivables" item, which represents 25.9% of the total financial position of SYNERGIE SE and 42.6% of the total consolidated financial position, is subject to advanced procedures and primarily central control, based on:

- A review of client risk before any service provision;
- Authorisation granted to agencies for amounts outstanding for each client;
- Monitoring of the correct recovery of receivables within contractual deadlines;
- Litigation procedures.

This organisation is implemented for all of the temporary employment subsidiaries. The Company's IT processes back up the system of freezing amounts outstanding according to the authorisations given.

5.1.3.2 Other internal control procedures

a) External growth

The study of any potential target is approved in advance by the members of the Executive Board, to uphold the principle of engagement in negotiations, as are the subsequent stages (issue of a letter of intent pursuant to Group standards, selection of auditors and consideration of their findings, establishment of the draft purchase agreement, etc.).

b) Corporate legislation

Dedicated units have been created to ensure compliance with corporate legislation, in order to manage the consequences of its complexity and to prevent related risks.

c) Maintenance and security of information systems

The main purpose of the internal control system is to ensure the permanence and the physical safety of its management tools, particularly its programmes and computer data, to guarantee operational continuity.

d) Delegation of powers

The delegation of power is restricted in both operational and banking matters, and account is taken of local legislation for foreign subsidiaries.

e) Human resources management policy

The Human Resources department pays particular attention to safety, health, quality of life in the workplace and the employability of its employees throughout their career, as well as to social dialogue with social partners.

It ensures that the personnel hired are not bound by other engagements and that they undertake to comply with the provisions of SYNERGIE's professional code of ethics and internal regulations.

5.1.3.3 External control procedures

a) Audit by the Statutory Auditors

The Statutory Auditors perform a limited review of the half-year financial statements and an audit of the financial statements at 31 December. They begin by reviewing the Group's procedures.

The opinions and recommendations formulated by the Statutory Auditors when performing their task, as well as by external entities, are reviewed by the employees concerned and are included in the consideration of corrective actions or measures to be established within the Group.

b) Auditing by specialised external entities

Specialised external entities (e.g. with ISO 9001 2008 certification) regularly audit the Group's activities.

5.2. Monitoring of internal control

5.2.1 Monitoring of priority actions defined for 2020

The work achieved in 2020 showed no notable failure or serious inadequacy in terms of the organisation of internal control.

However, the specific context of the Covid-19 pandemic significantly limited the capacity for onsite assignment, notably outside of France, leading to a focus on priority projects.

The following actions were completed or continued in 2020:

- A review of the correct application of the processes established and disseminated in accordance with transparency laws, to help combat corruption and as part of the modernisation of the economy;
- Updating of transfer pricing documentation in line with regulatory developments;
- Reinforcement of the systems used to produce data pursuant to IFRS 16, applicable from 2019, and more in-depth work to comply with the related interpretations;
- Subscription for a Group-wide cybersecurity insurance policy.

5.2.2 Priority action defined in 2021

The following are regarded as priority areas of work for 2021:

- Continued updating of guidelines for key Group processes, concomitant with the documentation overhaul;
- Recurrent auditing of the correct application of group standards at the subsidiaries, with a focus on cost control;
- Control of the smooth functioning of operational powers as part of the acceleration of the development of the foreign subsidiaries;
- Implementation of a reporting system and budget for the Group's financial software;
- A decision on the use of Group-wide insurance policies (civil liability, property and casualty, directors and senior management civil liability);
- Review of client risk;
- Implementation of ESEF reporting, for which the mandatory date of first application was deferred by one year due to the health crisis.

5.3. Internal control relating to the preparation of accounting and financial information

5.3.1 Prior analysis of risks

The risk factors to which the Group could be exposed are described above.

The Finance department and Management Control pay special attention to reviewing the process of drawing up accounting and financial information, in four main stages (planning, reporting, consolidation, review and control), particularly when integrating a new subsidiary, implementing changes in the IT environment, or adding new employees to the overall process.

5.3.2 Planning

The Finance department uses a timeline that summarises the Group's periodical obligations, specifying the nature and maturity of every obligation.

This document is sent to the heads of accounting and finance at the Group's subsidiaries as well as their managers.

5.3.3 Reporting

A monthly income statement for each subsidiary and specific to its type of activity, required to implement consolidation, is sent to the Finance department and Management Control.

This results in an analysis of changes in activity by subsidiary, gross margins and overheads, so that the necessary decisions for driving the business forward and preparing market communications can be made.

5.3.4 Consolidation process

The consolidation process is entirely carried out by a dedicated department within the Group Finance department, with each subsidiary inputting into the software system a package prepared in accordance with Group standards using the format and providing the level of detail instructed by the Group.

The accounting policies are reviewed annually in light of new regulatory changes. The Finance department sends appropriate instructions to the subsidiaries if they require accounting treatment in a package prepared locally.

The prepared financial statements are subject to in-depth controls and analysis, relating specifically to client credit, financial debt, changes in fixed assets and changes in operating expenses.

This analytical review, as well as consistency checks (changes in shareholders' equity, transition of corporate results to consolidated results, intercompany reciprocity, tax analysis, etc.), allow for justification of the financial statements and detection of material errors should these occur. There is a particular focus on budgets and related updating, as well as the valuation of intangible assets.

The half-year and annual financial statements are drawn up using the same processes, with an additional package produced for subsidiaries when the half-year and annual financial statements are being prepared, so that all the consolidated data produced can be appended.

5.3.5 Review and control

The consolidated annual financial statements thus established are audited by the Statutory Auditors, or undergo a limited review in the case of the statements at 30 June, and are presented to the Executive Board for approval.

All information provided to the market ("regulated" information) is controlled by the Executive Board or by the Finance department, depending on its nature. Internal audit also reviews the financial statements that will be published.

6. EXTRA-FINANCIAL PERFORMANCE DECLARATION

6.1 A trademark of responsibility

Our ambitions and our objectives

6.1.1 Our challenge: to combine flexibility and responsibility

At SYNERGIE, our biggest societal commitment is the contribution we make to the economies of the countries in which we operate. The various government measures taken to help deal with the Covid-19 pandemic demonstrated the importance of our activity in qualifying it as “essential”. We were obviously unable to generate the growth we had initially anticipated for 2020 due to the global health crisis caused by the pandemic.

Nevertheless, we are proud to have been able to ensure the continuity of our activity, in strict compliance with the health measures, and to have placed 55,137 full-time equivalent temporary employees. In this context, our responsive and flexible services offering was more valuable and necessary than ever for clients in enabling them to pursue the agile management of their human resources. That said, it was necessary for us, perhaps more than ever, to fulfil our social responsibility in guaranteeing that the personnel we place benefit from all the rights and services necessary for the success of their assignment.

Combining flexibility and social responsibility therefore continues to be SYNERGIE’s chief objective. Our demanding and steadfast commitment to CSR is a factor that draws our clients back to us, as they trust us to secure all of their recruitment needs and ensure high social and human standards. When they choose SYNERGIE, they make a commitment, in their turn, to a policy of responsibility.

In concrete terms, this involves:

- All bodies working to combat all forms of discrimination during recruitment and ensuring that competence, development prospects and talent are the only factors at play in the selection of candidates and temporary and permanent personnel;
- A personalised approach to the professional development of our temporary personnel through the provision of training to enhance their employment prospects and job satisfaction;
- A comprehensive health and safety policy since temporary employment always carries higher risks. Prevention is always the best policy

These are the three biggest priorities of SYNERGIE Group’s CSR policy.

We firmly believe that the results are borne out over time, as demonstrated by all of the indicators shown.

Three strands complete this strategy of responsibility:

- Promote responsible client-supplier relations, adhering to strict ethical standards;
- Make a contribution to environmental issues not only through our own activities but also through our investment in training in related professions among our clients engaged in this domain;
- Pursue and develop our urban projects through Lab’Synergie (patronage, sponsorship, solidarity projects).

Our network of more than 4,200 permanent personnel adheres to, shares and promotes these goals because they also give meaning to its work. It is, furthermore, a matter of pride for these

personnel that they have contributed to making the SYNERGIE Group the “standard-setter in responsible human resources management” that it has come to be over the years.

Principles

The SYNERGIE Group is founded on the fundamental principles of transparency and integrity, instilled by its management and implemented by all of its employees in order to establish durable relationships of trust with public and private-sector clients, suppliers, partners and shareholders.

It is in this spirit that the Group complies with:

- The United Nations Declaration of Human Rights;
- The principles of the United Nations Global Compact;
- Various conventions of the International Labour Organisation, in particular those governing slave and forced labour and the minimum legal age;
- The OECD (Organisation for Economic Co-operation and Development) guidelines for multinational companies.

SYNERGIE signed up to the “Ensemble pour l’égalité dans les recrutements” Charter from the outset and systematically informs its recruitment agencies of these principles of equality which are compliant with human rights principles and state institutions, the two aims of which are to: “... defend people whose rights are not respected and enable equal rights for all, in particular with regard to employment and training ...”.

In a further demonstration of its engagement, at the start of 2017 SYNERGIE joined the United Nations Global Compact, which brings businesses, organisations, United Nations agencies, workers and the general public together around ten universally recognised principles to build societies that are more stable and inclusive. SYNERGIE published its second communication on progress in August 2019.

Values

Much more than a company, the SYNERGIE Group sees itself as a responsible and committed player with four key values: proximity, team spirit, diversity and ambition. From the outset, these values are upheld by the Group’s permanent employees, who are bound by a responsibility towards all stakeholders, temporary personnel, partner companies and institutional clients.

These principles and values underlie the SYNERGIE Group’s commitment to developing its activities in the strictest of compliance with national and international laws and regulations. They are formally set out and centralised in the SYNERGIE Group’s Code of Ethics and Business Conduct.

Materiality matrix

Temporary personnel and responsible recruitment have always been the core purpose of the SYNERGIE Group. Led by its Chairman and the Executive Management, the Group’s CSR policy has developed through cross-entity collaboration within the Group as well as through ongoing dialogue with its third parties, as part of which it has been sending an annual questionnaire on the subject to its third parties since 2019, based on which it updates its materiality matrix.

The GRI (Global Reporting Initiative) standards provide for the identification of priority themes in accordance with the opinions issued by the various stakeholders. SYNERGIE has selected six objectives, which break down into 13 items:

a) HR / Diversity and equal opportunity

- Promoting the employment of disabled people;
- Promoting the integration of people from project districts or of immigrant origin;
- Offering young people a springboard into employment and enabling seniors to pursue their careers;
- Promoting professional gender equality.

b) HR / skills development / helping to build professional and sustainable career paths

- Securing career paths (long-term assignments, open-ended employment contracts for temporary employees);
- Developing skills (training).

c) HR / Health and safety in the workplace

- Strengthening safety and well-being in the workplace

d) Ethics / Promoting responsible client/supplier relations

- Implementing responsible and transparent governance;
- Being an ethical company compliant with the provisions of the French Sapin 2 Law;
- Promoting relationships that respect human rights and data protection regulations (GDPR).

e) Environment

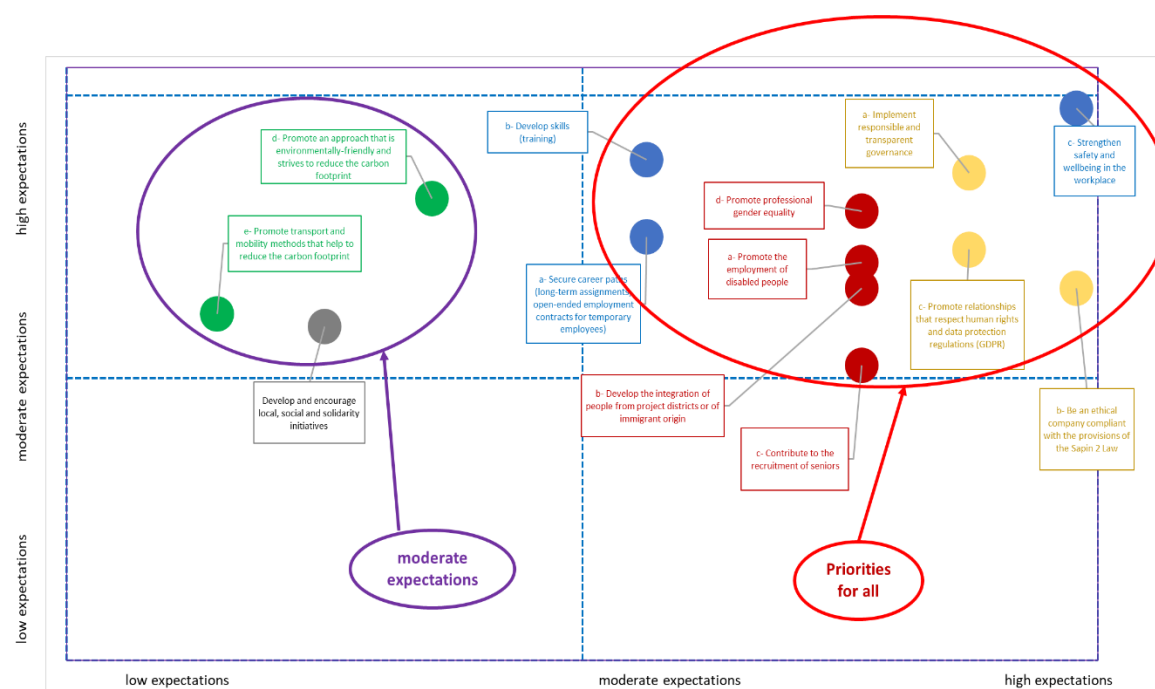
- Promoting an approach that respects the environment and strives to reduce the carbon footprint;
- Promoting transport and mobility methods that help to reduce the carbon footprint.

f) Contribute to community living

- Developing and encouraging local, social and solidarity initiatives.

The materiality grid incorporates all responses received on the 13 items.

The most important objectives for all are identified on the right-hand side: additional items expected by stakeholders are indicated on the left.



Synergie

The results of the 2020 annual campaign (France excluding DCS) conducted among 342 suppliers and 151 clients once again show a large degree of convergence between SYNERGIE's priorities and those of its third parties, thus confirming the Group's approach and providing encouragement as it forges ahead with the measures identified for the selected items.

A strengthened code of ethics and business conduct

The SYNERGIE Group has always considered ethics in its business relationships as a factor underpinning its growth and sustainability.

In September 2019, the Group celebrated its 50th anniversary. Such longevity would not have been possible without rigorous adherence to standards of ethics and integrity.

These standards have been further enhanced since 2018 with the Chairman and the Executive Management deciding to rigorously apply the criteria for compliance with the French Sapin 2 Law of 9 December 2016 on combating corruption. This law applies to SYNERGIE France and by correlation to all of the Group's subsidiaries, both in France and outside of France.

As a result, the following developments were made:

- A Chief Compliance Officer was appointed who oversees the management and control of the Group's compliance; an Ethics Committee was established which meets twice a year;
- A new code of ethics and business conduct was adopted and distributed to every employee who must comply with it;
- An annual declaration of potential conflicts of interest is sent to and completed each year by all Group employees;
- Policies on gifts and patronage and sponsorship;
- An operational Group-wide procedure for monitoring third parties (clients/suppliers/intermediaries), with prior training for each subsidiary's compliance officer and the use of the Refinitiv check platform, under the supervision of the Chief Compliance Officer. The Chief Compliance Officer performs an annual overview of the use of the platform for review at the compliance committee meeting held at the start of each year. In 2020, 4,361 additional third parties were monitored, bringing the total number of controls made to 12,406.

As part of the application of this compliance, face-to-face training was provided to all employees potentially at risk. In 2020, a dedicated e-learning campaign designed by SYNERGIE was established to extend the training to a larger public. In France, 96.49% of employees considered “at risk” completed this training.

This system is presented regularly for discussion by the Audit Committee, guaranteeing its correct application.

These efforts were noted by the international assessment firm Ecovadis, which increased SYNERGIE’s rating in relation to this item by 10 points (from 60/100 to 70/100).

Tax policy and vigilance plan

Group tax policy

In line with the Group’s code of ethics, the tax policy applied by its management complies with the laws applicable in the countries in which SYNERGIE operates.

This policy is described in the transfer pricing documentation in use since 2010.

This documentation is in line with OECD rules and principles, in particular arm’s length principles. The allocation of our profit, moreover, is based on the economic substance and real activities of the Group.

Moreover, transnational flows are limited both in terms of number and amount and geographical exposure is relatively low given the Group’s European identity.

Cross-border transactions mainly comprise the payment of royalties for the use of Group brands, management fees paid for services provided by the head office and financial expenses related to loans and current account advances.

The Group provides all necessary information to the tax authorities of each country. SYNERGY therefore is transparent concerning its organisation, its entities, its structure and its operations.

Vigilance plan

Pursuant to Law No. 2017-399 of 27 March 2017 on the duty of vigilance of parent companies and client companies and Article L.225-102-4 of the French commercial Code, any company that employs at least five thousand employees or that employees at least ten thousand employees when combined with its direct or indirect subsidiaries, whose registered office is located in France or outside of France, must maintain a vigilance plan.

SYNERGIE does not fall within these categories since only its permanent employees are included in the calculation of the thresholds. Accordingly, it is not required to meet this obligation.

Secure tripartite relations

Respect for the rights and the protection of the personal data of third parties

Since the nature of its activity places it in a situation of risk in relation to the protection of personal data given that on a day-to-day basis it collects personal, and sometimes sensitive, information from private individuals seeking employment as well as from temporary and permanent employees, the SYNERGY Group applies the necessary tools and procedures to guarantee it

is fully compliant with the applicable regulations governing personal data, in particular the law of 6 January 1978 relating to information technology and data protection, as amended by the law of 20 June 2018, and EU Regulation 2016/679, known as the General Data Protection Regulation, which came into force on 25 May 2018.

The SYNERGIE Group, whose DPO (Data Protection Officer) has been declared to the CNIL in accordance with the law, publishes its Personal Data Protection Policy and the forms for obtaining agreement on the use of personal data and on the rights of access and deletion of personal data, on all of the Group's websites, which are accessible to all.

The registers for processing personal data, relating to rights of access and relating to incidents are updated and reviewed based on implemented procedures. In 2020, the average response time, taking all requests into account for the eight main European countries, was 7.6 days, demonstrating that the internal process operates smoothly. The contracts of permanent and temporary employees and client contracts contain specific, adapted contractual clauses.

Information system security

In a world in which cybercrime is growing sharply and poses a real risk to the smooth operation of companies, SYNERGIE Group decided to look closely at the security of its IT systems in order to bring them up to standard and in line with best practices.

To this end, the Head of Information Systems Security and their deputy oversee the security of the information systems with support from an internationally recognised company which has:

- PASSI certification by ANSSI, France's national cybersecurity agency;
- ISO27001 and ISO27002 certification.

All related operations are carried out in accordance with the security standards in force.

6.1.2 Our ambition and objectives

Our ambition is to remain one of the benchmark players in responsible human resources management by creating value in each key domain (economic, social, environmental and societal).

6.1.3 Our resources

The Group's biggest asset is its network of women and men who share the same goal and offer recognised know-how and expertise. Our resources also include our material, intellectual, operational and financial capital, which are optimised by rigorous processes for which we have obtained ISO 9001 version 2015 certification in particular, as well as the Afnor label for professional gender equality since November 2019.

All of this underpins a business model that each year creates value added which drives the Group's development.

2020 was an exceptional year in many respects due to the global health crisis. Our primary objective, in reality our "duty", was to keep our services offering in operation so that all our clients operating essential activities could continue operating. We were able to support many companies, for instance in the food, transport and logistics sectors. Our employees all turned up voluntarily to work on the front line, even during the initial general lockdown period. Our Aile Médicale subsidiary naturally played a paramount role in meeting the needs of hospitals, clinics

and nursing homes. Our primary responsibility during that period was to ensure the safety of our permanent and temporary personnel.

There was naturally a reduction in the placement of temporary personnel, in particular among those clients that were most impacted by the crisis, such as aeronautical and automotive companies. It should be noted, however, that we ensured that all of our temporary personnel whose assignments were cut short were able to benefit from the short-time working regime in France (or equivalent regimes in other European Union countries) enabling them to obtain substantial compensation. Many were also able to use the situation to complete training courses. Throughout that period, our agencies maintained contact on a human and professional level to enable them to gradually get back to work.

The SYNERGIE Group had 4,231 permanent employees at 31 December, enabling it to withstand the crisis by keeping almost all of its employees immediately operational to prepare for the return to activity.

Our network placed an average of 55,137 temporary employees in 2020.

6.1.4 A comprehensive and evolving offering

Meeting HR objectives

In all countries in which it operates, the SYNERGIE Group proposes a comprehensive offering to all of its corporate and public sector clients, which is regularly extends to meet changing HR objectives: temporary employment, recruitment for fixed-term and permanent positions, training, security, diversity, integration, HR advice. Thanks to its expert teams and digitised systems, SYNERGIE offers high value added services based on in-depth knowledge of their HR needs.

Our recruitment services are mainly conducted by our recruitment officers and consultants who draw on a national base of more than one million candidates selected internally but also through partnership with schools, public and private training partners, institutional players, job boards, CV libraries, social networks and job fairs and forums.

6.1.5 The Group's vision

The Group's priority areas of development

To maintain its status as a major player in the management of human resources, SYNERGIE Group decided on three clearly identified areas of progression:

- Continue to develop its regional commercial network in France and internationally;
- Strengthen its expertise and ramp-up activity in high value added sectors;
- Continue its digital transformation to optimise its capacity to respond to all job search and job offer requests.

6.2 Management of corporate risks

6.2.1. Methodology

As part of the extra-financial performance declaration, it is recommended that risks are identified and a presentation given of the related action implemented to demonstrate that they are

effectively managed. SYNERGIE Group's Executive Management therefore worked on a cross-entity basis with all stakeholders to define and set out a hierarchy of elements that could weaken the company's activity. These are presented below with the related action plans, based on which key performance indicators (KPI) are implemented.

The scope of companies covered by the extra-financial performance declaration is that used for the consolidated financial statements, excluding acquisitions during the year, holding companies and companies without an operating activity. In 2020, the Spanish subsidiaries of DCS comprising the Tigloo Group were consolidated over the full year for the first time.

6.2.2. The main risks

Identification and performance indicators

Since our main business activity revolves around recruitment, the main risks are corporate risks.

At each stage, we identify the risks and manage them through deliberate and appropriate action:

- Non-discrimination during recruitment;
- The health and physical integrity primarily of our placed employees;
- Training for both temporary and permanent employees

We respond to these risks by implementing policies, tools and processes to control them, the efficiency of which is measured by the following indicators:

- KPI No 1 : Ratio of the average number of permanent disabled employees to the total number of permanent employees;
- KPI No 2 : Ratio of the average number of hours paid to temporary disabled employees to the overall number of hours paid to temporary employees;
- KPI No 3a : Security: frequency index for temporary employees (vs. Y-1);
- KPI No 3b : Security: average level of investment per temporary employee (vs. Y-1);
- KPI No 4 : Average number of training hours per permanent employee (vs. Y-1);
- KPI No 5 : Average number of training hours per temporary employee (vs. Y-1).

The general policies applied are set out below.

Objectives in relation to non-discrimination during recruitment

The human resources department responsible for managing permanent personnel and the Diversity division responsible for temporary employees have implemented processes guaranteeing the application of principles to prevent discrimination. The main areas covered are:

- The integration of disabled persons
- The rehabilitation of persons in difficulty;
- Maintaining seniors in employment;
- The integration of young people;
- Professional gender equality.

Committed to applying these policies, SYNERGIE Group opted to identify the integration of disabled persons in the workplace as a first priority, both among permanent personnel and for its clients.

Commitment in favour of the employment of disabled persons

a) Permanent personnel

The Executive Management of SYNERGIE Group has raised awareness among all of its subsidiaries around the integration of disabled persons within the workforce.

In France, SYNERGIE signed an initial three-year company agreement with all of its trade unions in 2018, which was approved by DIRECCTE, containing strong commitments around the recruitment of employees on permanent and fixed-term contracts, work-study candidates, interns, maintaining people in employment and training.

This first agreement led to an increase in the employment rate from 2.64% at the end of 2017 to 6.22% at the end of 2020, which is higher than the regulatory employment obligation of 6% and well above the average rate observed in the profession of 2.40% (Source OIR).

In 2021, SYNERGIE made a further commitment to pursuing this positive approach by signing a new agreement, with the support of the trade unions.

SYNERGIE Group aims to go a step further in its sustainable approach to employing people with disabilities by adopting it as part of the company's managerial culture.

This KPI primarily concerns the French scope and is gradually being extended to the foreign subsidiaries required to make a declaration.

KPI No 1a - Employment for people with disabilities: permanent personnel – SYNERGIE (excluding AILE MEDICALE and DCS) (criteria of the AGEFIPH declaration: workforce at 31 December excluding apprentices, professional contracts, and fixed-term contracts in a replacement role, but including employees of external companies)

| KPI n°1a France : Employment & Disability: permanent personnel | France SYNERGIE SE 2019 | France SYNERGIE SE 2020 |
|--|-------------------------------|-------------------------------|
| Number of permanent disabled personnel | 68 | 73 |
| Average FTE | 1,409 | 1,166 |
| Number of permanent disabled personnel/FTE | 4.82% | 6.22% |
| | | = Déclaration Agefiph |

KPI No 1b - Employment for people with disabilities: permanent personnel – France KPI-1a, Synergie Europe. Ratio of permanent employees with disability to the total number of employees

| KPI-1b - Employment & Disability: permanent personnel | | | | | |
|---|-------|-------|---------------------|--------------------------------------|--------------------|
| France & Europe perimeter | 2019 | 2020 | France (Agefiph) | Northern and Eastern Europe | Southern Europe |
| Number of permanent disabled personnel | 112 | 118 | 73 | 24 | 21 |
| Average FTE | 3,989 | 3,094 | 1,166 | 845 | 1,083 |
| Number of permanent disabled personnel/FTE | 2.81% | 3.80% | 6.22% | 2.84% | 1.94% |

We have also seen progress elsewhere in Europe, particularly in Italy where the rate has reached 3% and in the UK where it has reached 11%!

b) Temporary personnel

With regard to temporary personnel, SYNERGIE Group has been developing “Mission Handicap”, the disabled persons assignment policy over the last 15 years.

Mission Handicap

Scope of intervention:

- SYNERGIE Group’s agency networks;
- Beneficiaries of the obligation to offer disabled people employment (Bénéficiaires de l’Obligation d’Emploi des Travailleurs Handicapés - BOETH);
- Private and public-sector companies.

Main missions:

- Promote the inclusion of disabled people in the workforce and their long-term employment, by:
 - Placing disabled people on temporary assignments
 - Recruiting disabled people for fixed-term and permanent contracts for client companies;
 - Provide integration programmes for disabled employees benefiting from the BOETH programme (temporary placement and recruitment);
 - Provide temporary employees with a disability with training and upskilling opportunities.
- Provide advice and support to companies in rolling out their policies promoting the employment of people with a disability:
 - Conduct situational audits;
 - Recommend and implement action plans using tools that facilitate the recruitment and placement in temporary employment of disabled people;
 - Implement appropriate professional training in this area for staff representative bodies and management teams;
 - Raise awareness among employees to remove stereotyping and foster declarations by employees of their status as an employee with a disability as part of the RQTH initiative.

Main tools:

- Handi’matinale © to recruit new talent with a disability;
- Handi’sensib© to raise awareness and encourage employees to declare their status as a disabled person as part of the RQTH programme;
- Handi’forma© to provide professional training in this area to staff representative bodies and management teams.

The “Handi C’est Oui” (Handi is Yes) label to go a step further

The Mission for disabled persons continued to work on its programme to achieve the Handi C’est Oui label.

This is designed to upskill a part of its agency network on a voluntary basis. As a result, at the end of 2020, SYNERGIE has 60 agencies with expert status and which had obtained the “Handi

C'est Oui" label. A total of nearly 200 employees received training in the specific criteria involved in the inclusion of disabled persons.

The goal is to obtain the label for 120 agencies by the end of 2022.

Preventing the professional exclusion of disabled temporary employees

In 2020, Mission Handicap implemented an enhanced follow-up in cases where a temporary employee suffered an accident in the workplace or an occupational illness leading to a permanent or partial incapacity to work rate above 10%.

As such, once a temporary employee suffered a workplace accident or occupational illness leading to a permanent or partial incapacity to work rate above 10%, Mission Handicap provided support with a view to:

- Setting out a new professional employment plan;
- Implementing training to provide the employee with new skills suitable to their abilities;
- Securing their return to employment.

In 2020, SYNERGIE Group was the first temporary employment company to implement a reconversion policy under which a temporary employee who suffers a workplace accident leading to a permanent or partial incapacity to work rate of 16% can retrain for a new position in the construction and public works sector that is suited to their new situation and capacities.

Development of long-term employment for disabled workers at client companies

Mission Handicap further strengthened its support for companies in the area of recruitment for permanent and fixed-term positions.

Mission Handicap at SYNERGIE and its institutional partners

Every year Mission Handicap participates in various events organised by its institutional partners, such as DuoDay or European Disability Employment Week.

Temporary employment as a means of professional inclusion for disabled people

In 2020, nearly 8,404 assignments were given to more than 1,417 disabled people in France, representing 365 FTE, for an average assignment duration of 11.2 days. 92 temporary employees who benefited from the BOETH programme also obtained an open-ended employment contract for temporary employees versus 70 in 2019. This represents an increase of more than 30%!

Thanks to these results, SYNERGIE France achieved a rate of 1.60% hours worked by disabled temporary employees versus 1.3% for the profession (source OIR), an increase of more than 2%, surpassing the target of 1.50% set out in our company agreement.

KPI No. 2 mainly concerns the France scope: it was not possible to do a calculation for the foreign subsidiaries given that there is no obligation to hire disabled workers in the countries in which we operate in northern and eastern Europe or outside of Europe (Australia and Canada).

KPI No 2 – France : Employment & Disability: temporary personnel (SYNERGIE SE, AILE MÉDICALE, SYNERGIE INSERTION)

| KPI n°2 France : Employment & Disability: Temporary Personnel - SYNERGIE SE, Aile Medicale, SYNERGIE Insertion | 2019 | 2020 |
|--|-------|-------|
| Total number of hours for Temporary workers with a disability/ Total numbers Temporary workers | 1.56% | 1.60% |

A commitment to include long-term unemployed

Mechanisms in favour of integrating long-term unemployed are deployed across the Group. In France, Mission Insertion (the Inclusion Mission) has been working since 2012 supporting companies that must meet social integration provisions on public or private markets and those seeking to bolster their responsible recruitment policies.

a) Commitments involving partner cities

In France, SYNERGIE is involved in local inclusion partnerships with 147 cities, including five new partnerships implemented in 2020. The support services provided by the inclusion officers in 2020 primarily covered personalised support, evaluation of expertise, help in defining a professional project, individual interviews, social monitoring, training, inclusion monitoring, assessment of inclusion activities and the prospects envisaged for the beneficiaries.

The number of beneficiaries placed in 2020 decreased in the automotive sector due to the health crisis, while it increased by an average of 50% in the other activity sectors from the fourth quarter of 2020, particularly in the building and public works sector in the Greater Paris Area in connection with the Grand Paris project. This is an encouraging indicator despite an overall, albeit logical, decrease of 9.18% over the full year.

SYNERGIE INSERTION, our temporary employment inclusion company based in Epinal, was set up and initiated its first year of operation successfully in a project district of the city, despite the difficulties related to the Covid-19 crisis. 66 people were given employment by the company and 54 people obtained qualified training.

b) Renewal of the partnership with the Ministry of Urban Affairs

Following on from the Companies and Districts Charter (Charte Entreprises & Quartiers) signed in 2013, we made a commitment alongside the Ministry for Urban Affairs in 2018 having signed the “PAQTE avec les Quartiers pour toutes les Entreprises” to facilitate professional inclusion in districts that are considered priority areas for seven departments to place people living in these priority districts.

c) Strong commitment in favour of integrating refugees in France

Since 2018, SYNERGIE has been participating in the Hope programme in partnership with the government, Pôle Emploi, Afpa, AKTO (previously Faftt) and local companies, to offer training to refugees in sectors in which there is high demand, and supporting them in finding long-term employment.

Demonstrating the commitment by all stakeholders, both in-house and external, SYNERGIE recorded an increase in recruitment under this scheme from 31 in 2018/2019 to 94 in 2019/2020.

d) SYNERGIE a partner of the government's "one young person/one solution" plan

In July 2020, in the midst of the health crisis, the French government launched a plan to help young people under the age of 26 to find employment. SYNERGIE responded immediately by committing to offer open-ended employment contracts for temporary employees to 1,000 young people.

By December 2020, SYNERGIE had overseen the signature of 223 such contracts, achieving one quarter of its target already by that date.

Maintaining seniors in employment

a) Permanent personnel

In its GPEC (workforce and skills management) company agreement signed in June 2018 with all of its unions, SYNERGIE confirmed its commitment to maintaining seniors in employment and supporting them in retirement.

From age 57 each employee can have a career meeting with a specialised firm to organise their final years in the company and help them plan for a retirement project. Moreover, depending on the employee's specific needs, they may also receive support in the organisation of their working time. In 2020, 12 invitations were sent and eight meetings were held.

b) Temporary personnel

Through our action across the Group, we placed 14,098 seniors in 2020, accounting, once again, for around 10% of total placements excluding Canada.

These temporary personnel carried out nearly 101,116 assignments in France in 7,802 client companies.

Mission for senior workers in France

Since its creation, the mission for seniors has been drawing on solid partnerships such as the "Les entreprises pour la Cité" network, APEC, DIRECCTE, Force Femmes, Fondation FACE, MDE, CNAM, and others.

The mission has been rolled out in all regions through regional contact points. Thanks to this substantial work we have received the Diversity Charter Award on two occasions.

In 2019, the mission for seniors organised and coordinated the sixth Matinées SYNERGIE and Force Femmes event, job dating for seniors, a "skills 45+" master class in partnership with FACE Paris, coffee networking meetings for seniors and employment fairs.

Promoting professional gender equality

a) Permanent personnel

In 2018, SYNERGIE Group took stock of the 2015 agreement and the related amendment in 2017 and set out the groundwork for a new agreement covering 2019-2021 which was signed on 22 February 2019, notably covering the following subjects:

- Equal treatment for male and female candidates;
- Access for women to positions of responsibility;

- Training;
- Working conditions;
- Work/life balance;
- Remuneration;
- Diversity within staff representative bodies.

The action taken up to 2018 and the signature of a new agreement for 2019-2021 put SYNERGIE France on course to achieving gender equality certification and continued progress in all of these domains.

Indicators:

Another increase in 2020 in the number of women in management roles

- 67% women in management roles

Equal promotion among men and women

- 6.5% of female employees promoted and 6.8% of male employees

Equal pay for the same job

- +0.26% in favour of male employees (versus national average of +23.7%)

The policy applied by the Executive Management and our HR teams over the last ten years was rewarded on 22 November 2019 when SYNERGIE obtained the AFNOR professional gender equality label.

The French Ministry of Labour gender equality index awarded SYNERGIE a score of 94/100 in 2019; it cannot be calculated for 2020 since only three out of five indicators are valid (64 points obtained out of 65).

At the third “movers and shakers” business awards organised by the Barcelona International Business Club, the Director of SYNERGIE Spain was shortlisted among the finalists in the “Leader of the Year” category.

b) Temporary personnel

The SYNERGIE Group has committed to implementing an innovative mission that is entirely dedicated to professional gender equality, working daily to ensure that men and women have equal access to all business professions and qualification levels on the sole basis of their skills.

The professional gender equality mission provides assistance to companies in implementing their policy in this area and particularly in the area of diversity of professions, which is vital in reaching real gender equality.

This year our teams deployed specific innovative incentives nationwide, such as:

- Organisation of the first “Mix&Métiers” diversity of profession forum aimed at women, in Toulouse;
- Coordination of conferences and discussions on the subject of diversity in the workplace;
- Creation and development of the “Parcours Switch” programme;
- Organisation of information meetings and company visits.

Our UK subsidiary Acorn is a partner to the CITB Female Career Changer programme which supports women seeking a career change in construction.

It holds a regular “Women in Construction” event to highlight the work opportunities for women in construction in southern Wales. Our Spanish subsidiary sponsors a women’s handball team that promotes this message.

Employee health and physical well-being

Safety and security remains one of the three priorities of SYNERGIE Group because it affects the physical well-being of our temporary and permanent employees. Our primary objective is to protect temporary personnel on assignment in activities that are traditionally considered risky: construction and public works, logistics, transport and industry.

Reducing the number and seriousness of accidents in the workplace remains a key goal.

In this regard, we have implemented closely-managed support measures and rigorous procedures at each of our subsidiaries, particularly in France where indicators implemented in 2019 help to measure progress in this area: more than 100 talks for temporary employees and 1,001 accidents in the workplace analysed for clients in 2020.

SYNERGIE Group’s Safety Quality Division is responsible for this area of activity.

It initiated annual internal audits at the agencies and has been ensuring systematic performance of these audits over the last number of years, on the basis of 14 procedures applied to real accidents recorded by the agencies.

Based on the results, agencies requiring priority assistance are identified for support in assessing risks at our clients through the creation of job information sheets covering health and safety in the workplace. They are provided with training for personnel in workplace accident analysis and an in-depth presentation of the safety resources implemented by the Division.

In 2020, due to the health crisis and the lockdown periods, only 85 security audits were carried out. Nevertheless, we conducted onsite security monitoring to ensure that the measures we implemented around Covid were correctly applied and understood by our teams. As part of those discussions, we were able to provide health and safety support and assistance. No agency was given a score under 5. The 2020 audits led to 95% of agencies obtaining a score higher than 6.

Moreover, the monthly French publication “Liaisons Sociales” published an interview with our Safety Department in which we explained the processes we implemented to deal with the health crisis.

Raising awareness among temporary and permanent employees

Every year, security objectives are defined as part of a management review of our quality system. They are deployed nationally and adapted according to each agency’s activity structure.

In 2020, with the workplace accident analysis workshops and support in creating job information sheets covering health and safety in the workplace, 63 permanent employees obtained specific safety training.

On a day-to-day basis, a team of seven people ensure that all workplace accidents of over four days have been analysed, and provide all necessary assistance to the agency teams.

Guidelines indicating the questions to be asked during analysis of the accidents were created for this purpose.

SYNERGIE France's safety policy action plan for 2020 included a national health and safety audit to be performed by a firm specialised in the prevention of workplace risks. It was deferred until March 2021. Following this audit, a roadmap will be drawn up setting out an appropriate risk prevention programme.

The Safety Quality Division updated its presentation on road risks and operator safety competency. We also added nine new safety bulletins to our library.

SYNERGIE and all of its subsidiaries have a dynamic and proactive policy of raising safety awareness among temporary personnel.

In each country, SYNERGIE also intends to play a role in supporting temporary workers within client companies, to help them understand better the positions they are assigned and to encourage compliance with the required safety instructions.

Thanks to the health and safety management systems implemented by SYNERGIE in Spain and Italy, these entities had their ISO 45001 certification renewed while Acorn in the UK had its Safety Management Advisory Services Worksafe accreditation renewed and Austria had its OHSAS 18001 renewed.

Partners

Partnerships with workplace accident prevention bodies continued throughout 2020, with CARSAT in France, SUVA in Switzerland involving the Safety Passport, and Berufsgenossenschaft in Germany.

Indicators

While there was a decrease in the number of workplace accidents in 2020, the data should be seen in light of the decrease in our activity and therefore in the number of temporary staff placed on assignments.

Nevertheless, we observed a decrease in our rate of frequency and in the frequency index. Thanks to the sector and company-based workplace accident analyses, we were able to record that investment in personal protection equipment for the building sector is starting to show results, with the rates of frequency and seriousness in decline.

The KPI used for safety is the frequency index, the calculation of which enables us to control the evolution of workplace accidents as objectively as possible.

It is calculated as follows: the number of accidents involving leave from work x 1,000 divided by FTE. This indicator is deemed to be positive if it is lower than 8.

In France, it is 6.76, showing a notable decrease in relation to the previous three years and consistent with the frequency index target of less than 8 (7.7 in 2019).

In 2020, the indicator was rolled out to all of our subsidiaries (included Canada) and stood at 6.2 versus 6.5 in 2019.

KPI No 3a – Workplace accident: frequency indicator < 8.

| KPI n°3a France : Temporary workers frequency index | 2019 | 2020 | France | Northern and Eastern Europe | Southern Europe | Australia |
|--|------|------|--------|-----------------------------|-----------------|-----------|
| Frequency index: number of Workplace Accident with lost time x 1000 / number of FTE / 12 | 6.50 | 6.20 | 6.76 | 4.51 | 6.68 | 4.37 |

In addition, the new indicator (KPI No. 3b) made it possible in 2020 to highlight the work done by the company in terms of investment in prevention and safety in favour of employees on assignment, for which a further €142 per employee was added during the year.

KPI No 3b – Safety: average investment per employee (France & Europe)

| KPI n°3b - Safety: average investment per employee - France and Europe | Unit | 2019 | 2020 | France | Northern and Eastern Europe | Southern Europe |
|--|-------|------|------|--------|-----------------------------|-----------------|
| Average investment per employee (temporary workers) | Euros | 180 | 142 | 214 | 115 | 62 |

Investment was down overall due to the crisis, but in France it remained strong thanks to the commitment around occupational medicine, which remained proportionally high during the year despite the health crisis.

Regulatory training and equipment

A national Workplace Accident Unit, which was implemented in 2007, works together with the agencies to approve all declarations. This means that serious accidents can be reported almost in real time to the Social and Economic Council (CSE) through the workplace health and safety committee (CSSCT) or local representatives and to the auditors associated with the agencies concerned. This rigorous process helps to identify clients with a high rate of accidents and subsequently implement specific measures.

As it does every year, SYNERGIE consulted the national Social and Economic Council (CSE) to obtain a general overview of the hygiene, safety and working conditions in 2020 and on the annual prevention programme for 2021. The Social and Economic Council issued a positive opinion on these subjects.

Objectives around career-long skills development

Permanent employees

As part of its three-year company agreement on workforce and skills management, SYNERGIE continued to support the teams in all key areas of its HR policy.

a) Recruitment and integration

After distribution on the internal employment exchange to benefit the career development of permanent employees already in the company, the HR department centralises the external distribution of all vacancies and systematically evaluates all candidates in commercial and management roles. Career support throughout the first three weeks with the agency is offered to all managers placing a new employee. An officer is also appointed to these employees for a period of two months to provide support. The HR department systematically contacts new recruits after their first few weeks at the company. The managers are also contacted. Integration

days were held jointly by the Regional Division and the HR department during the first quarter of 2020, prior to lockdown.

b) Performance evaluation meetings

These meetings were held in 2020 by all managers for employees who have been with them for at least two years. They centred on discussing the employee's career aspirations, identifying needs and supporting their plans in order to provide professional security.

c) Training

The French structures continued to provide professional training. The Synergie Academy platform (digitisation of training courses) now offers more user-friendly, flexible and effective training methods with participation by line managers fully integrated.

Due to the health crisis in 2020, there was a virtual freeze on in-person training from 16 March. SYNERGIE used the time to focus on developing digital training and online classes.

Once recruited, every employee has access to the mandatory and optional training modules on Synergie Academy according to their profession.

d) Career management of permanent personnel

SYNERGIE has the necessary tools to promote internal mobility, at both hierarchical and functional level. The organisation of training, coaching, promotional meetings, personnel reviews, etc. are all part of a HR approach by SYNERGIE to promote the professional development of its employees in line with its strategy.

New training programmes were implemented, incorporating e-learning and virtual classes. Occasional in-house trainers were also trained to coordinate these new programmes.

In 2020 the remote training provided by Synergie France (excluding DCS) accounted for 88.5% of its training. A higher number of shorter training modules were offered enabling SYNERGIE France to double the number of employees trained (1,374 in 2020 versus 668 in 2019).

KPI No 4 : Average number of training hours per permanent employee (vs. Y-1)

| KPI n°4 - Average number of training hours per permanent employee | Unit | Total 2019 | Total 2020 | France | Northern and Eastern Europe | Southern Europe | Australia |
|---|-------|------------|------------|--------|-----------------------------|-----------------|-----------|
| Average number of training hours per permanent person | Hours | 17.58 | 10.18 | 6.05 | 5.66 | 18.81 | 27.35 |

In 2019: excluding Canada, Switzerland and DCS Iberica / In 2020: excluding Luxembourg, DCS Iberica and Australia

By applying directly for vacancies via the internal employment exchange, employees, regardless of the type of employment contract they have signed, get the opportunity to actively develop their career.

In 2020 at SYNERGIE France (excluding DCS):

- 60 people on fixed-term employment contracts and sandwich courses had the opportunity to apply for an open-ended employment contract;
- 79 people on an open-ended employment contract received a promotion.

Temporary personnel

Ensuring sustainable employment is a genuine concern for a company whose main activity is the delegation of temporary personnel on work assignments. Flexicurity is the main vector used by our recruiters, who are aware of the economic benefits offered by each specific area of employment. Through permanent close monitoring, follow-up interviews and end-of-assignment reviews of temporary personnel can be conducted in order to:

- Identify new training requirements for the employee on assignment;
- Assist the employee in changing career direction;
- Offer opportunities for geographical mobility.

This “employment sustainability” is measurable using statistical indicators:

- Increase in the number of long-dated assignments;
- Number of training courses to enable adaptation for jobs;
- Number of training courses to enhance professional profile.

Every day, SYNERGIE Group’s teams apply all of their know-how to ensure this sustainable employment objective is achieved.

All new temporary workers undergo an initial interview to ascertain their skills (training, experience, etc.) and set out their professional objectives and how they can be achieved. The goal of this interview is to establish whether this path involves the use of temporary assignments as a springboard into more long-term work or as a professional path in itself thanks to demand for the employee’s specialised skills.

SYNERGIE Group’s agencies pay particular attention to periods of inactivity between two assignments: employees are systematically offered personalised meetings to establish an update of their situation and look at opportunities for further training, with or without the AKTO (formerly the Fonds d’Assurance Formation du Travail Temporaire - training fund for temporary employees), or a different type of assignment.

a) Better training to meet the needs of companies

Training is one of the three mainstays of SYNERGIE Group’s CSR policy.

Fulfilling the equation for success: “an employee who is good at their job means a satisfied company manager”, is our daily challenge.

The Group invested more than €15.5 million in training in 2020, enabling more than 48,000 temporary employees to benefit from training.

As a result, 691 employees (mainly on open-ended employment contracts for temporary employees) in France benefited from training during the crisis, enabling them to optimise their time during the period of short-time working (for a total of €646,000).

The average number of training hours per participant across the entire Group was 21.5 in 2020. The total number is very high, surpassing one million.

KPI No 5 : Average number of training hours per temporary employee (vs Y-1).

| KPI n°5 - Average number of training hours per temporary employee | Unit | Total 2019 | Total 2020 | France | Northern and Eastern Europe | Southern Europe | Canada / Australia |
|--|-------|------------|------------|--------|-----------------------------|-----------------|--------------------|
| Average number of training hours per participant = Total training hours / total number of temporary workers in FTE | Hours | 22.61 | 21.50 | 14.08 | 0.46 | 46.91 | 6.83 |

Note: No hours were declared for temporary employees in Slovakia, Czech Republic, Switzerland, UK or Australia.

b) Guaranteeing a quality social status for temporary employees

A secure status enhances appeal and development

SYNERGIE Group plays a fundamental social role on the labour market as a private employment agency. It operates in accordance with the rules of convention no. 181, as adopted by the World Employment Confederation (WEC), particularly with regard to the prevention of discrimination. Temporary employees also have rights that go beyond those of employees on fixed-term contracts. Their status is set out in the regulations, as negotiated by the social partners for more than 25 years, the main characteristics of which are stability, transferability and clarity. The status of temporary employee is now recognised as much more protective than other contractual forms of employment such as, for instance, the status of self-employed which certain platforms often require. It is also more protective than the status of fixed-term contract employees.

Professional security: open-ended employment contracts for temporary employees

Established in 2013, the open-ended contract for temporary employees provides professional security and strengthens the employability of temporary workers. At the end of 2020, there were 2,749 temporary employees on open-ended employment contracts at SYNERGIE France, i.e. more than 10% of its temporary employees who benefited from job security between assignments. This constitutes genuine social progress in this profession.

This type of contract is used extensively by the SYNERGIE subsidiaries in Germany, the Netherlands and Switzerland, and significant progress has recently been made in Italy, where it now accounts for 28.7% of the subsidiary's placed personnel.

c) Guaranteeing quality social dialogue

In 2020, in France, the social dialogue stakeholders met very regularly to discuss mandatory subjects as well as matters agreed between the social partners: salaries, working hours, time savings accounts for temporary personnel, quality of work life, trade unionism, disability, provisional job and skills management, equal opportunity, health and welfare and participation are all topics that were monitored and discussed.

The following agreements or amendments were signed:

- An agreement on time savings accounts and working time and on open-ended contracts for temporary employees;
- An agreement on the awarding of a one-off bonus as a result of the Covid-19 epidemic.

Social dialogue continued in the context of the Social and Economic Council and at regional level through meetings between local representative:

- 14 Social and Economic Council meetings;
- 24 local representative meetings.

It was not possible to hold the European meetings in 2020 due to the travel restrictions.

6.3 The Group's contribution to environmental and social objectives

6.3.1 Environmental policy

Controlling environmental impacts

Unlike certain sectors, the services activity that SYNERGIE Group carries out has relatively little direct impact on the environment. Nevertheless, SYNERGIE decided to roll out an environmental campaign on the basis that in our everyday professional activities respect for the planet is everybody's concern.

Main thrusts

The SYNERGIE Group set itself a twin objective: develop environmental ethics and greater environmental awareness, and empower all employees and managers across all of the subsidiaries.

In this regard, SYNERGIE Group:

- Prepares and regularly reviews its environmental policy;
- Informs and raises the awareness of all of its personnel;
- Seeks feedback from personnel on environmental objectives and procedures;
- Implements sustainable development policies with its clients and suppliers;
- Works to reduce its impacts on the environment by controlling water and energy consumption, reducing and recycling waste, and limiting CO2 emissions and work travel.

Evaluation and certification policies

SYNERGIE's environmental policy is based first and foremost on the endeavours of its managers and employees in this area. However, external recognised and independent bodies may support, enhance and validate this policy.

SYNERGIE in Spain has already had ISO 14001 certification since 2012, which was renewed in December 2018 for three years.

Responsible purchasing

The Responsible Purchasing Charter, which was established in France in 2012, was updated in 2020 and is one of the main components used to raise suppliers' and subcontractors' awareness of CSR issues. From 2013, SYNERGIE proposed the signature of this charter for every new purchasing contract. The main suppliers (excluding property leasing) have already made a commitment to comply with this charter: adherence to the principles of the Global Compact, the eight fundamental conventions of the International Labour Organisation, and the relevant environmental and social regulations; implementation of the necessary resources to ensure compliance with these principles. The update to the charter in 2020 saw suppliers strengthen their adhesion through compliance with the Sapin 2 law and the GDPR. They were sent a new questionnaire to provide further details of their level of commitment.

Guaranteeing compliance by reducing environmental impacts

Pollution and waste management

Measures to prevent, recycle and eliminate waste are an integral part of SYNERGIE Group's Progress Plan. The data collected on specific indicators are used to measure its progress. The SYNERGIE Group also increasingly participates in recycling operations.

This action is based on two key areas:

- Upstream use of consumables from recycling operations (paper, cardboard, ink cartridges, etc.);
- Downstream, the inclusion of end-of-life consumables in recycling operations (furniture, IT equipment, paper, cardboard, etc.).

The SYNERGIE Group is thus making efforts to mainly use responsibly sourced paper i.e. paper that is recycled or from sustainably managed forests. Similarly, the ink cartridges used are all recyclable.

a) Sustainable use of resources

All the Group's subsidiaries have begun the process of moving to electronic invoices, contracts, pay slips and payments, which has led to a reduction of 8% in paper consumption per employee (-3.13kg per year), which is consistent with our target of -5% over three years.

The volume of paper recovered for recycling is now an indicator used by the subsidiaries, and reached 35 tonnes in 2020 versus 53 tonnes in 2019.

As part of our efforts to recycle IT hardware, a total of 1.5 tonnes of waste electronic and electrical equipment (WEEE) was treated in France in accordance with environmental practices, to which 1.5 tonnes were added from our European subsidiaries, which have been achieving gradual progress in this area since 2019.

b) Greenhouse gas emissions

As a positive corollary to the significant increase in meetings held by videoconference, the consumption of fuel decreased across the Group by 25% in 2020.

Areas of improvement in relation to the Group's vehicle fleet were recommended as part of the audit, ranging from the introduction of a more energy efficient fleet to monthly monitoring of tyre pressure and performance labelling every time a vehicle is renewed (change from E or C to B). A policy around the use of vehicles that are more suited to employees' real needs is currently in place. The gradual shift to electric or hybrid vehicles pursuant to the French Mobility Orientation Law will mean that the vehicle fleet will be required to comply with a maxim CO2 emission rate of 60g by 2030. In 2020, the average rate decrease further from 84.3g to 78g.

In addition, SYNERGIE Group's transport plan is based on two key pillars:

- Growth in the number of meetings held by videoconference, which reached 1,954 in France in 2020 from our Teams rooms versus 570 in 2019. In addition, 20,202 Teams meetings were created by our users over the last six months;
- The implementation of a mobility plan at its administrative headquarters in Orvault in partnership with the city and urban community of Nantes. Under this plan, a bicycle parking space was created for up to 40 bikes.

c) Works carried out at our premises

SYNERGIE conducted a regulatory energy audit in France (Synergie & Aile Médicale) in 2015, which enabled it to reduce its energy bill, even as the Group continued to grow. Its energy bill decreased from €440,338 in 2015 to €432,952 in 2020.

Another audit was conducted in 2019 giving rise to action plans being set out in fact sheets with the goal of generating energy savings of 20.5% within three years.

In the context of compliance with the French government order concerning energy optimisation in buildings used in the tertiary sector, SYNERGIE is preparing to make its first filing of its energy consumption on OPÉRAT (for 2020).

Irrelevant data

As the following data was not relevant, SYNERGIE Group decided to exclude it from the extra-financial report:

- the circular economy;
- The combating of food waste;
- The combating of food insecurity;
- Respect for animal rights;
- Responsible, equitable and sustainable food.

6.3.2 Societal policy

A corporate citizen in touch with its territories

Lab'SYNERGIE, commitments that anchor the Group in its territories

From the perspective that a company cannot ignore the appeals of players in its territory, SYNERGIE Group created Lab'Synergie in 2014 to structure its partnership and sponsorship activities. Lab'Synergie operates in an original and flexible manner, serving as a platform for experimentation, and territorial and societal commitment. That being said, it applies specific procedures which include third party monitoring to ensure it complies always with the laws preventing corruption. There are several tools that facilitate citizen engagement in the various regions and employment pools: apprenticeship tax, patronage, sponsorship, etc.

Apprenticeship tax

SYNERGIE France set a target of €685 thousand for 2020 in respect of 150 local establishments.

Over and above amounts that are traditionally paid under the apprenticeship tax to trade and vocational training schools, SYNERGIE also directs significant amounts to secondary schools, adult training centres, and craftspeople and artisan bodies, using it as a veritable CSR tool and to contribute to urban incentives.

Patronage, sponsoring and solidarity projects

The SYNERGIE Group also demonstrated its societal commitment at each of its subsidiaries by developing specific partnerships and supporting the solidarity projects that continued to operate in 2020 despite the crisis.

- “Lab’Synergie” also firmly anchors the Group in its surrounding territory, providing substantial sports sponsorship to both high level teams like FC Nantes and to around sixty amateur or semi-professional clubs across all of the regions in which SYNERGIE operates.
- Its engagement in this area also included the following:
 - Support with professional retraining for high level sports people, such as the former world water ski medallist Patrice Martin. A similar initiative was undertaken in Spain under the CAR SPEAKERS programme: retraining for high level athletes and reintegration into the workforce;
 - An initiative created in partnership with the Hauts-de-France Athletics League and Pôle Emploi entitled “Sport Ensemble pour recruter autrement” which SYNERGIE decided to team up with in 2019. Deployed in 12 French cities in tandem with the athletics federations, this initiative enabled more than 1,200 candidates to participate and to meet SYNERGIE’s client companies. A total of more than 600 people found employment as part of these meetings. For the Amiens event, the support of “Paris 2024” was obtained, with the presence of Tony Estanguet, its Chairman, and Jean Bassères, Chief Executive Officer of Pôle Emploi;
 - Charitable events:
 - Like that which was launched in 2017 by SYNERGIE Belgium, the Mobile School Streetwise Challenge continued in 2020 with two additional schools receiving financing, giving a total of eight mobile schools since the start of the operation (Greece, Zambia, India, Tanzania, Port-au-Prince, Lithuania, Togo and Sri Lanka). This operation was taken over in 2020 by our German subsidiary, for which it was ranked second in the IGZ Awards (by the temporary employment employers association iGZ) for its contribution to the happy@SYNERGIE international programme;
 - And that of our Portuguese subsidiary which organised a food drive to help ensure families in need were able to have a quality Christmas meal.
 - Support for suppliers that employ people with disabilities in jobs such as document printing, packaging, meal and buffet preparation, maintenance of green spaces, window cleaning and general cleaning;
 - Support for associations working to combat discrimination and promoting employment for people excluded from the labour market (sponsorship of Foot Fauteuil [wheelchair football] for the 14th year in a row and for the Dalmatian Bike Ride of which our UK subsidiary Acorn is the main sponsor, for the fifth year in a row, for the benefit of St David’s Hospice Care);
 - Support for the Nantes cancer research centre;
 - Support for associations working to rehabilitate former offenders and for people facing potential homelessness, to increase female representation and help the long-term unemployed to find a job (Acorn);
 - Support in the area of cultural exchange:
 - Our Spanish subsidiary supported the cultural exchange platform DOTHEGAP. This is a community that fosters exchange in all types of cultural and sports activities, both nationally and internationally, and serves as a meeting space for training centres, sports clubs and families seeking to exchange activities.

- The charitable initiatives of our employees and managers, for instance the initiatives by the CEO of our German subsidiary who was selected as CSR ambassador in the employers' union iGZ.

CSR by our DCS subsidiary in 2020

As part of its CSR approach, DCS seeks to contribute to the general good and to positively influence the attitudes and behaviours of its employees, who are also citizens. Any company with sufficient awareness makes sure to apply the necessary resources to deal with shocks during periods of crisis (as demonstrated by DCS during the pandemic in 2020) and, during normal times, to achieve real progress in its performance.

Making a contribution to society also involves pedagogical initiatives, education and concrete action; areas in which SYNERGIE once again made substantial and heartfelt investments in 2020: in-house training/qualifications and awareness-raising campaigns (see Chapter 7 of our Communication on Progress - UN Global Compact), unwavering employee initiatives (regional mobility challenges, digital technology to reduce pollution, support for the integration initiatives of Cravate Solidaire, for care workers and research around the Coronavirus with the Fondation de France, etc. (see Chapter 8 of our "Communication on Progress").

Efforts were also made to strengthen participation in the circular economy with the goal of helping to recover used equipment, ensure secure disposal of data and support integration. This work will be continued in 2021, with efforts to eventually enter into a sustainable partnership with an appropriate company.

<https://www.brefeco.com/actualite/rse/tribune-devenir-un-meilleur-citoyen-grace-son-entreprise-utopie-ou-realite>

TIGLOO, the Spanish subsidiary of DCS, participated in a drive to raise awareness around the Spanish Red Cross and made a direct financial contribution to "Bancos de Alimentos" in April 2020, during the Covid-19 crisis. The employees also participated in this initiative.

In 2020, SYNERGIE was also able to highlight and share these success stories with our employees (temporary and permanent), clients and association and institutional partners as part of the development of our presence on social networks through our newsletter "Le Fil RSE du Groupe SYNERGIE".

6.4 Conclusion & Outlook

Endorsements of our engagement

By identifying these risks and implementing action to ensure exhaustive control of each of them, the SYNERGIE Group achieved further progress.

Thanks to our engagement, in 2020, SYNERGIE Group was ranked in the Top 10 (up from 19th to 7th place) of the Ethifinance Gaïa CSR Rating of the 230 small, medium and intermediate sized companies listed on the Paris stock exchange, with a score of 86/100.

Societal engagement of this type is increasingly being analysed and included as an investment criterion by investors.

In February 2021, SYNERGIE received its 2020 rating from international sustainability ratings company Ecovadis, and for the first time ever obtained a platinum rating with a score of 73/100, ranking SYNERGIE in the top 1% in its sector.

Synergie was also recognised by Point-Statista which rates the top 250 CSR policies of companies in France. Our UK subsidiary Acorn was named a winner in corporate responsibility for its inspiration of future talents.

These commitments are communicated annually as part of a progress report under the UN Global Compact, which serves as a CSR report.

These good results are just one stage and serve to encourage all of the Group's players to also engage. Each plays a key role in the company's sustainability and growth.

6.5 Report by the independent third party on the consolidated declaration of extra-financial performance included in the group's management report

SYNERGIE S.E.

11, avenue du Colonel Bonnet

75016 PARIS

Trade and Companies Registry 329,925,010

REPORT BY THE INDEPENDENT THIRD PARTY ON THE CONSOLIDATED DECLARATION OF EXTRA-FINANCIAL PERFORMANCE INCLUDED IN THE GROUP'S MANAGEMENT REPORT

Financial year ended 31 December 2020

To the Shareholders' Meeting,

In our capacity as an independent third party body accredited by the audit body COFRAC under number 3-1077 (scope of accreditation available on www.cofrac.fr), we hereby report on the declaration of consolidated extra-financial performance for the year ended 31 December 2020 (hereafter the "declaration"), presented in the Group's management report pursuant to the provisions of Articles L.225-102-1, R.225-105 and R.225-105-1 of the French commercial Code.

Responsibility of the entity

It is the responsibility of the Executive Board to prepare a declaration in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main extrafinancial risks, a presentation of the policies applied in relation to these risks and the results of these policies, including key performance indicators.

The declaration was prepared in accordance with the entity's procedures (hereafter the "guidelines"), the main elements of which are presented in the declaration and are available on request from the Company's head office.

Independence and quality control

Our independence is defined by the provisions in Article L. 822-11-3 of the French commercial Code and the profession's code of ethics. In addition, we have implemented a quality control system that includes documented policies and procedures to ensure compliance with professional ethics, professional standards and applicable laws and regulations.

Responsibility of the independent third party

It is our responsibility, based on our work, to formulate an expert opinion and draw a conclusion expressing a moderate assurance on:

- The compliance of the declaration with the provisions of Article R. 225-105 of the French commercial Code;
- The truthfulness of the information provided pursuant to paragraph 3 of Section I and Section II of Article R.225105 of the French commercial Code, namely the results of the policies, including key performance indicators, and the action taken in relation to the main risks, hereafter the "information".

It is not our responsibility to express a view on:

- The entity's compliance with the other applicable legal and regulatory provisions;
- The compliance of the products and services with the applicable regulations.

Nature and extent of works

We carried out the work described below in accordance with the provisions of Articles A. 225-1 et seq. of the French commercial Code determining the procedures according to which the independent third party performs its tasks and in accordance with Afnor document FD X 30-02 "Guidelines for the performance of verifications as stipulated in Article L.225-102-1 of the French commercial Code".

We conducted our work to assess the compliance of the declaration with the regulatory provisions and the truthfulness of the information:

- We took due note of the activity of all of the companies included in the scope of consolidation, of the exposure to the main social and environmental risks as a result of this activity, as well as the related policies and their results;
- We assessed the appropriateness of the guidelines with respect to relevance, completeness, reliability, neutrality and ease of comprehension, taking into account, where appropriate, industry best practices;
- We verified that the declaration covers every category of social and environmental information referred to in Section III of Article L.2251021;
- We verified that the declaration includes an explanation of the reasons for the lack of information required under paragraph 2, Section III of Article L.225-102-1;
- We verified that the declaration includes a presentation of the business model and the main risks related to the activity of all the entities included in the consolidation scope, including, where relevant and proportionate, the risks created by its business relationships, products or services and the related policies, action and results, including key performance indicators;
- We verified, where relevant to the main risks or policies presented, that the declaration includes the information stipulated in Section II of Article R.225-105;

- We evaluated the procedures for selecting and validating the main risks;
- We asked about the internal control and risk management procedures implemented by the entity;
- We assessed the consistency of the results and key performance indicators with the main risks and policies presented;
- We verified that the declaration includes a clear and detailed explanation in the event of the lack of policy for one or more of these risks;
- We verified that the declaration covers all of the companies included in the consolidation scope in accordance with Article L.233-16 and sets out the limit of the scope;
- We assessed the process implemented by the entity for the collection of information and to ensure its exhaustiveness and truthfulness;
- We carried out the following for the key performance indicators and other quantitative result¹ we deemed most important:
 - Analytical procedures to verify the correct consolidation of the data collected and the consistency of related changes;
 - Detailed sample-based tests to check the correct application of the definitions and procedures and to reconcile the data contained in supporting documents. This work was conducted on all of the entities covered by the scope of the extra-financial performance declaration, covering between 50% and 100% of the consolidated data from the key performance indicators and the results selected for the tests.
- We consulted the source documents and held interviews to corroborate the qualitative information (action and results) we deemed most important².
- We checked the coherence between the declaration and our knowledge of all the companies included in the consolidation scope.

We believe that the work we carried out by exercising our professional judgement allows us to provide a conclusion with moderate assurance; a higher level of assurance would have required more extensive work.

Methods and resources

Our work required the services of two people and took place between March and April 2021, over a total period of three weeks.

We conducted three interviews with individuals responsible for the preparation of the declaration representing the Finance department, the Human Resources department and the CSR officers.

¹ See attached appendix

² See attached appendix

Conclusion

Based on our work, we did not identify any material misstatements likely to call into question the fact that the declaration of extra-financial information complies with the applicable regulatory provisions and the information, taken as a whole, is presented in a truthful manner in accordance with the guidelines.

Paris, 19 April 2021

Independent third-party body,

DAUGE FIDELIANCE

Sarah GUEREAU

APPENDIX 1: INFORMATION WE DEEMED MOST IMPORTANT

1. Quantitative indicators including key performance indicators

| Subjects | Indicators | Tested entities |
|-------------|--|-----------------|
| Social | <ul style="list-style-type: none"> Ratio of the average number of permanent disabled employees to the total number of permanent employees. Ratio of the average number of paid hours relating to temporary disabled employees to the overall number of paid hours of temporary employees. Security: temporary employees frequency index Security: average level of investment per temporary employee Average number of training hours per permanent employee Average number of training hours per temporary employee | France, Spain |
| Environment | <ul style="list-style-type: none"> Average CO2 emissions per vehicle Electricity consumption Volume of paper recovered | France |
| Societal | <ul style="list-style-type: none"> GDPR response time Training on French Sapin 2 Law completed | France |

2. Qualitative information (action et results)

- Gaïa Gaïa index score
- EcoVadis index
- ISO 45001 certification SYNERGIE Spain

7. LIFE OF SYNERGIE STOCK

7.1 General information and changes in the stock

Share capital

The share capital of SYNERGIE SE is €121,810,000, divided into 24,362,000 shares with a par value of €5.

There are no transferable securities likely to give direct or indirect access to the Company's capital.

Listing

SYNERGIE is listed on Compartment B of Euronext Paris under ticker SDG and ISIN code FR0000032658.

During the year, the share price moved between a low of €13.00 (19 and 23 March 2020) and a high of €32.80 (30 December 2020). The closing share price on 31 December 2020 was €32.00, compared with €29.20 on 31 December 2019.

On average, 6,357 securities were traded per session in 2020, compared with 4,834 in 2019.

The Company's market capitalisation was €678,137 thousand at 31 December 2020, based on the average share price over the last 60 sessions of the year.

Liquidity of the stock

A liquidity contract was signed on 28 January 2007 between the Company (issuer) and Oddo Midcap (market maker); it was subject to an amendment during the first quarter of 2019 to take account of new regulatory provisions.

The share's liquidity was an average of €137 thousand per day (versus €141 thousand in 2019).

Trading of shares and voting rights

SYNERGIE shares may be freely traded and there are no statutory limitations on the exercise of voting rights.

Double voting rights are assigned, in respect of the percentage of share capital they represent, to all shares that are fully paid up and are proven to have been registered in the name of the same shareholder for a period of at least two years, as well as registered shares granted free of charge to shareholders in the event of a capital increase through incorporation of reserves, profits or share premiums, by virtue of old shares for which they have this right.

Free share awards

No free shares were awarded by the company during the reporting period.

Stock option plans

There are no stock option plans in place within the company.

Shareholders' agreement

To the best of the Company's knowledge, no shareholders' agreement exists.

Schedule of financial announcements

| PUBLICATION OF FINANCIAL INFORMATION | ANNUAL PROVISIONAL | QUARTERLY (Q1) | HALF-YEAR | QUARTERLY (Q3) |
|---|---------------------------------------|----------------------------|----------------------------|-------------------------|
| Provisional date ^(*) | 31 March 2021 | 28 April 2021 | 22 September 2021 | 27 October 2021 |
| PUBLICATION OF TURNOVER | QUARTERLY (Q1) | QUARTERLY (Q2) | QUARTERLY (Q3) | QUARTERLY (Q4) |
| Provisional date ^(*) | 28 April 2021 | 28 July 2021 | 27 October 2021 | 2 February 2022 |
| INVESTOR INFORMATIONS | Ordinary Shareholders' Meeting | ANALYSTS' MEETING 1 | ANALYSTS' MEETING 2 | DIVIDEND PAYMENT |
| Provisional date | 24 June 2021 | 1 April 2021 | 23 September 2021 | 2 July 2021 |

^(*) After market

7.2 Shareholder structure

Percentage of share capital held by shareholders with a significant interest

Pursuant to the law, we hereby inform you that HB COLLECTOR, controlled by Henri BARANDE, held 69.08% of the share capital and 82.21% of the exercisable voting rights at 31 December 2020.

To the best of the Company's knowledge, no other public shareholder holds more than 5% of the share capital.

Treasury stock

At 31 December 2020, 369,624 treasury shares were held, including 17,161 under the liquidity contract and 352,463 as part of the share buyback programme as approved by the Combined Shareholders' Meeting of 18 June 2020.

7.3 Share buyback programme

It should be noted that, pursuant to Article L.225-209 of the French Commercial Code, SYNERGIE has set up a share buyback programme.

At the Combined Shareholders' Meeting of 24 June 2021, a proposal will be submitted to renew, for a period of 18 months, the necessary powers granted to the Executive Board to purchase, on one or more occasions and at times that it deems appropriate, shares of the Company up to a limit yet to be determined.

This authorisation will render null and void the authorisation granted to the Executive Board by the Combined Shareholders' Meeting of 18 June 2020.

Number of securities and percentage of the share capital held by SYNERGIE at 29 March 2020

At 29 March 2021, the share capital of SYNERGIE comprised 24,362,000 shares; the Company held 375,871 treasury shares at that date, representing 1.54% of the share capital, broke down as follows:

- 23,408 shares purchased to stimulate the market;
- 352,463 shares acquired during 2009-2014 to fulfil the objectives of the share buyback programmes approved each year (hold on to the shares acquired for use at a later stage as

part of an exchange or payment in the context of potential external growth transactions, release securities when rights attached to transferable securities are exercised conferring entitlement to the granting of the Company's shares).

Maximum percentage of the Company's capital that can be repurchased - characteristics of the equity securities

The maximum percentage is 4% of the share capital, i.e. 974,480 ordinary shares. As the treasury shares held at 29 March 2021 numbered 373,871, the remaining number of shares that can be bought back is 590,609, i.e. 2.46% of the share capital.

These terms, which are subject to approval by the Combined Ordinary and Extraordinary Shareholders' Meeting, will be authorised until the date of renewal by the Annual Shareholders' Meeting and for a maximum period of 18 months as of the aforementioned Shareholders' Meeting.

The Executive Board will be authorised during this period to buy and/or sell shares of the Company under the conditions established. It may cancel the shares within a maximum period of 24 months.

Share buybacks are usually financed using the Company's own resources, or through debt for additional requirements exceeding its self-financing capacity.

Report on previous buyback programme

Pursuant to Article L.225-209 of the French Commercial Code, we would like to report on the buyback operations carried out.

The Combined Ordinary and Extraordinary Shareholders' Meeting of 18 June 2020 authorised the Executive Board, with the power of delegation, to implement a share buyback programme for a period of 18 months, i.e. until 19 December 2021.

The following tables provide details of the operations carried out under this buyback programme.

Summary table

| Declaration by the issuer on transactions carried out on its own securities: from 1 st April 2020 to 29 March 2021 | |
|--|------------|
| Percentage of own share capital held, directly or indirectly | 1.54% |
| Number of shares cancelled in previous 24 months | - |
| Number of securities in the portfolio | 375,871 |
| Carrying value of the portfolio | 4,077,988 |
| Market value of the portfolio ⁽¹⁾ | 11,628,411 |

⁽¹⁾ based on the closing share price at 29 March 2021

| Cumulative gross flows | | | Open positions on date of issue of programme details | | | | | |
|-----------------------------------|-----------|-----------|--|--------------|----------------------|---------------|-------------------|------------------|
| | Purchases | Sales | call | | | put | | |
| | | | Calls purchased | Puts sold | Forward purchases | Calls sold | Puts purchased | Forward sales |
| Number of securities | 67,339 | 75,077 | | | | | | |
| of which under liquidity contract | 67,339 | 75,077 | | | | | | |
| Average transaction price | 24.93 | 25.12 | | | | NONE | | |
| Amount | 1,678,685 | 1,886,010 | | | | | | |

The flows mentioned took place under the liquidity contract with the aim of stimulating the market.

7.4 Employee savings schemes

Pursuant to Article L.225-102 of the French Commercial Code, we hereby specify that no employee of the Company holds shares of our Company as part of the collective securities management schemes governed by the Code.

8. OTHER INFORMATION AND LEGAL REMINDERS

Corporate, social and environmental information

This information is presented in the declaration of extra-financial performance.

Acquisitions of equity interests during the year

The table of subsidiaries and equity affiliates of SYNERGIE SE is presented in Note 32 to the corporate financial statements.

Non-tax-deductible expenses

Non-tax-deductible expenses pursuant to Article 39-4 of the French General Tax Code came to €225 thousand and the corresponding tax to €70 thousand.

Breakdown of profit in the corporate financial statements of SYNERGIE SE over the last five years

| In € thousand | 2016 | 2017 | 2018 | 2019 | 2020 ^(**) |
|---------------------------------------|---------|---------|---------|---------|----------------------|
| Net profit after tax | 51,793 | 71,362 | 67,653 | 44,937 | 22,812 |
| Initial retained earnings (*) | 94,101 | 131,628 | 183,620 | 231,755 | 276,790 |
| Available profit | 145,894 | 202,990 | 251,273 | 276,692 | 299,602 |
| Reserves | (137) | 170 | 330 | (98) | (115) |
| Dividends | 14,617 | 19,490 | 19,490 | - | 19,490 |
| Retained earnings after appropriation | 131,413 | 183,331 | 231,453 | 276,790 | 280,227 |

(*) the "Initial retained earnings" item for financial years 2016 to 2020 includes undistributed dividends attached to treasury shares.

(**) the Executive Board will decide in May 2020 on the appropriation of profit to be proposed to the Combined Shareholders' Meeting of 24 June 2021.

Research and development

In order to pursue and develop their activities, SYNERGIE and its subsidiaries may independently carry out development and innovation projects to adapt to regulatory change, respond to client expectations, optimise the management of CV libraries and the performance of the temporary employment payroll/invoicing application, by incorporating new modules.

It should be highlighted that these are experimental developments using new technologies and do not constitute fundamental applied research.

CONSOLIDATED FINANCIAL STATEMENTS

OF THE SYNERGIE GROUP

| | |
|---|------------|
| Financial data | 61 |
| Consolidated statement of financial position | 61 |
| Consolidated statement of comprehensive income | 62 |
| Consolidated statement of cash flows | 64 |
| Consolidated statement of changes in shareholders' equity | 65 |
| Notes to the consolidated financial statements | 66 |
| Statutory Auditors' Report on the consolidated financial | 100 |

FINANCIAL DATA

1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| Assets | Note No | 31/12/2020 | 31/12/2019 |
|--|----------------|-------------------|-------------------|
| In € thousand | | | |
| Goodwill | 5 | 102,191 | 112,636 |
| Other intangible assets | 6 | 44,823 | 45,222 |
| Property, plant and equipment | 7 | 65,211 | 68,257 |
| Right of use relating to lease contracts | 7.2 | 68,656 | 40,451 |
| Non-current financial assets | 8 | 43,194 | 89,872 |
| Deferred tax assets | 9 | 3,598 | 5,638 |
| Non-current Assets | | 327,672 | 362,076 |
| Trade receivables | 10 | 508,049 | 565,974 |
| Other receivables | 11 | 99,097 | 70,723 |
| Cash and cash equivalents | 12 | 256,752 | 162,166 |
| Current Assets | | 863,898 | 798,863 |
| Total Assets | | 1,191,570 | 1,160,940 |

| Liabilities | Note No | 31/12/2020 | 31/12/2019 |
|---|----------------|-------------------|-------------------|
| In € thousand | | | |
| Share capital | 13 | 121,810 | 121,810 |
| Reserves and carryforwards | | 404,258 | 342,967 |
| Consolidated net profit | | 38,278 | 60,098 |
| Non-controlling interests | | 19,119 | 19,797 |
| Shareholders' equity | | 583,465 | 544,672 |
| Provisions and payables for employee benefits | 14 | 6,220 | 6,304 |
| Non-current borrowings | 16.1 | 34,503 | 38,641 |
| Medium and Long-term lease debt | | 57,877 | 30,320 |
| Deferred tax liabilities | 9 | 12,341 | 12,060 |
| Non-current Liabilities | | 110,940 | 87,325 |
| Provisions | 15 | 753 | 1,907 |
| Current borrowings | 16.2 | 10,906 | 10,312 |
| Short-term lease debt | | 11,454 | 9,920 |
| Current bank debt | 16.3 | 29,007 | 35,148 |
| Trade payables | 17 | 24,357 | 26,125 |
| Tax and social security payables | 18 | 402,260 | 424,238 |
| Other payables | 18 | 17,088 | 21,293 |
| Current Liabilities | | 497,164 | 528,943 |
| Total Liabilities | | 1,191,570 | 1,160,940 |

2. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

2.1 Consolidated income statement

| In € thousand | Note No | 2020 | 2019 |
|---|-----------|------------------|----------------|
| Turnover | 19 | 2,190,338 | 2,642,339 |
| Other income | | 10,471 | 5,871 |
| Purchases | | 67 | (29) |
| Personnel costs | 20.1 | (1.959.975) | (2.370.882) |
| External expenses | | (77,014) | (85,213) |
| Taxes and similar levies | | (48,310) | (49,358) |
| Depreciation and amortisation | | (23,221) | (16,828) |
| Provisions | | (2,501) | (3,194) |
| Inventory change of goods | | (173) | (245) |
| Other expenses | | (208) | (781) |
| Current operating profit before amortisation and impairment of intangible assets | | 89,473 | 121,680 |
| Amortisation of intangible assets related to acquisitions | 6 | (7,963) | (5,896) |
| Impairment of intangible assets related to acquisitions | 5.2 | (3,960) | (1,000) |
| Current operating profit | | 77,551 | 114,783 |
| Other operating income and expenses | 20.3 | 50 | (802) |
| Operating profit | | 77,600 | 113,982 |
| Income from cash and cash equivalents | | 695 | 809 |
| Cost of gross financial debt | | (2,978) | (2,695) |
| Cost of net financial debt | 21 | (2,283) | (1,886) |
| Other financial income and expenses | 21 | (872) | 516 |
| Net profit before tax | | 74,445 | 112,612 |
| Tax expense | 22 | (33,156) | (49,251) |
| Consolidated net profit | | 41,289 | 63,360 |
| Group share | | 38,278 | 60,098 |
| Non-controlling interests | | 3,012 | 3,262 |
| Earnings per share (in €) (*) | 23 | 1.57 | 2.47 |
| Diluted earnings per share (in €) (*) | 23 | 1.57 | 2.47 |

(*) Net profit Group share divided by 24,362,000 shares

2.2 Statement of net profit and gains and losses recognised directly in shareholders' equity

| In € thousand | 31/12/2020 | 31/12/2019 |
|---|---------------|---------------|
| Net profit | 41,289 | 63,360 |
| Gains and losses resulting from translation of the financial statements of foreign subsidiaries | (480) | 563 |
| Liquidity contract | 23 | 88 |
| Subtotal of recyclable gains and losses | (457) | 651 |
| Actuarial differences net of tax | 336 | (421) |
| Subtotal of non-recyclable gains and losses | 336 | (421) |
| Total gains and losses recognised directly in shareholders' equity | (121) | 230 |
| Net comprehensive income | 41,168 | 63,590 |
| Group share of total comprehensive income | 38,176 | 60,435 |
| Non-controlling interests' share of total comprehensive income | 2,992 | 3,155 |

3. CONSOLIDATED STATEMENT OF CASH FLOWS

| In € thousand | Note No | 31/12/2020 | 31/12/2019 |
|--|---------|-----------------|-----------------|
| Consolidated net profit | | 41,289 | 63,360 |
| Derecognition of expenses and income without an impact on cash or not related to business activity | | 28 | 203 |
| Depreciation, amortisation and provisions | 25.2 | 19,467 | 14,000 |
| Cost of financial debt | 21 | 904 | 1,277 |
| Deferred tax position | 9 | 149 | (3,030) |
| IFRS 16 rents restatement | | 15,947 | 10,583 |
| Other expenses and income not generating short-term flows ⁽¹⁾ | | 546 | |
| Self-financing capacity | | 78,329 | 86,392 |
| Change in working capital requirement | 25.1 | 49,909 | 50,950 |
| Net cash flow from operating activities | | 128,238 | 137,342 |
| Purchases of fixed assets | | (4,336) | (17,632) |
| Sales of fixed assets | | 57 | 69 |
| Sales of non-current financial assets | | - | (8) |
| Impact of changes in scope (and price supplements) ⁽²⁾ | | - | (15,431) |
| Cash flow from investments activities | | (4,279) | (33,002) |
| Dividends paid out to shareholders of the Parent Company | | - | (19,188) |
| Dividends paid out to minority shareholders of the consolidated companies | | (2,024) | (2,208) |
| Purchase of treasury shares | | 138 | 187 |
| Loan issues | | 1,650 | 18,189 |
| Loan repayments | | (6,146) | (7,622) |
| Lease liabilities repayments | | (14,568) | (9,973) |
| Net interests paid on lease liabilities | | (1,379) | (610) |
| Cost of net financial debt | 21 | (904) | (1,277) |
| Net cash flow from financing activities | | (23,233) | (22,501) |
| Change in net cash position | | 100,727 | 81,839 |
| Opening cash position | 16.3 | 127,018 | 45,179 |
| Closing cash position | 16.3 | 227,744 | 127,018 |

⁽¹⁾ CICE product of the non-flow generating year

⁽²⁾ including:

| | | |
|-----------------------------------|--|-----------------|
| Disbursing price on acquisition | | (15,088) |
| Acquired cash | | (343) |
| Impact of changes in scope | | (15,431) |

4. CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| In € thousand | Capital | Capital reserves | Treasury securities | Consolidated reserves | Gains and losses recognised directly in shareholders' equity | Total Group share | Non-controlling interests | Total |
|---------------------------------|----------------|------------------|---------------------|-----------------------|--|-------------------|---------------------------|----------------|
| Position at 01/01/2019 | 121,810 | 12,181 | (3,983) | 352,616 | 792 | 483,417 | 18,348 | 501,766 |
| Appropriation of earnings n-1 | - | - | - | - | - | - | - | - |
| Adjustments IFRS 9 | - | - | - | - | - | - | - | - |
| Dividends | - | - | - | (19,188) | - | (19,188) | (2,208) | (21,396) |
| Transactions on treasury shares | - | - | 98 | - | 88 | 187 | - | 187 |
| Overall net profit for the year | - | - | - | 60,098 | - | 60,098 | 3,262 | 63,360 |
| Currency translation adjustment | - | - | - | - | 559 | 559 | 4 | 563 |
| Change in scope | - | - | - | 112 | (310) | (198) | 391 | 193 |
| Position at 31/12/2019 | 121,810 | 12,181 | (3,885) | 393,638 | 1,130 | 524,875 | 19,797 | 544,673 |
| Position at 01/01/2020 | 121,810 | 12,181 | (3,983) | 393,638 | 1,130 | 524,875 | 19,797 | 544,673 |
| Appropriation of earnings n-1 | - | - | - | - | - | - | - | - |
| Dividends | - | - | - | - | - | - | - | - |
| Transactions on treasury shares | - | - | - | - | - | - | (2,522) | (2,522) |
| Overall net profit for the year | - | - | 115 | - | 23 | 138 | - | 138 |
| Currency translation adjustment | - | - | - | 38 278 | - | 38,278 | 3,012 | 41,289 |
| Change in scope | - | - | - | - | (467) | (467) | (13) | (480) |
| Other variations (*) | - | - | - | 1 180 | 342 | 1,522 | (1,154) | 368 |
| Position at 31/12/2020 | 121,810 | 12,181 | (3,770) | 433,097 | 1,028 | 564,345 | 19,119 | 583,465 |

(*) Other changes relating to the Group and non-controlling interests were mainly impacted during 2020 by the increase from 80% to 100% of SYNERGIE SE's stake in the Austrian subsidiary VÖLKER GmbH.

5. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Key events

The 2020 financial year was marked by an unprecedented health crisis linked to the Covid-19 pandemic, which had a strong impact on the activity and results of SYNERGIE and its subsidiaries.

The Group's swift response together with the government measures, including its assumption of the cost of short-time working for permanent and temporary personnel, enabled the SYNERGIE Group to limit the impact of the crisis on its activity and results, and to strengthen its financial solidity.

Impact on activity and results

The decrease in turnover and in the consolidated results in 2020 was mainly linked to the Covid-19 crisis. All expenses and income linked to the epidemic were recognised under operating income, with the government measures impacting the following items of the income statement:

- Other income from subsidies directly linked to the fall in turnover in the amount of €6,007 thousand;
- Personnel costs relating to the implementation of short-time working measures and subsidies directly attributed to the Group companies for €44,786 thousand.

The cost cutting measures helped to partly offset the impact of the fall in activity.

Impact on cash

The fall in activity combined with effective receivables recovery (average client credit level maintained) led to a sharp reduction in working capital requirement and a significant improvement in the Group's cash position.

Impact on the balance sheet

The trade receivables item was impacted by the fall in activity, but the level of impairment was low thanks in particular to the support provided to companies experiencing cash flow difficulties.

The Group did not have to deal with a high level of deferred payments, as the related liabilities were mainly paid during the year, with the exception of an amount of €3,271 thousand which was paid at the start of 2021. In France, the Group did not have to take out any state-guaranteed loans.

Note 1 Accounting principles and methods

1.1 Basis for preparation of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2020 and the related notes were approved by the Executive Board on 29 March 2021.

The accounting principles based on which the consolidated financial statements are prepared are in line with IFRS standards and interpretations, as adopted by the European Union as at 31 December 2020, and available on:

<https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=CELEX%3A02008R1126-20160101>

These accounting principles are consistent with those used to prepare the consolidated annual financial statements for the financial year ended 31 December 2019, with the exception of new standards and interpretations that have been adopted and whose application is mandatory in financial years beginning on or after 1 January 2020.

1.2 Changes in the published standards, amendments and interpretations and adaptation to SYNERGIE

New published IFRS standards and IFRIC interpretations

Standards applicable no later than 1 January 2020:

- Amendments to IFRS 3 - Business combinations: definition of a company;
- Amendment to IAS 1 - Presentation of financial statements, and IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors: Definition of material;
- Amendments to IAS 39 - Reform of interbank offered rates and its impact (elimination of EURIBOR, EONIA, etc.) on hedge accounting in particular;
- IFRIC 23 - Uncertainty over income tax treatments;
- Amendments to IAS 19-b - Plan Amendment, Curtailment or Settlement;
- Annual improvements to IFRS 2015-2017;
- Amendments to IFRS 9 - Financial instruments – Prepayment features with negative compensation;
- Amendments to IAS 28 - Long-term Interests in Associates and Joint Ventures.

These new standards did not have a material impact on the consolidated accounts or on their presentation in the Group's financial statements.

IFRS, amendments and interpretations applicable after 2020 and not anticipated by the Group:

- IFRS 17 - Contrats d'assurance ; IFRS 17 - Insurance contracts;
- Amendments to IAS 1- Presentation of financial statements - Classification of liabilities as current or non-current liabilities;
- Amendments to IFRS 4 - Extension of the temporary exemption from IFRS 9;
- Amendments to IFRS 3 - Reference to the conceptual framework;
- Amendment to IAS 37 - Loss-making contracts – Recognition of costs;
- Amendment to IAS 16 - Property, plant and equipment – Proceeds before intended use;
- Annual improvements to IFRS 2018-2020.

Disclosure of interests in other entities pursuant to IFRS 10, 11 and 12

All entities within the scope of consolidation are controlled by SYNERGIE SE, with a percentage of voting rights of no less than 63.9% held by the parent company.

In the absence of any agreement, contract or local legal measure limiting the exercise of control, all of these companies have been regarded as controlled within the meaning of IFRS 10 and have been fully consolidated.

The Group is not party to any joint arrangement likely to be accounted for under the provisions of IFRS 11. SYNERGIE is not a stakeholder in any structured entity and does not meet the criteria for investment companies under the regulatory provisions.

Barring DCS EASYWARE (34%), there is no significant percentage of non-controlling interests (equity interests that do not confer control) in any subsidiary.

During this financial year, SYNERGIE has not sold any equity interest entailing a loss of control of a subsidiary or a reduction in its influence on a subsidiary.

1.3 Main judgements and estimates

The preparation of financial statements in accordance with the IFRS conceptual framework requires the use of estimates and assumptions that affect the amounts reported in these financial statements.

This mainly concerns the measurement of the recoverable value of intangible assets and the calculation of provisions for risks and charges, retirement provisions, provisions for non-performing receivables (IFRS 9) and lease liabilities (IFRS 16). Actual results may differ from these assumptions and estimates.

Concerning IFRS 16, the management has carried out statistical reviews of the remaining lease terms in accordance with the intended use of the leased assets, taking into account the interpretations of the IFRS IC dated November 2019 in relation to the notion of enforced periods. The Group has also applied marginal debt rates in cases where the implied rate is not identifiable in the contract.

Based on its analysis of the allocation of the acquisition price of TIGLOO, which was acquired in November 2019, the Group recognised the brand and the client base as well as residual goodwill; the Group recorded the valuations and amortisation periods in line with the practices of the digital services sector.

Lastly, the contract for the acquisition of an Australian company signed in January 2019 includes an earn-out clause based on EBITDA performance goals over an initial three-year period.

Based on an analysis of the subsidiary's performances since its acquisition, the management did not deem it necessary to review the provisioned amount in respect of this price premium, which remains in line with the cap set out in the acquisition contract.

1.4 Accounting principles and methods applicable to the financial statements

1.4.1 General principles of consolidation

All the financial statements of the consolidated companies were closed at 31 December.

The financial statements are presented in thousands of euro unless otherwise specified.

1.4.2 Consolidation methods

Inter-company transactions, receivables and payables, income and expenses are eliminated from the consolidated financial statements. The consolidated reserves are not affected in the event of a merger between Group companies or a deconsolidation.

1.4.3 Goodwill

Business combinations are recognised using the acquisition method.

The "Goodwill" item includes the intangible assets recognised under "Business intangibles" in the corporate financial statements and the goodwill recognised as part of the consolidation process.

It represents the unallocated difference between the purchase price and the Group share of the fair value of the identifiable assets acquired and liabilities assumed on the date it takes control.

In the case of an acquisition conferring control with the existence of non-controlling interests, the Group may choose to either recognise goodwill on the entire revalued net assets, including on the share attributable to the non-controlling interests (full goodwill method), or to recognise

goodwill on the share acquired (partial goodwill method). This choice is made on a transaction-by-transaction basis.

When a business combination with non-controlling interests includes a right to sell those non-controlling interests, a liability is recognised in the consolidated statement of financial position for the amount of the estimated price of the option, with a corresponding reduction in shareholders' equity. Subsequent changes in this liability linked to possible changes in estimates are recognised in consolidated reserves. All acquisitions of non-controlling interests are regarded as transactions between shareholders and are not subject to remeasurement of the identifiable assets or to recognition of additional goodwill.

The measurement of identifiable assets and liabilities, and therefore of goodwill, takes place at the date of first consolidation. However, on the basis of additional analysis and expert opinion, the Group may revise these valuations in the 12 months following the acquisition. All revisions must be based only on elements identified at the close of the last financial year.

The goodwill is allocated to the various cash-generating units, which are mainly defined according to the country in which the Group operates.

Pursuant to IFRS 3 "Business Combinations", goodwill is not amortised, but it is tested for impairment if there are indications of impairment, and at least once a year, pursuant to IAS 36. In accordance with the same standard, acquisition costs arising from the purchase of a company are recognised in expenses.

1.4.4 Other intangible assets

Intangible assets are recognised using the historical cost model.

Research costs

In accordance with IAS 38 "Intangible Assets", research costs are expensed in the year in which they are incurred.

Development costs

In order to pursue and develop their activities, each subsidiary must independently carry out development and innovation projects in order to adapt to regulatory changes, meet client expectations, and optimise the management of CV libraries and the performance of the temporary employment payroll/invoicing application. Innovative activities are carried out in this regard in relation to IT security and the digital transformation.

It should be highlighted that these are experimental developments using new technologies and do not constitute fundamental applied research.

Development costs relate to software created in-house and must be capitalised as intangible assets when the company can demonstrate:

- Its intention and financial and technical capacity to complete the development project;
- Its ability to use the intangible asset;
- The availability of adequate technical and financial resources to complete and sell the asset;
- That it is probable that the future economic benefits associated with the development expenditure will flow to the entity;
- And that the cost of this asset can be reliably determined.

Other development costs (creation of a non-commercial website, expansion of client base, etc.) are expensed in the year in which they are incurred.

Software is amortised on a straight-line basis over its estimated useful life. Systems design and programming costs, and the costs of establishing user documentation, are regarded as development costs.

Other intangible assets acquired

According to IAS 38 “Intangible Assets”, an asset is a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity.

An acquired fixed asset is recognised as soon as it is identifiable and its cost can be reliably measured.

In accordance with IFRS 3 “Business Combinations”, the client bases of acquired companies are valued using the discounted cash flow method; certain brands are valued using the same method, while others are valued using the royalties method.

As client bases have a definite useful life, they are amortised. Brands may or may not be amortised, depending on whether or not they have a definite useful life.

1.4.5 Property, plant and equipment

Pursuant to IAS 16 “Property, Plant and Equipment”, the gross value of property, plant and equipment corresponds to the acquisition or production cost, including the cost of acquiring buildings.

Property, plant and equipment are recognised using the historical cost model. Fixed assets acquired under leasing arrangements are accounted for in the same way (Note 7.1).

Depreciation is mainly calculated on a straight-line basis according to useful life; the depreciable bases reflect the residual amounts confirmed by expert opinion.

The useful lives used are generally as follows:

| Type of asset | Straight-line duration |
|---|------------------------|
| Intangible assets | |
| Concessions, patents and similar rights | 1 to 5 years |
| Client base | 10 years |
| Property, plant and equipment | |
| Buildings | 20 to 80 years |
| Fixtures and fittings | 7 to 10 years |
| Equipment and tools | 5 years |
| General facilities | 7 years |
| Transport equipment | 5 years |
| Office equipment | 5 years |
| Computer equipment | 5 years |
| Furniture | 10 years |

Given the Group’s activity and the tangible assets held, no significant components were identified, except for those relating to the property subsidiary SYNERGIE PROPERTY and DCS EASYWARE.

1.4.6 Impairment of fixed assets

Pursuant to IAS 36 “Impairment of Assets”, the value-in-use of property, plant and equipment and intangible assets with a definite useful life is tested as soon as there is any indication of impairment. This test is performed at least once a year for assets with an indefinite useful life.

The value-in-use of each of these assets is calculated by reference to the present value of the net future cash flows of the cash-generating units (CGUs) to which they belong.

Net cash flows are estimated using the methods described in Note 5.

When this amount is lower than the net carrying amount of the asset, an impairment loss is recorded in operating profit.

CGUs are homogeneous groups of assets, the continuous use of which generates cash inflows that are substantially independent of those generated by other groups of assets. They are mainly determined on a geographical basis (country) and by reference to the markets in which our Group operates. In terms of activity, digital services are assigned a specific CGU.

1.4.7 IFRS 16 “Leases”

On 13 January 2016, the IASB published its new standard on leases, IFRS 16. Application of this standard, which has been adopted by the European Union, will be mandatory for financial years beginning on or after 1 January 2019. It requires that lessees recognise all leases on the balance sheet, with only a few exceptions. Given the numerous leases taken out by the Group as lessee, this standard has a significant impact on the structure of the consolidated statement of financial position and, to a lesser extent, on that of the consolidated statement of comprehensive income.

The Group has opted for the simplified method thus far, with no impact on opening shareholders' equity.

The probable useful lives of the leased assets and the discount rates applied must take into account the judgements and estimates of the management in accordance with the most likely estimated future situation. At 31 December 2020, these judgements also incorporated the position of the IFRS Interpretations Committee on the notion of probable lease terms, which meant favouring an economic perspective rather than a purely legal perspective in relation to lease contracts.

Accordingly, the existence of non-recoverable fixtures and fittings associated with property lease contracts and amortised over longer periods than existing lease contracts was taken into account, as well as the existence of significant indirect penalties incurred by the company and/or the lessee in the event that it withdraws from a lease that is renewable by tacit agreement. The financial impact of these judgements is presented in detail in Notes 7.3 and 16.8.

1.4.8 Other non-current financial assets

Non-current financial assets mainly comprise a receivable in respect of the French tax credit for competitiveness and employment (CICE). This receivable is discounted in accordance with the utilisation prospects and the bank refinancing rate for this type of receivable.

1.4.9 Trade receivables and revenue recognition

Trade receivables are recognised at their nominal value.

Impairment in respect of uncertain recovery of receivables

When events in progress make the recovery of these receivables uncertain, varying levels of impairment are booked according to the nature of the risk (delayed settlement or disputed debt, receivership or liquidation of assets), normal settlement differences in the various countries in which the Group operates, each client's situation and the portion covered by insurance.

Impairment in respect of expected losses

IFRS 9, which requires measurement of the impairment of performing trade receivables based on expected non-incurred losses, prompted the Group to measure additional impairment on trade receivables relating to performing receivables.

The main impact of this standard for the Group concerns the trade receivables impairment model, which is established on the basis of expected losses. In compliance with this standard, the Group has applied the simplified method applicable to trade receivables permitted by paragraph 5.5.15 of the standard.

Due to the ongoing health restrictions in certain sectors that were most affected by the health crisis (catering, event management, etc.) and the decrease in aid granted by governments in certain countries, the Group carried out an in-depth analysis of its credit risk at 31 December 2020.

Recognition of income

Income is recorded as and when the Group provides its service of making staff available. This procedure means that the rules set out in IFRS 15 concerning revenue recognition can be strictly applied.

Services other than temporary employment, notably the recruitment and digital services activities, are recognised according to the percentage of completion method. These activities are still not significant at Group level.

1.4.10 Tax expense

Tax expense includes income tax payable and deferred tax on temporary differences between the values for tax purposes and consolidated values, as well as on adjustments made as part of the consolidation process.

It also includes CVAE, the French value-added contribution for businesses, and various similar taxes (e.g. IRAP in Italy).

When the short-term outlook of Group companies permits, deferred tax assets whose recovery is probable are recognised.

Deferred tax relating to the capitalisation of tax losses has been restated by applying the tax rate applicable to the companies governed by common law known at the reporting date. For the French companies, deferred tax assets and liabilities arising from temporary differences are recognised using the liability method, also including the social security contribution of 3.3%.

They correspond to the impact of differences between the accounting recognition of certain income and expenses and their recognition for the purpose of determining taxable profit.

Tax losses are taken into account in determining unrealised tax assets only when they are very likely to be offset against future taxable profits.

Deferred tax assets and liabilities are not discounted, pursuant to IAS 12.

1.4.11 Cash and cash equivalents

Cash and cash equivalents mainly consist of liquid items whose fair value does not change significantly, such as cash in bank current accounts and units in money market UCITS, provided that they meet the conditions established by the AFTE and AFG and validated by the AMF.

1.4.12 Provisions

In accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets”, a provision is recognised when the Company has a current obligation resulting from a past event, when it is probable that an outflow of resources representing economic benefits will be required to settle the obligation, and the amount thereof can be reliably estimated.

When the expected maturity of the provision is more than one year, the provision amount is discounted.

1.4.13 Pensions and similar commitments

In accordance with IAS 19 “Employee Benefits”, pensions and similar commitments under defined benefit plans are measured using a calculation that takes into account assumptions regarding wage growth, life expectancy and personnel turnover.

These measurements, which relate to severance payments in France, are carried out at least once a year.

1.4.14 Treasury shares

All treasury shares held by the Group are recorded at acquisition cost and deducted from shareholders' equity, pursuant to IAS 32. Any profit or loss from the sale of treasury shares is reflected directly in changes in shareholders' equity.

1.4.15 Segment information

Pursuant to IFRS 8, information on operating segments has been organised according to the reporting elements presented to the chief operating decision maker. This distinction is based on the Group's internal organisational systems and management structure. This information is provided in Note 24.

1.4.16 Methods used to translate the financial statements of foreign subsidiaries

The currency used to prepare the consolidated financial statements is the euro.

The financial statements of foreign subsidiaries prepared in foreign currencies are translated using the closing rate method, which entails translating statement of financial position items, excluding shareholders' equity, at the closing rate and the income statement at the average rate for the period.

Resulting translation gains and losses are recorded in shareholders' equity.

1.4.17 Financial instruments

In connection with the financial information required by IFRS 7, and pursuant to IFRS 9, the Group's financial instruments are recognised on their transaction date as follows:

| In € thousand | Category | Note No. | 2020 carrying amount | Amortised cost | Fair value by income | Fair value by shareholders' equity | 2020 fair value |
|---|---|-----------|----------------------|----------------|----------------------|------------------------------------|-----------------|
| ASSETS | | | | | | | |
| Trade receivables | | 10 | | | | | |
| Client receivables and related accounts | Loans & receivables | | 508,049 | X | | | 508,049 |
| Other financial assets | | | | X | | | |
| Held-to-maturity assets | Loans & receivables | | | | | | |
| Cash and cash equivalents | Fair value by income | 12 | 256,752 | | X | | 256,752 |
| LIABILITIES | | | | | | | |
| Financial borrowings | | 16 | | | | | |
| Loans and other borrowings | Financial liabilities at amortised cost | | 74,417 | X | | | 74,417 |
| Trade payables | | 17 | | | | | |
| Trade payables and related accounts | Financial liabilities at amortised cost | | 24,357 | X | | | 24,357 |
| Payable on equity investments | | | | | | X | |
| Other financial liabilities | Financial liabilities at amortised cost | | | X | | | |

There are no money market UCITS listed on an active market (Level 1) recorded in cash equivalents.

Except for cash and cash equivalents, financial instruments are regarded as Level 3 data under IFRS 7; they mainly comprise trade receivables, loans and financial debt.

Due to the short payment deadlines for receivables, the fair value of trade receivables is similar to their nominal value.

Cash equivalents are short-term investments with a low risk of a change in value. These cash investments are measured at fair value, and unrealised or realised gains or losses are recognised in the financial result; fair value is measured using the market price at the year end.

The statement of changes in the impairment of financial assets is as follows:

| In € thousand | 2019 | Increase | Decrease | 2020 |
|--------------------------------|---------------|--------------|--------------|---------------|
| Non-current financial assets | 302 | - | 295 | 7 |
| Client receivables | 14,489 | 6,037 | 3,400 | 17,126 |
| Other receivables | 1,072 | 465 | 90 | 1,447 |
| Cash and cash instruments | - | - | - | - |
| Other current financial assets | - | - | - | - |
| Total | 15,863 | 6,502 | 3,785 | 18,580 |

(*) of which €2,206 thousand reclassified corresponding to opening trade receivables

Note 2 Changes in the consolidation scope

Merger

SYNERGIE Belgium absorbed its wholly-owned Belgian subsidiary SYNERGIE SERVICES on 1 January 2020.

This operation had no effect on the consolidated financial statements.

Note 3 Information on the consolidated companies

Information on the consolidated companies is provided in the table below, with the understanding that the ISGSY economic interest grouping, which is fully controlled by Group companies, covers general-interest administrative services.

At the start of 2021, the Group finalised the acquisition of the remaining portions of the Austrian entity VÖLKER, and benefited retroactively from 100% of the profit generated by the subsidiary in 2020 by virtue of the contractual agreements entered into with the transferor.

| CONSOLIDATED COMPANIES | REGISTERED OFFICE | SIREN No (1) | % CONTROL HELD BY SYNERGIE | | % INTEREST HELD BY SYNERGIE | | CONSOLIDATION METHOD (2) | |
|--|----------------------------|--------------|----------------------------|--------|-----------------------------|--------|--------------------------|--------|
| | | | dec-20 | dec-19 | dec-20 | dec-19 | dec-20 | dec-19 |
| PARENT COMPANY | | | | | | | | |
| SYNERGIE S.E. | Paris 75016 | 329 925 010 | | | | | | |
| FRENCH SUBSIDIARIES | | | | | | | | |
| AILE MEDICALE | Paris 75016 | 303 411 458 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE CONSULTANTS | Paris 75016 | 335 276 390 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| DIALOGUE & COMPETENCES | Paris 75016 | 309 044 543 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| INTERSEARCH France | Paris 75016 | 343 592 051 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE INSERTION | Paris 75016 | 534 041 355 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE PROPERTY | Paris 75016 | 493 689 509 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| JOINT SUBSIDIARY | | | | | | | | |
| I.S.G.S.Y. | Paris 75016 | 382 988 076 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| FOREIGN SUBSIDIARIES | | | | | | | | |
| SYNERGIE ITALIA SPA | Turin ITALY | | 85.00 | 85.00 | 85.00 | 85.00 | FULL | FULL |
| SYNERGIE BELGIUM | Anvers BELGIUM | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE s.r.o | Prague CZECH REPUBLIC | | 98.85 | 98.85 | 98.85 | 98.85 | FULL | FULL |
| SYNERGIE TEMPORARY HELP | Prague CZECH REPUBLIC | | 98.00 | 98.00 | 98.00 | 98.00 | FULL | FULL |
| SYNERGIE TEMPORARY HELP SLOVAKIA | Bratislava SLOVAKIA | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE INTERNATIONAL EMPLOYMENT SOLUTIONS (SIES) | Barcelona SPAIN | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SIES SUBSIDIARIES | | | | | | | | |
| DCS EASYWARE | Lyon FRANCE | 797 080 397 | 66.00 | 66.00 | 66.00 | 66.00 | FULL | FULL |
| SYNERGIE TT | Barcelona SPAIN | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE E.T.T. | Porto PORTUGAL | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE Travail Temporaire | Esch/Alzette LUXEMBOURG | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE PARTNERS | Esch/Alzette LUXEMBOURG | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE HUNT INTERNATIONAL | Montréal CANADA | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| ACORN (SYNERGIE) UK | New port UNITED KINGDOM | | 94.67 | 94.67 | 94.67 | 94.67 | FULL | FULL |
| SYNERGIE PERSONAL DEUTSCHLAND | Karlsruhe GERMANY | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE (SUISSE) | Lausanne SWITZERLAND | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE HUMAN RESOURCES | Schijndel NETHERLANDS | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| VÖLKER BETEILIGUNGS | St. Pölten AUSTRIA | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |

(1) SIREN no.: ID number on the French national companies register

(2) Consolidation method: full consolidation, abbreviated to FULL, or equity method, abbreviated to EM

| CONSOLIDATED COMPANIES | REGISTERED OFFICE | SIREN No (1) | % CONTROL HELD BY SYNERGIE | | % INTEREST HELD BY SYNERGIE | | CONSOLIDATION METHOD (2) | |
|--|----------------------------|--------------|----------------------------|--------|-----------------------------|--------|--------------------------|--------|
| | | | dec-20 | dec-19 | dec-20 | dec-19 | dec-20 | dec-19 |
| PARENT COMPANY | | | | | | | | |
| SYNERGIE S.E. | Paris 75016 | 329 925 010 | | | | | | |
| FRENCH SUBSIDIARIES | | | | | | | | |
| AILE MEDICALE | Paris 75016 | 303 411 458 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE CONSULTANTS | Paris 75016 | 335 276 390 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| DIALOGUE & COMPETENCES | Paris 75016 | 309 044 543 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| INTERSEARCH France | Paris 75016 | 343 592 051 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE INSERTION | Paris 75016 | 534 041 355 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE PROPERTY | Paris 75016 | 493 689 509 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| JOINT SUBSIDIARY | | | | | | | | |
| I.S.G.S.Y. | Paris 75016 | 382 988 076 | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| FOREIGN SUBSIDIARIES | | | | | | | | |
| SYNERGIE ITALIA SPA | Turin ITALY | | 85.00 | 85.00 | 85.00 | 85.00 | FULL | FULL |
| SYNERGIE BELGIUM | Anvers BELGIUM | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE s.r.o | Prague CZECH REPUBLIC | | 98.85 | 98.85 | 98.85 | 98.85 | FULL | FULL |
| SYNERGIE TEMPORARY HELP | Prague CZECH REPUBLIC | | 98.00 | 98.00 | 98.00 | 98.00 | FULL | FULL |
| SYNERGIE TEMPORARY HELP SLOVAKIA | Bratislava SLOVAKIA | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE INTERNATIONAL EMPLOYMENT SOLUTIONS (SIES) | Barcelona SPAIN | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SIES SUBSIDIARIES | | | | | | | | |
| DCS EASYWARE | Lyon FRANCE | 797 080 397 | 66.00 | 66.00 | 66.00 | 66.00 | FULL | FULL |
| SYNERGIE TT | Barcelona SPAIN | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE E.T.T. | Porto PORTUGAL | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE Travail Temporaire | Esch/Alzette LUXEMBOURG | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE PARTNERS | Esch/Alzette LUXEMBOURG | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE HUNT INTERNATIONAL | Montréal CANADA | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| ACORN (SYNERGIE) UK | New port UNITED KINGDOM | | 94.67 | 94.67 | 94.67 | 94.67 | FULL | FULL |
| SYNERGIE PERSONAL DEUTSCHLAND | Karlsruhe GERMANY | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE (SUISSE) | Lausanne SWITZERLAND | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| SYNERGIE HUMAN RESOURCES | Schijndel NETHERLANDS | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |
| VÖLKER BETEILIGUNGS | St. Pölten AUSTRIA | | 100.00 | 100.00 | 100.00 | 100.00 | FULL | FULL |

(1) SIREN no.: ID number on the French national companies register

(2) Consolidation method: full consolidation, abbreviated to FULL, or equity method, abbreviated to EM

Note 4 Non-consolidated companies

Chinese company SYNERGIE QINGDAO, which is 75% owned by SYNERGIE SE and which did not have operations to contribute during the year, was not consolidated on 31 December 2020.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

Note 5 Goodwill and other intangible assets relating to acquisitions

5.1 Change in net goodwill

| In € thousand | 31/12/2019 | Increase | Decrease | 31/12/2020 |
|------------------------|----------------|----------|---------------|----------------|
| Goodwill on securities | 107,347 | - | 9,580 | 97,767 |
| Business | 5,289 | - | 865 | 4,424 |
| Net goodwill | 112,636 | - | 10,445 | 102,191 |

(*) of which translation gains of €283 thousand

The decrease in goodwill mainly concerns the allocation of goodwill, pursuant to IFRS 3 as amended, on the TIGLOO Group under client bases and brands (€6,201 thousand) and goodwill impairment of €3,961 thousand relating to Canada, Switzerland, Portugal and Spain.

Net goodwill is analysed as follows:

| CGU - In € thousand | Goodwill |
|---------------------|----------------|
| France | 41,519 |
| Germany | 18,018 |
| Austria | 11,573 |
| Netherlands | 11,001 |
| Belgium | 6,493 |
| Spain | 5,569 |
| United Kingdom | 4,476 |
| Italy | 2,773 |
| Other | 768 |
| Total | 102,191 |

5.2 Amortisation and impairment of intangible assets related to acquisitions

The methods used to measure brands and client bases are described in Note 1.4.4. The recoverable value of the CGUs used, i.e. the countries in which SYNERGIE is located, was calculated on the basis of their value-in-use.

5.2.1 Methodology

The following method was used to calculate value-in-use:

- Projected cash flows for 2021 based on the operational budgets of the various CGUs established by local management and approved by the management. These projections show no significant difference in relation to those established at 30 June 2020;
- A reasonable level of prudence was applied in establishing the 2021 budgets in view of the recovery of economic activity in each country;
- Projected cash flows over the next four years based on the financial budgets approved by management, taking account of the economic outlook in the regions concerned;
- Beyond four years, future cash flow projections are extrapolated using a constant growth rate of 2%;
- The cash flows are then discounted using different rates for different CGUs. The Group discount rates used are determined on the basis of a rate that takes account of a risk-free rate (10-year OAT rate) and a market risk premium; an additional risk premium may be

applied if a significant inflation differential with the French rate is observed or for certain small subsidiaries with more concentrated client bases;

- The company applies the accelerated method (scenario 3) to the treatment of rental payments when restating amounts in accordance with IFRS 16.

Post-tax discount rates are applied to post-tax cash flows. Their use results in the determination of recoverable amounts comparable to those obtained using a pre-tax rate on pre-tax cash flows, as required by IAS 36.

The various parameters used are summarised in the following table:

| CGU | Rate at 3 and 4 years | Rate beyond 4 years | Discount rate | EBIT |
|--|-----------------------|---------------------|---------------|--------------------------------------|
| France Temporary Employment / Digital Services | 5% | 2% | 8.04% | change according to country and year |
| United Kingdom | 5% | 2% | 9.02% | |
| Belgium | 5% | 2% | 7.99% | |
| Netherlands | 5% | 2% | 7.94% | |
| Germany | 5% | 2% | 8.94% | |
| Austria | 5% | 2% | 7.94% | |
| Switzerland | 5% | 2% | 8.94% | |
| Italy | 5% | 2% | 9.26% | |
| Spain | 5% | 2% | 8.48% | |
| Portugal | 5% | 2% | 8.40% | |
| Australia | 5% | 2% | 8.94% | |
| Canada | 5% | 2% | 8.15% | |
| Other | 5% | 2% | 8.04% | |

5.2.2 Impairment of goodwill

The following goodwill impairment of €3,961 thousand was recognised following the completion of impairment tests.

- Switzerland €1,757 thousand
 - Canada €1,000 thousand
 - Portugal €683 thousand
 - Spain €521 thousand
- Total €3,961 thousand**

5.2.3 Sensitivity

A sensitivity analysis was performed to establish the consequences of changing the above parameters on goodwill impairment, testing:

- A 1% reduction in the growth rate;
- A 0.5% increase in the discount rate.

A 0.5% increase in the discount rate together with a 1% decrease in the perpetual growth rate would result in additional impairment of €3,018 thousand, which breaks down as follows:

| In € thousand | 31/12/2020 |
|-----------------------------|--------------|
| France | - |
| Southern Europe | - |
| Northern and Eastern Europe | 3,018 |
| Canada / Australia | - |
| Total | 3,018 |

- A decrease in the EBIT rate

Additional impairment of €800 thousand would be recorded if the EBIT rate declined by 5%; it would break down as follows:

| In € thousand | 31/12/2020 |
|-----------------------------|------------|
| France | - |
| Southern Europe | - |
| Northern and Eastern Europe | 800 |
| Canada / Australia | - |
| Total | 800 |

The impact of impairment following a decrease in the discount rate, growth rate or EBIT rate concerns the German activities.

The following are the assumptions of a cumulative increase in turnover to achieve breakeven between the value in use and the net book value compared with the cumulative increase in turnover set out in the 2021 to 2025 Business Plan.

| Country | headroom (In € thousand) | Cumulated increase in turnover projected (*) | Cumulated increase in turnover required (**) |
|---------|-----------------------------|--|--|
| Germany | 288 | 40.0% | 39.6% |

(*) the cumulated increase in turnover entered in the 2021 to 2025 Business Plan (used for the terminal value)

(**) the cumulated increase in turnover required for the recoverable value to be equal to the book value of the CGU.

Note 6 Other intangible assets

The changes in the gross values are analysed as follows:

| In € thousand | 31/12/2019 | Scope entries | Increase (*) | Decrease (**) | 31/12/2020 |
|-----------------------|---------------|---------------|--------------|---------------|----------------|
| Software and licences | 13,295 | - | 1,207 | 274 | 14,228 |
| Client base | 65,797 | - | 5,417 | 396 | 70,818 |
| Brands | 14,076 | - | 2,851 | 168 | 16,759 |
| Rights to leases | 446 | - | - | - | 446 |
| Total | 93,614 | | 9,475 | 838 | 102,251 |

(*) of which allocation to goodwill: €8,268 thousand

(**) of which translation gains of €635 thousand

The changes in current amortisation are analysed as follows:

| In € thousand | 31/12/2019 | Scope entries | Increase | Decrease (*) | 31/12/2020 |
|-----------------------|---------------|---------------|--------------|--------------|---------------|
| Software and licences | 8,879 | - | 1,692 | 246 | 10,326 |
| Client base | 30,930 | - | 5,872 | 240 | 36,563 |
| Brands | 2,258 | - | 399 | 13 | 2,644 |
| Rights to leases | - | - | - | - | - |
| Total | 42,068 | | 7,964 | 498 | 49,533 |

(*) of which translation gains of €296 thousand

The increases mainly concern the amortisation of client bases and brands linked to business combinations in the amount of €6,271 thousand.

The changes in non-current amortisation are analysed as follows:

| In € thousand | 31/12/2019 | Scope entries | Increase | Decrease (*) | 31/12/2020 |
|-----------------------|--------------|---------------|--------------|--------------|--------------|
| Software and licences | - | - | - | - | - |
| Client base (**) | 4,646 | - | 444 | - | 4,967 |
| Brands (**) | 1,678 | - | 1,333 | - | 2,928 |
| Rights to leases | - | - | - | - | - |
| Total | 6,324 | - | 1,776 | - | 7,895 |

(*) of which translation gains of €205 thousand.

(**) the client bases and brands are intangible assets associated with acquisitions; the total current amortisation (€6,271 thousand) and non-current amortisation (€1,776 thousand) are entered, excluding translation gains, under the heading "Amortisation and impairment of intangible assets related to acquisitions" in the consolidated statement of income, for a total of €7,963 thousand.

The impairment of €1,776 thousand was obtained following impairment tests.

The net values are analysed as follows:

| In € thousand | 31/12/2020 | 31/12/2019 |
|-----------------------|---------------|---------------|
| Software and licences | 3,902 | 4,416 |
| Client base | 29,289 | 30,220 |
| Brands | 11,187 | 10,139 |
| Rights to leases | 446 | 446 |
| Total | 44,824 | 45,222 |

The "Brands" item represents the brands identified by the Group.

The client bases and brands of acquired companies are likely to be amortised on a straight-line basis over their estimated useful life, under the conditions described in Note 1.4.4.

Note 7 Property, plant and equipment and rights of use

7.1 Breakdown of the item by category

The changes include translation gains or losses and are analysed as follows:

Gross values

| In € thousand | 31/12/2019 | Scope entries | Increase | Decrease | 31/12/2020 |
|--|---------------|---------------|--------------|--------------|---------------|
| Land, buildings and technical facilities | 50,633 | - | 87 | 226 | 50,494 |
| Fixtures, furniture, office equipment & computer equipment | 47,379 | - | 3,389 | 1,705 | 49,063 |
| Total | 98,012 | | 3,476 | 1,931 | 99,557 |
| of which leasing arrangements | 2,300 | - | - | - | 2,300 |

Depreciation and amortisation

| In € thousand | 31/12/2019 | Scope entries | Increase | Decrease | 31/12/2020 |
|--|---------------|---------------|--------------|--------------|---------------|
| Land, buildings and technical facilities | 3,864 | - | 1,053 | 54 | 4,863 |
| Fixtures, furniture, office equipment & computer equipment | 25,891 | - | 4,751 | 1,159 | 29,483 |
| Total | 29,755 | - | 5,804 | 1,213 | 34,346 |
| of which leasing arrangements | 94 | - | 23 | - | 116 |

Net values

| In € thousand | 31/12/2020 | 31/12/2019 |
|--|---------------|---------------|
| Land, buildings and technical facilities | 45,631 | 46,769 |
| Fixtures, furniture, office equipment & computer equipment | 19,579 | 21,488 |
| Total | 65,211 | 68,257 |
| of which leasing arrangements | 2,184 | 2,207 |

7.2 Breakdown of net property, plant and equipment by currency area

| In € thousand | 2020 | 2019 |
|------------------|---------------|---------------|
| Eurozone | 61,020 | 63,651 |
| Outside eurozone | 4,191 | 4,606 |
| Total | 65,211 | 68,257 |

7.3 Rights of use relating to lease contracts

Since 1 January 2019, the Group has applied IFRS 16 - Leases, which is reflected as follows:

- In the balance sheet, the entry of rights of use (operating lease contracts under IAS 17) under assets and lease obligations under liabilities;
- In the income statement, the elimination of corresponding rental amounts and their replacement by the amortisation of rights of use and interest expenses relating to leasing commitments.

The changes for the period take into account the impact of the IFRIC interpretation of November 2019 on rights of use.

Moreover, the Group was able to negotiate reduced rental payments on certain leases due to the Covid-19 crisis but these arrangements were not material and therefore did not give rise to any changes in its contracts.

The changes in gross values are analysed as follows:

| In € thousand | 01/01/2020 | Increase | Decrease | Revaluations | 31/12/2020 |
|------------------------------|---------------|--------------|----------------|---------------|---------------|
| Real estate | 46,502 | 3,107 | 670 | 29,746 | 78,685 |
| Vehicules and other property | 3,666 | 4 453 | 913 | 1.882 | 9,088 |
| Total | 50,168 | 7,560 | 1 583,2 | 31 628 | 87,773 |

The changes in amortisation are analysed as follows:

| In € thousand | 01/01/2020 | Increase of Depreciation costs | Reversal/ Assets sales | 31/12/2020 |
|------------------------------|----------------|--------------------------------|------------------------|-----------------|
| Real estate | (8,556) | (10,954) | 2,107 | (17,403) |
| Vehicules and other property | (1,161) | (4,783) | 4,230 | (1,714) |
| Total | (9.717) | (15,737) | 6,336 | (19,117) |

The changes in net values are analysed as follows:

| In € thousand | 01/01/2020 | Reclassification | Change in the period | 31/12/2020 |
|------------------------------|---------------|------------------|----------------------|---------------|
| Real estate | 37,946 | 21,871 | 1,464 | 61,282 |
| Vehicules and other property | 2,505 | 3,649 | 1,220 | 7,374 |
| Net value | 40,451 | 25,520 | 2,685 | 68,656 |

Note 8 Non-current financial assets

8.1 Breakdown of the statement of financial position

| In € thousand | 2020 gross amounts | Provisions | 2020 net amounts | 2019 net amounts |
|---------------------------|--------------------|------------|------------------|------------------|
| Investments in associates | - | - | - | - |
| Other equity investments | 225 | - | 225 | - |
| Other fixed investments | 70 | 7 | 63 | 62 |
| Loans | 100 | 1 | 99 | 179 |
| Other financial assets | 42,807 | 0 | 42,807 | 89,406 |
| Total | 43,202 | 7 | 43,194 | 89,872 |

Other equity investments correspond to the Chinese subsidiary SYNERGIE QINGDAO.

Other long-term investments relate to equity interests of less than 20%.

Other financial assets consist mainly of the estimated 2018 CICE (tax credit for competitiveness and employment) receivable not liable to corporate income tax in 2021, i.e. €40,253 thousand, as well as security deposits on commercial rents.

These receivables are discounted in accordance with the utilisation prospects and the bank refinancing rate for this type of receivable.

8.2 Change in non-current financial assets (gross value)

| In € thousand | 31/12/2019 | Scope entries | Increase | Decrease | 31/12/2020 |
|---------------------------|---------------|---------------|--------------|---------------|---------------|
| Investments in associates | - | - | - | - | - |
| Other equity investments | - | - | - | - | 225 |
| Other fixed investments | 69 | - | 1 | - | 70 |
| Loans | 180 | - | - | 80 | 100 |
| Other financial assets | 89,701 | - | 2,102 | 48,996 | 42,807 |
| Total | 90,175 | - | 2,103 | 49,076 | 43,202 |

The decrease in other non-current financial assets in 2020 mainly relates to the CICE receivable in respect of 2017 which is recoverable in less than one year.

Note 9 Deferred tax

| In € thousand | 31/12/2020 | 31/12/2019 | Change |
|----------------------------------|----------------|----------------|----------------|
| Deferred tax assets created for: | | | |
| Tax loss carry forwards | 446 | 294 | 152 |
| Temporary differences | 3,152 | 5,344 | (2,192) |
| Total deferred tax | 3,598 | 5,638 | (2,040) |
| Deferred tax liability | 12,341 | 12,060 | 281 |
| Total | (8,743) | (6,421) | (2,322) |

Capitalised tax losses in 2020 amounted to €115 thousand and have the following respective horizons:

| In € thousand | 2021 | 2022 | Total |
|---------------|------------|----------|------------|
| Luxembourg | 22 | - | 22 |
| Switzerland | 76 | - | 76 |
| Slovakia | 17 | - | 17 |
| Total | 115 | - | 115 |

For the sake of prudence, some tax losses that could be carried forward at the standard rate have not been used. The corresponding tax saving would have amounted to €2,447 thousand, including €411 thousand relating to 2020.

Analysis of non-capitalised losses by expiry date:

| In € thousand | 2020 |
|-------------------|--------------|
| 2020 | 114 |
| 1 year << 5 years | 362 |
| > 5 years | 1,520 |
| Unlimited | 451 |
| Total | 2,447 |

Deferred tax liabilities totalling €12,341 thousand mainly relate to brands and client bases net of amortisation since acquisition (€9,457 thousand), accelerated depreciation (€890 thousand) and the fair value adjustment on a property asset (€714 thousand).

Note 10 Trade receivables

Trade receivables and related accounts are analysed as follows:

| In € thousand | 31/12/2020 | 31/12/2019 |
|------------------|----------------|----------------|
| Clients | 516,176 | 573,337 |
| Unbilled revenue | 8,999 | 9,332 |
| Impairment | (17,126) | (16,695) |
| Total | 508,049 | 565,974 |

The methods used to measure trade receivables are described in Note 1.4.8. The transfer of receivables and factoring intended to finance client credit are de-netted and a financial liability is entered under liabilities in the balance sheet in respect of this financing.

Late payments of trade receivables are broken down as follows:

| In € thousand | 2020 | 2019 |
|---|---------------|----------------|
| Amount of client receivables due, not impaired | | |
| Past due, less than 90 days | 79,867 | 110,567 |
| Past due, between 90 and 180 days | 4,940 | 6,689 |
| Past due, more than 180 days | 6,606 | 7,467 |
| Total | 91,413 | 124,723 |

The impact of IFRS 9 is as follows:

At 1 January 2020 €2,196 thousand

At 31 December 2020 €1,948 thousand

Provision reversal €248 thousand recognised under income, excluding tax impact

Note 11 Maturity analysis of current assets at the year end

| In € thousand | Net amounts | | < 1 year | | > 1 year | |
|------------------------------------|----------------|----------------|----------------|----------------|--------------|--------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Current assets | | | | | | |
| Bad and doubtful debts | 2,186 | 2,187 | - | - | 2,186 | 2,187 |
| Other client receivables | 505,863 | 563,787 | 505,863 | 563,787 | - | - |
| Subtotal 1 | 508,049 | 565,974 | 505,863 | 563,787 | 2,186 | 2,187 |
| Personnel and related accounts | 2,124 | 271 | 2,124 | 271 | - | - |
| Social security and other benefits | 23,079 | 31,866 | 23,079 | 31,866 | - | - |
| Income tax (*) | 55,505 | 27,123 | 55,505 | 27,123 | - | - |
| Other levies | 6,901 | 220 | 6,901 | 220 | - | - |
| Sundry debtors | 5,320 | 5,629 | 5,316 | 5,625 | 4 | 4 |
| Prepaid expenses | 6,167 | 5,613 | 6,167 | 5,613 | - | - |
| Subtotal 2 | 99,097 | 70,723 | 99,093 | 70,719 | 4 | 4 |
| Totaux | 607,145 | 636,697 | 604,955 | 634,506 | 2,190 | 2,191 |

(*) Corporate income tax mainly corresponds to the 2017 CICE receivable taxable in 2020.

Changes in the impairment of financial assets are covered in Note 1.4.16.

Note 12 Current financial assets and cash

| In € thousand | 2020 | 2019 |
|--------------------------------|----------------|----------------|
| Term deposits | 18,336 | 13,745 |
| Available cash | 238,416 | 148,421 |
| Cash recorded as assets | 256,752 | 162,166 |

Pursuant to IAS 7, term deposits (€18.3 million) have been classified in cash and cash equivalents due to their liquidity (can be sold at any time) and the lack of an impairment risk.

They are measured at fair value at the year end.

Note 13 Capitaux propres Shareholders' equity

13.1 Share capital

At 31 December 2020, the share capital was made up of 24,362,000 shares with a nominal value of €5 each.

The shares have double voting rights attached when they are maintained in registered form for at least two years.

13.2 Appropriation of 2020 profit or loss

The company made no dividend payment during the Combined Shareholders' Meeting of 18 June 2020 (third resolution).

13.3 Treasury shares

The stock's liquidity is managed by an investment services provider under a liquidity contract, pursuant to the ethical charter of the AFEI (French Association of Investment Firms) recognised by the AMF.

At 31 December 2020, SYNERGIE held two categories of treasury shares:

- Shares purchased under the liquidity contract (17,161 shares, or 0.07% of the share capital);
- Shares acquired under the share buyback programme approved by the Combined Shareholders' Meeting of 18 June 2020 (352,463 shares, or 1.45% of the share capital).

Sales in 2020 generated a capital gain of €23 thousand, which was entered in reserves.

The value of treasury shares deducted from shareholders' equity was €3,770 thousand at 31 December 2020.

Note 14 Provisions and payables for employee benefits

14.1 Breakdown of provisions

| In € thousand | 31/12/2020 | 31/12/2019 | Change |
|--|--------------|--------------|-------------|
| Retirement severance payment (France) | 5,580 | 5,626 | (46) |
| Severance payments in Germany and Austria | 412 | 447 | (35) |
| Severance payments (trattamento di fine rapporto) in Italy | 225 | 220 | 5 |
| Total provisions for employee benefits | 6,217 | 6,293 | (76) |
| Employee profit-sharing + 1 year | 3 | 12 | (8) |
| Total | 6,220 | 6,304 | (85) |

All provisions and payables for employee benefits above were discounted.

| In € thousand | 2020 | 2019 |
|------------------------------------|--------------|--------------|
| Present value of rights | 5,580 | 5,630 |
| Rights covered by financial assets | (4) | (3) |
| Net commitment recognised | 5,576 | 5,627 |

14.2 Information on employee benefits

The pension commitments of permanent personnel in relation to their defined benefit schemes are measured according to the projected unit credit method, pursuant to IAS 19; the following assumptions were used as at 31 December 2020:

- Salary increase rate: 2%
- Personnel turnover rate: calculated by age bracket
- Social security contribution rate: 45%
- Life expectancy table: TU-TD2012-2016 of February 2018
- Discount rate (based on iBoxx indices): 0.4%
- Estimate based on average retirement age of 65 years
- Departure at the employee's initiative
- Retroactive application

The retirement benefits paid out in 2020 amounted to €237 thousand, compared with €50 thousand in 2019.

At 31 December 2020, the change in the provision for retirement benefits in France is analysed as follows:

| In € thousand | Gross |
|---------------------------------------|-------------|
| Cost of services rendered | 367 |
| Financial cost | 40 |
| Actuarial difference ⁽¹⁾ | (453) |
| Change in retirement savings coverage | - |
| Entries into scope | - |
| Subtotal | (46) |
| Other changes (Germany, Italy) | (30) |
| Total | (76) |

(*) The actuarial difference net of tax was €336 thousand.

A change of +0.5% in the discount rate has an effect of -€197 thousand on the provision estimate and a change of -0.5% has an effect of +€213 thousand. Employee benefits for foreign subsidiaries, other than those covered by provisions, are not material.

Note 15 Provisions for current risks and charges

15.1 Breakdown of provisions

| In € thousand | 2019 | Change in scope | Increase | Decrease | 2020 |
|-----------------------------------|--------------|-----------------|------------|--------------|------------|
| Provisions for litigation | 469 | - | 356 | 226 | 599 |
| Other provisions for risks | 1,434 | - | 107 | 1,388 | 153 |
| Total provisions for risks | 1,903 | - | 463 | 1,615 | 752 |
| Other provisions for charges | 4 | - | - | 3 | 1 |
| Total | 1,907 | - | 463 | 1,618 | 753 |

15.2 Use of provisions

The share of provision reversals used corresponds to €61 thousand.

Note 16 Loans and borrowings

16.1 Non-current loans and borrowings

Breakdown by category and repayment date

| In € thousand | Total | | 1 year << 5 years | | > 5 years | |
|------------------------------------|---------------|---------------|-------------------|---------------|--------------|--------------|
| | 31/12/2020 | 31/12/2019 | 31/12/2020 | 31/12/2019 | 31/12/2020 | 31/12/2019 |
| Lending institutions | 32,420 | 37,387 | 26,984 | 30,465 | 5,437 | 6,922 |
| Other loans and borrowings | 2,083 | 1,254 | 1,647 | 629 | 435 | 625 |
| Finance lease debts | - | - | - | - | - | - |
| Non-current financial debts | 34,503 | 38,641 | 28,631 | 31,094 | 5,872 | 7,547 |
| Medium and long-term rental debts | 57,877 | 30,320 | | | | |
| Total | 92,380 | 68,961 | | | | |

At 31 December 2020, total gross borrowings were recognised at amortised cost using the effective interest rate, calculated by taking into account the issuance costs and issuance premiums identified and associated with each liability.

16.2 Current loans and borrowings

| In € thousand | 31/12/2020 | 31/12/2019 |
|--------------------------------|---------------|---------------|
| Lending institutions | 10,426 | 10,024 |
| Other loans and borrowings | 480 | 288 |
| Finance lease debts | - | - |
| Current financial debts | 10,906 | 10,312 |
| Short-term rental debts | 11,454 | 9,920 |
| Total | 22,360 | 20,232 |

16.3 Current bank debt and net cash

| In € thousand | 31/12/2020 | 31/12/2019 |
|---------------------------|----------------|----------------|
| Bank debt | 28,969 | 35,096 |
| Accrued interest | 38 | 52 |
| Total | 29,007 | 35,148 |
| Cash and cash equivalents | 256,752 | 162,166 |
| Net cash position | 227,745 | 127,018 |

16.4 Breakdown by currency area and maturity of loan agreements and other borrowings

| In € thousand | Amounts | | | | < 1 year | | 1 year << 5 years | | > 5 years | |
|---------------|---------------|-------------|---------------|-------------|---------------|--------------|-------------------|---------------|--------------|--------------|
| | 2020 | % | 2019 | % | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Euro | 38,414 | 90% | 41,330 | 87% | 8,995 | 8,461 | 23,983 | 25,948 | 5,437 | 6,922 |
| Other | 4,432 | 10% | 5,987 | 13% | 1,432 | 1,469 | 3,001 | 4,518 | - | - |
| Total | 42,847 | 100% | 47,317 | 100% | 10,426 | 9,930 | 26,984 | 30,465 | 5,437 | 6,922 |

16.5 Breakdown by interest rate type and maturity of loan agreements and other borrowings

| In € thousand | Amounts | | | | < 1 year | | 1 year << 5 years | | > 5 years | |
|---------------|---------------|-------------|---------------|-------------|---------------|--------------|-------------------|---------------|--------------|--------------|
| | 2020 | % | 2019 | % | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Fixed | 42,847 | 100% | 47,317 | 100% | 10,426 | 9,930 | 26,984 | 30,465 | 5,437 | 6,922 |
| Other | - | - | - | - | - | - | - | - | - | - |
| Total | 42,847 | 100% | 47,317 | 100% | 10,426 | 9,930 | 26,984 | 30,465 | 5,437 | 6,922 |

16.6 Breakdown of interest-bearing loans and borrowings

| Nominal amount | | | Interest rate | | Due date | Remaining principal due | |
|----------------------|----------|-----------|----------------------|--------|----------|-------------------------|----------------------|
| | | | at issue /nominal | actual | | 2020 (€ thousand) | 2019 (€ thousand) |
| Loan | 1.0 M€ | (12/2010) | 2.93% | 2.93% | dec-25 | 386 | 457 |
| " | 1.7 M€ | (02/2011) | 1.75% | 1.75% | dec-25 | 643 | 765 |
| " | 4.3 M€ | (09/2012) | 1.45% | 1.45% | sept-22 | 1,070 | 1,292 |
| " | 1.57 M€ | (05/2014) | 2.60% | 2.60% | may-24 | 673 | 744 |
| " | 1.5 M€ | (12/2014) | 2,00% | 2,00% | dec-24 | 718 | 786 |
| " | 4.0 M€ | (02/2017) | 0.65% | 0.65% | feb-24 | 2,125 | 2,403 |
| " | 10.8 M€ | (10/2017) | 0.71% | 0.71% | oct-22 | 5,451 | 6,506 |
| " | 7.5 M€ | (12/2017) | 1.35% | 1.35% | dec-27 | 5,793 | 6,116 |
| " | 1.7 M€ | (12/2015) | 3.90% | 3.90% | jun-22 | 732 | 1,125 |
| " | 2.4 M€ | (10/2018) | 0.90% | 0.90% | nov-23 | 1,698 | 1,928 |
| " | 2.6 M€ | (09/2018) | 1.40% | 1.40% | oct-23 | 1,790 | 2,474 |
| " | 7.0 MAUD | (12/2018) | 4.85% | 4.85% | dec-23 | 2,642 | 3,513 |
| " | 6.5 M€ | (06/2019) | 1.32% | 1.32% | jun-29 | 5,888 | 6,195 |
| " | 4.5 M€ | (11/2019) | 0.60% | 0.60% | ocy-26 | 4,184 | 4,500 |
| " | 4.5 M€ | (11/2019) | 0.50% | 0.50% | dec-24 | 3,964 | 4,426 |
| " | 2.5 M€ | (12/2019) | 0.85% | 0.85% | dec-24 | 2,264 | 2,500 |
| " | 1.65 M€ | (10/2020) | 0.61% | 0.61% | oct-25 | 1,650 | - |
| Other property loans | | | | | | 1,176 | 1,587 |
| Total (*) | | | | | | 42,847 | 47,317 |

(*) Loan balances are shown before interest.

The majority of the loans outstanding at 31 December 2020 were intended to finance real estate acquisitions (duration of 7-15 years) and related works (duration of seven years), or to finance the acquisition of new subsidiaries.

The total amount of loan maturities repaid during the 2020 financial year was €6,146 thousand.

16.7 Exposure to interest rate, foreign exchange and liquidity risks

The Group's Finance department centralises the financing and management of exchange rates, interest rates and counterparty risk.

16.7.1 Interest rate risk

The analysis of sensitivity to interest rate risk carried out at 31 December 2020 highlights the following points:

- The Group's fixed-rate financing was not affected by changes in interest rates. Other short-term financial assets and liabilities are seldom sensitive to interest rate changes (usually short-term maturities);
- In the absence of material cash flow hedging using interest rate instruments or net investment in a foreign entity, interest rate fluctuations have no direct effect on Group shareholders' equity.

16.7.2 Foreign exchange risk

SYNERGIE had financial debt denominated mainly in euros at 31 December 2020, except for current bank facilities in the UK, Switzerland and Australia.

Closing rates against the euro were as follows:

| Currency | 2020 | 2019 |
|-------------------|---------|---------|
| Pound sterling | 0.8990 | 0.8508 |
| Canadian dollar | 1.5633 | 1.4598 |
| Swiss franc | 1.0802 | 1.0854 |
| Australian dollar | 1.5896 | 1.5995 |
| Czech crown | 26.2420 | 25.4080 |

The final exposure to foreign exchange risk in the consolidated financial statements relating to current account advances in foreign currency provided to the foreign subsidiaries breaks down as follows at 31 December:

| In € thousand | Amounts | Zone | | Other currencies |
|----------------------|---------|----------------|-------------------|------------------|
| | | Pound sterling | Australian dollar | |
| 2020 monetary assets | 19,912 | 16,291 | 2,715 | 906 |
| 2019 monetary assets | 22,076 | 17,213 | 3,148 | 1,715 |

The analysis of sensitivity to foreign exchange risk at 31 December 2020 resulted in the observation that the short-term impact of a +/- 10% change in all respective currencies compared with the euro came to +/- €1,991 thousand, based on market data at the reporting date.

16.7.3 Liquidity risk

The Group's financing policy is based on the pooling of external financing and a net cash surplus at 31 December 2020.

This results in insignificant liquidity risk.

The Group is subject to banking covenants all conditions of which were complied with at the end of the 2020 financial year.

16.8 Dettes de location Lease liabilities

The maturity schedule for lease liabilities at 31 December 2020 is as follows:

| In € thousand | Debt due within 1 year | Debt due from 1 to 5 years | Debt due over 5 years | Total debt |
|------------------------------|------------------------|----------------------------|-----------------------|---------------|
| Property rentals | 7,841 | 14,969 | 38,788 | 61,599 |
| Leases on vehicles and other | 3,612 | 4,119 | - | 7,732 |
| Total | 11,454 | 19,089 | 38,788 | 69,331 |

The changes in lease liabilities are analysed as follows:

| In € thousand | 01/01/2020 | Increase | Decrease | 31/12/2019 |
|------------------------------|---------------|---------------|---------------|---------------|
| Property rentals | 37,983 | 33,699 | 10,083 | 61,599 |
| Leases on vehicles and other | 2,257 | 9,959 | 4,485 | 7,732 |
| Total | 40,240 | 43,659 | 14,568 | 69,331 |

The following are the marginal debt rates used by the Group to discount rents on the transition date and at 31 December 2020:

- Property : 1.88%
- Vehicles : 1.20%

The resulting weighted average rate is 1.68%.

Note 17 Trade payables and related accounts

Trade payables and related accounts break down as follows:

| In € thousand | 31/12/2020 | 31/12/2019 |
|-------------------------|---------------|---------------|
| Suppliers | 14,244 | 16,058 |
| Invoices to be received | 10,114 | 10,067 |
| Total | 24,357 | 26,125 |

Note 18 Maturity analysis of other current liabilities

| In € thousand | Amounts | | < 1 year | | 1 year << 5 years | | > 5 years | |
|--------------------------|----------------|----------------|----------------|----------------|-------------------|--------------|-----------|----------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Suppliers | 24,357 | 26,125 | 24,357 | 26,093 | | 32 | - | - |
| Personnel | 184,407 | 190,366 | 184,407 | 190,366 | - | - | - | - |
| Social bodies (*) | 105,794 | 124,250 | 105,794 | 124,214 | | 36 | - | - |
| Income tax | 8,394 | 8,740 | 8,394 | 8,730 | | 10 | - | - |
| Other levies (*) | 103,665 | 100,881 | 103,665 | 100,870 | | 11 | - | - |
| Subtotal 1 | 426,617 | 450,363 | 426,617 | 450,273 | | 90 | - | |
| Payables on fixed assets | 9,382 | 11,674 | 8,043 | 8,424 | 1,339 | 3,250 | - | - |
| Other payables | 8,635 | 9,118 | 8,635 | 9,088 | | 30 | - | - |
| Prepaid income | 410 | 501 | 410 | 501 | - | - | - | - |
| Subtotal 2 | 18,427 | 21,293 | 17,088 | 18,013 | 1,339 | 3,280 | - | - |
| Total | 445,044 | 471,656 | 443,705 | 468,286 | 1,339 | 3,370 | - | |

(*) In the context of the various government measures relating to Covid-19, the Group deferred the payment of certain tax and social security liabilities, with an amount of €3,271 thousand remaining due as at 31 December 2020.

Commitments to purchase non-controlling interests are recognised in payables on fixed assets in the amount of €5,822 thousand at 31 December 2020, with a corresponding entry in non-controlling interests, the difference being recognised in goodwill.

Deferred payments on acquired subsidiaries are also included in payables on fixed assets in the amount of €1,950 thousand, as well as additional amounts payable for €1,339 thousand.

NOTES TO THE INCOME STATEMENT

Note 19 Turnover

Turnover comprises billing for human resources management services and for services provided by the digital services group DCS, whose holding company is DCS EASYWARE.

At 31 December 2020, it included billing for business activities other than temporary employment (placement of permanent employees, outsourcing, training, digital services, etc.) of €92,654 thousand, or 4.2% of consolidated turnover.

For the time being, these activities are still being developed by the Group, are not yet material and do not represent a distinct business segment.

Note 20 Operating expenses

20.1 Personnel costs

Personnel costs included in current operating profit comprise the following elements:

| In € thousand | 2020 | 2019 |
|-------------------------------|------------------|------------------|
| Wages and salaries | 1,551,331 | 1,866,184 |
| Social security contributions | 407,629 | 498,005 |
| Employee profit-sharing | 1,015 | 6,693 |
| Total | 1,959,975 | 2,370,882 |

The government support measures implemented following the Covid-19 health crisis involved the granting of subsidies to Group companies which reduced personnel expenses by an amount of €44,786 thousand.

20.2 Impact of IFRS 16

The rental amount arising from contracts eligible for exemption due to a low value or a duration of less than 12 months in financial year 2020 is €2,548 thousand.

20.3 Other information on operating expenses

Allocations to provisions are shown with irrecoverable expenses added and reversals of provisions deducted.

Transfers of expenses have been allocated to income statement items according to the type of expenses concerned.

20.4 Other information on operating profit

Non-recurring income and expenses are shown in other operating income and expenses.

Note 21 Financial income and expenses

The financial result breaks down as follows:

| In € thousand | 2020 | 2019 |
|---|----------------|----------------|
| Income from transferable securities | - | - |
| Income from receivables | 695 | 800 |
| Net revenue/disposal of marketable securities | - | 9 |
| Financial income | 695 | 809 |
| Interests on finance leases | (1,379) | (665) |
| Bank and miscellaneous charges | (1,174) | (1,631) |
| Interest on loans | (425) | (399) |
| Interests on employee profit sharing | - | - |
| Cost of gross financial debt | (2,978) | (2,695) |
| Cost of net financial debt | (2,283) | (1,886) |
| Translation gains or losses | (944) | (379) |
| Other income and expenses | 72 | 895 |
| Other income and expenses | (872) | 516 |
| Total | (3,155) | (1,370) |

(*) Net cost of financial debt excluding leases: €904 thousand in 2020 and €1,277 thousand in 2019

Note 22 Corporate income tax

22.1 Tax expense

The tax expense recognised in the income statement is analysed as follows:

| In € thousand | 2020 | 2019 |
|---|---------------|---------------|
| Income tax | 18,986 | 28,358 |
| Deferred tax | (149) | 2,658 |
| Total Income tax | 18,837 | 31,016 |
| CVAE (France) | 13,095 | 16,970 |
| IRAP (Italy) | 1,223 | 1,265 |
| Tax on profit | 33,156 | 49,251 |
| of which corporation tax payable | 8,394 | 8,740 |

22.2 Effective tax rate and tax proof

The variance between the amount of corporate income tax calculated at the normal tax rate in France and the effective tax amount is explained as follows:

| In € thousand | 2020 | 2019 |
|---|---------------|----------------|
| Profit before tax expense | 74,445 | 112,612 |
| Profit before tax after CVAE and IRAP | 60,127 | 94,377 |
| Tax rate in force (in France) | 32.02% | 34.43% |
| Theoretical tax | 19,253 | 32,494 |
| Differences in tax rates abroad | (2,628) | (3,418) |
| Goodwill impairment | 961 | 269 |
| Non-activated tax losses | 411 | 786 |
| Consolidation entries without tax and miscellaneous | 841 | 885 |
| Total Income tax (note 22.1) | 18,837 | 31,016 |
| Effective tax rate | 31.3% | 32.9% |

Note 23 Earnings per share

Earnings per share are determined by dividing the annual consolidated net profit, Group share, by the number of corresponding shares at 31 December.

There are no dilutive instruments that could change the net profit and number of shares used, except for the share buyback programme, whose impact was not material in 2019 or 2020.

| | 2020 | 2019 |
|--------------------------------|------------------|------------------|
| Net profit (Group share) | €38,278 thousand | €60,098 thousand |
| Number of share | 24,362,000 | 24,362,000 |
| Number of treasury share | 369,624 | 373,675 |
| Number of basic share | 23,992,376 | 23,988,325 |
| Earning per share (*) | €1.57 | €2.47 |
| Diluted earnings per share (*) | €1.57 | €2.47 |

(*) divided by 24,362,000 shares

Note 24 Segment information

24.1 Information by region

The reports used by management for its monthly reviews mainly cover turnover and current operating income, which explains the compilation of segment information on these main aggregates by geographical area.

24.1.1 Income statement items

| In € thousand | Turnover | | Current operating profit | |
|----------------------------------|------------------|------------------|--------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| France | 984,547 | 1,280,700 | 42,907 | 70,303 |
| Belgium | 235,654 | 277,153 | 11,452 | 18,505 |
| Others Northern and Eastern | 274,804 | 332,318 | 6,246 | 8,003 |
| Italy | 431,678 | 450,672 | 20,162 | 21,608 |
| Spain, Portugal | 203,191 | 226,283 | 3,131 | 3,181 |
| Canada, Australia | 60,464 | 75,213 | 5 576 | 80 |
| Total | 2,190,338 | 2,642,339 | 89,473 | 121,680 |
| of which Digital Services | | | | |
| France | 43,158 | 43,131 | 4,781 | 4,630 |
| Belgium | 1,034 | 1,229 | 266 | 265 |
| Spain | 18,392 | 2,591 | 1,436 | 69 |
| Total | 62,584 | 46,951 | 6,483 | 4,965 |

(*) Before amortisation and impairment of goodwill and client bases and brands acquired

| In € thousand | Depreciations | | Impairments | |
|-----------------------------|---------------|---------------|--------------|--------------|
| | 2020 | 2019 | 2020 | 2019 |
| France | 11,720 | 7,991 | 1,257 | 1,682 |
| Belgium | 2,866 | 1,779 | 11 | 72 |
| Others Northern and Eastern | 3,229 | 2,651 | (101) | (292) |
| Italy | 2,871 | 2,377 | 2,290 | 769 |
| Spain, Portugal | 1,377 | 727 | 137 | 766 |
| Canada, Australia | 1,159 | 1,303 | 9 | 51 |
| Total | 23,221 | 16,828 | 3,603 | 3,048 |

For France :

| In € thousand | Turnover | | Current operating profit | |
|------------------------------------|----------------|------------------|--------------------------|---------------|
| | 2020 | 2019 | 2020 | 2019 |
| South East | 178,155 | 232,562 | 7,359 | 17,570 |
| South West | 150,548 | 207,093 | 6,629 | 17,204 |
| North West | 442,653 | 568,049 | 28,335 | 54,274 |
| Greater Paris region, Centre, East | 167,115 | 227,679 | 4,570 | 15,150 |
| Digital Services | 43,158 | 43,131 | 4,781 | 4,630 |
| Unallocated | 2,919 | 2,187 | (8,767) | (38,525) |
| Total | 984,547 | 1,280,700 | 42,907 | 70,303 |

| In € thousand | Depreciations | | Impairment | |
|------------------------------------|---------------|--------------|--------------|--------------|
| | 2020 | 2019 | 2020 | 2019 |
| South East | 517 | 437 | 261 | 39 |
| South West | 474 | 402 | 205 | 32 |
| North West | 837 | 724 | 443 | 105 |
| Greater Paris region, Centre, East | 8 | 7 | 257 | 8 |
| Digital Services | 773 | 742 | - | - |
| Unallocated | 9,111 | 5,679 | 92 | 1,499 |
| Total | 11,720 | 7,991 | 1,257 | 1,682 |

24.1.2 Assets

| In € thousand | Fixed assets (*) | | Total assets | |
|-----------------------------|------------------|----------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 |
| France | 255,573 | 305,170 | 795,203 | 796,270 |
| Belgium | 567 | 621 | 99,033 | 84,059 |
| Others Northern and Eastern | (3,759) | 676 | 71,682 | 72,538 |
| Italy | 2,446 | 2,735 | 152,911 | 137,998 |
| Spain, Portugal | 754 | 2,611 | 53,553 | 50,427 |
| Canada, Australia | (163) | 4,174 | 19,189 | 19,647 |
| Total | 255,418 | 315,987 | 1,191,570 | 1,160,940 |

(*) excluding deferred tax assets and excluding rights of use relating to lease contracts

For France :

| In € thousand | Fixed assets (*) | | Total assets | |
|-------------------------------|------------------|----------------|----------------|----------------|
| | 2020 | 2019 | 2020 | 2019 |
| South East | 3,004 | 3,311 | 43,250 | 55,984 |
| South West | 2,470 | 2,728 | 34,356 | 51,132 |
| North West | 4,605 | 5,137 | 111,705 | 140,320 |
| Greater Paris region, Centre, | 3,475 | 3,712 | 47,681 | 57,987 |
| Digital Services | 21,927 | 21,961 | 40,071 | 38,081 |
| Unallocated (**) | 220,092 | 268,321 | 518,139 | 452,766 |
| Total | 255,573 | 305,170 | 795,203 | 796,270 |

(*) excluding deferred tax assets

(**) The CICE receivables not broken down between the different regions are included in the unallocated amount

Note 25 Notes to the statement of cash flows

25.1 Change in the working capital requirement

The change in the operating working capital requirement breaks down as follows:

| In € thousand | Change | |
|--|-----------------|---------------|
| | 2020 | 2019 |
| Clients | 57,926 | (7,446) |
| Other receivables (*) | 18,595 | 22,987 |
| Increase in working capital | 76,521 | 15 542 |
| Suppliers | (1,767) | 5,962 |
| Tax and social security payables | (21,978) | 34,543 |
| Other payables | (2,866) | (5,096) |
| Increase in current liabilities | (26,612) | 35,409 |
| Total | 49,909 | 50,950 |
| (*) including the CICE debt, which has become short-term | 46,969 | 15,413 |

The decrease in the working capital requirement mainly relates to the fall in business activity.

25.2 Depreciation, amortisation and provisions

Depreciation, amortisation and provisions do not include current operating provisions.

OTHER INFORMATION

Note 26 Group workforce

26.1 Workforce in 2020

| | 2020 | 2019 |
|---|---------------|---------------|
| Permanent employees: | | |
| - Managers | 744 | 712 |
| - White collar | 3,487 | 3,724 |
| Total | 4,231 | 4,436 |
| Temporary employees seconded to placements by the Group | 55,137 | 66,861 |
| Grand Total | 59,368 | 71,297 |

Permanent personnel are those present at the year end, all categories combined.

Temporary personnel are shown as full-time equivalent.

26.2 Comparison

| Managers | | White collar | | Blue collar | | Total | |
|----------|-------|--------------|--------|-------------|--------|--------|--------|
| 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| 968 | 1,103 | 15,661 | 18,933 | 42,737 | 51,261 | 59,368 | 71,297 |

Note 27 Information on related parties

Information relating to the members of the administrative and management bodies of the consolidating company, according to their roles in the consolidated companies, is provided below.

27.1 Overall remuneration

The overall gross remuneration of the members of the Group's administrative and management bodies in 2020 was €2,220 thousand, and breaks down as follows:

| In € thousand | Gross | Social security contribution |
|-------------------------------|--------------|------------------------------|
| Wages and short-term benefits | 2,124 | 843 |
| Directors' fee | - | - |
| Post-employment benefits | 96 | - |
| Other long-term benefits | - | - |
| Share-based payments | - | - |
| Total | 2,220 | 843 |

27.2 Pension commitments

There is no commitment of this kind for the benefit of the administrative and management bodies, apart from the indemnities provided for under the collective agreement for salaried employees who are members of the Executive Board, i.e. €96 thousand and subject to a provision as described in Note 14.2.

27.3 Loans and advances

At the end of 2020, no loans and advances had been granted to members of the administrative and management bodies.

27.4 Other information

Relationships between Group companies are concluded under arm's length conditions.

Note 28 Contingent commitments and liabilities

28.1 Commitments received and contingent assets

Banks had guaranteed SYNERGIE and some of its temporary employment subsidiaries in respect of their clients for €98,637 thousand in France and €59,217 thousand for the foreign subsidiaries at 31 December 2020.

28.2 Commitments given and contingent liabilities

Provision is made for retirement benefits and for other post-employment benefits granted to personnel.

Commitments given to banks

In the context of the temporary employment guarantees granted by the banks to SYNERGIE's subsidiaries, the holding company provided counter guarantees for €60,566 thousand.

There were no pending discounted bills as at 31 December 2020.

Assets pledged as collateral

The collateral supporting the loans taken out by the Group with banks is negligible.

Pledge of Company shares

No shares of the Company have been pledged.

At the end of the financial years shown, no other significant commitments had been entered into, and no contingent liabilities existed (other than those provisioned or covered in Note 15) that are likely to significantly affect the assessment of the financial statements.

Note 29 2020 Events after 31 December 2020

No events likely to call into question the 2020 financial statements or requiring a specific declaration in the financial statements took place after the reporting date.

Note 30 Statutory Auditors' fees

The Statutory Auditors' fees borne by the Group are as follows:

| In € thousand | APLITEC AUDIT ET CONSEIL | | | | SAINT-HONORE | | | |
|--|--------------------------|-------------|---------------------|-------------|---------------------|-------------|---------------------|-------------|
| | 2020 | | 2019 | | 2020 | | 2019 | |
| | Amount (pre-tax) | % | Amount (pre-tax) | % | Amount (pre-tax) | % | Amount (pre-tax) | % |
| Audit | | | | | | | | |
| Statutory audit, certification, review of individual and consolidated accounts | | | | | | | | |
| - Issuer | 230 | 70% | 225 | 69% | 195 | 100% | 180 | 100% |
| - Fully consolidated subsidiaries | 97 | 30% | 101 | 31% | - | - | - | - |
| Other work and services directly related to the task of the Statutory Auditor | | | | | | | | |
| - Issuer | 2 | 1% | - | - | - | - | - | - |
| - Fully consolidated subsidiaries | 1 | 0% | 1 | 0% | | | | |
| Subtotal 1 | 329 | 100% | 327 | 100% | 195 | 100% | 180 | 100% |
| Other services rendered by the networks to the fully consolidated subsidiaries | | | | | | | | |
| - Legal, fiscal, social, other | - | - | - | - | - | - | - | - |
| Subtotal 2 | - | - | - | - | - | - | - | - |
| Total | 329 | 100% | 327 | 100% | 195 | 100% | 180 | 100% |

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

SYNERGIE

European Company (SE) with share capital of € 121,810,000

Registered office: 11, avenue du Colonel Bonnet

75016 PARIS

329 925 010 RCS PARIS

STATUTORY AUDITORS' REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 DECEMBER 2020

To the Shareholders' Meeting of SYNERGIE,

OPINION

Under the terms of the assignment entrusted to us by your Shareholders' Meeting, we conducted an audit of the accompanying consolidated financial statements of SYNERGIE SE for the financial year ended 31 December 2020.

We hereby certify that, with regard to the IFRS framework as adopted in the European Union, the consolidated financial statements give a true and fair view of the assets, financial position and results of the grouping formed by the consolidated entities.

The opinion formulated above is consistent with the contents of our report to the Audit Committee.

BASIS OF OUR OPINION

Audit standards

We conducted our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained forms a sufficient and appropriate basis for our opinion.

Our responsibilities by virtue of these standards are set out in the section of this report entitled "Statutory Auditors' responsibilities concerning the audit of the consolidated financial statements".

Independence

We conducted our audit in accordance with the rules of independence set forth in the French commercial Code and the code of ethics applicable to the statutory auditor profession for the period from 1 January 2020 to the date of issuance of our report, and in particular we provided no services that are prohibited under Article 5, paragraph 1, of EU Regulation no. 537/2014.

JUSTIFICATION OF OUR ASSESSMENTS - KEY AUDIT POINTS

The global crisis caused by the Covid-19 pandemic created particular conditions for the preparation and auditing of the 2020 financial statements. The crisis and the exceptional measures implemented as part of the public health emergency situation had multiple consequences for companies, in particular in relation to their activity and financing, and led to increased uncertainty around their future prospects. Some of these measures, such as travel restrictions and remote working, also had an impact on the internal organisation of companies and the methods for carrying out audits.

In the context of such a complex and changing environment, in accordance with the provisions of Articles L.823-9 and R.823-7 of the French commercial Code concerning the justification of our assessments, we draw your attention to the main audit points concerning the risks of material misstatement that, in our professional opinion, were the most significant for the audit of the consolidated financial statements for the year, together with our responses to these risks.

The assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and the formation of our opinion expressed in the first part of this report. We express no opinion on any elements of the consolidated financial statements taken in isolation.

EVALUATION OF GOODWILL AND OTHER INTANGIBLE ASSETS RELATING TO ACQUISITIONS (CLIENT BASES AND BRANDS)

Risk identified

At 31 December 2020, goodwill and other intangible assets relating to acquisitions (client bases and brands) represented €102,191 thousand and €40,476 thousand respectively.

Goodwill is the difference, that is unallocated or awaiting allocation, between the acquisition price and the Group's share in the fair value of the assets and liabilities identifiable on the date it assumes control, while the client bases and brands account for the portion allocated during the 12 months following the business combinations concerned.

It is tested for impairment based on the cash flows of the relevant cash-generating units as soon as there are indications of impairment, and at least once a year (Note 1.4.6 of the notes to the consolidated financial statements).

Note 5 defines the methodology used to determine the value-in-use of the cash-generating units and describes the sensitivity of the tests to the various criteria, i.e. discount rate, perpetual growth rate and EBIT rate.

We deem the measurement of goodwill to be a key audit point because of the significant amount of goodwill and other intangible assets relating to acquisitions (client bases and brands) in the consolidated financial statements, and the nature of the items to be taken into consideration by the management for their valuation.

Audit procedures implemented to deal with this risk

Our audit procedures entailed controlling the value-in-use applied in relation to the main CGU.

In accordance with the applicable standards, our work consisted in:

- Taking note of and assessing the process followed by management to carry out the impairment tests;
- Checking that an appropriate model was used for the calculation of value-in-use;
- Ensuring the consistency of projected cash flows:
 - Analysing the consistency of flows with the budgets established by local management and approved by management;
 - Assessing the level of adherence to the budget during the first few months of 2021;
 - Examining activity in 2020 and notably in the last quarter of the year to assess the level of resumption of activity and consistency with the 2021 projections used in the tests for the financial year;
 - Identifying major changes between the 2021 projections used as at 30 June 2020 and those used as at 31 December 2020, and ensuring their validity given the new information to hand;
 - Analysing the methodology followed for the calculation of the discount rate for each country;
 - Analysing the tests on the sensitivity of values-in-use to a change in the discount rate, the perpetual growth rate and the EBIT rate used by management in the budgets;
 - Completing the information collected by conducting interviews with the local management of subsidiaries for which the assets tested were most significant.
- Assessing the appropriateness of the financial information provided in Note 5 of the notes to the consolidated financial statements.

SPECIFIC VERIFICATIONS

In accordance with the professional standards applicable in France, we also carried out the specific verifications stipulated by law and the regulations of information relating to the Group, as provided in the Executive Board's management report.

We have no observations to make as to its accuracy and consistency with the consolidated financial statements.

We certify that the consolidated declaration of extra-financial performance stipulated by Article L. 225-102-1 of the French commercial Code appears in the report on management of the Group, it being specified that, in accordance with the provisions of Article L. 823-10 of said code, we have not verified that the information contained in this declaration is accurate or consistent with the consolidated financial statements and it must be covered by a report by an independent third-party body.

OTHER VERIFICATIONS OR INFORMATION STIPULATED BY LAW AND THE REGULATIONS

Format for the presentation of the consolidated financial statements to be included in the annual financial report

In accordance with Section III of Article 222-3 of the General Regulations of the AMF (French financial market authority), the management of your company informed us that it has decided to defer the application of the single electronic reporting format as defined in European Commission Delegated Regulation No. 2019/815 of 17 December 2018 in respect of financial periods starting on or after 1 January 2021.

Consequently, this report does not contain a conclusion on the compliance with this format of the presentation of the consolidated financial statements to be included in the annual financial report referred to in Section I of Article L. 451-1-2 of the French Monetary and Financial Code.

Appointment of the Statutory Auditors

We have been appointed as Statutory Auditors for SYNERGIE by the Shareholders' Meeting of 21 December 1983 in the case of APLITEC AUDIT & CONSEIL and of 13 June 2019 in the case of SAINT HONORE BK&A. Due to the changes that were made to the capital structure of APLITEC AUDIT & CONSEIL at 31 December 2010, APLITEC AUDIT & CONSEIL was, on 31 December 2020, in the 10th consecutive year of its assignment and SAINT HONORE BK&A in the 2nd year, it being the 10th and 2nd year respectively since the Company's shares were admitted for trading on a regulated market.

RESPONSIBILITIES OF MANAGEMENT AND INDIVIDUALS INVOLVED IN CORPORATE GOVERNANCE WITH REGARD TO THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for drawing up consolidated financial statements providing a true and fair view in accordance with the IFRS framework as adopted in the European Union and also for implementing the internal controls it deems necessary to establish consolidated financial statements that are free of material misstatement, whether arising from fraud or error.

When drawing up the consolidated financial statements, management is responsible for assessing the Company's capacity to operate as a going concern, for presenting in these financial statements, where applicable, the necessary information on operation as a going concern and for applying the going concern accounting policy, unless there are plans for the Company to be liquidated or cease activity.

The Audit Committee is responsible for monitoring the process for preparing the financial information and the efficiency of the internal control and risk management systems, and, where applicable, the internal audit system, with respect to the procedures relating to the preparation and treatment of the accounting and financial information.

The consolidated financial statements were approved by the Executive Board.

RESPONSIBILITIES OF THE STATUTORY AUDITORS CONCERNING THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Audit purpose and process

Our role is to prepare a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements taken as a whole do not contain any material misstatements. While reasonable assurance corresponds to a high level of assurance, it does not guarantee that an audit performed in accordance with professional standards will systematically detect all material misstatements. Misstatements may arise from fraud or errors and are considered material when it can be reasonably expected that, when taken individually or combined, they may influence the economic decisions that the users of the accounts may take based on these misstatements.

As stipulated in Article L.823-10-1 of the French commercial Code, our assignment to certify the financial statements does not include guaranteeing the viability or quality of your Company's management.

In the case of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises his professional judgement throughout the audit. Moreover, the auditor:

- Identifies and assesses the risks of the consolidated financial statements containing material misstatements, whether as a result of fraud or error, defines and implements audit procedures faced with these risks, and gathers the information deemed necessary and appropriate in order to form an opinion. The risk of failing to detect a material misstatement arising from fraud is greater than that of failing to detect a material misstatement resulting from error because the fraud may involve collusion, falsification, deliberate omissions, false statements or circumvention of internal controls;
- Takes note of the internal controls that are relevant for the audit in order to define audit procedures that are appropriate to the circumstances, and not with the aim of expressing an opinion on the effectiveness of the internal controls;
- Assesses the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the information on these items provided in the consolidated financial statements;
- Assesses the appropriateness of the application by management of the going concern principle and, based on the information gathered, whether or not there is significant uncertainty surrounding events or circumstances that are likely to undermine the Company's capacity to continue to operate. This assessment draws on the information gathered up to the date of his report, bearing in mind nevertheless that subsequent circumstances or events could undermine the Company's continued operation. If the Statutory Auditor concludes that significant uncertainty exists, he will draw the attention of the readers of his report to the information provided on this uncertainty in the consolidated financial statements or, if this information is not provided or is not relevant, he will issue a qualified certificate or refuse to certify;
- Considers the overall presentation of the consolidated financial statements and assesses if these consolidated financial statements reflect the underlying transactions and events in such a manner as to give a true and fair view thereof;
- Concerning the financial information of persons or entities included in the consolidation scope, he gathers the information he deems sufficient and appropriate to express an opinion on the consolidated financial statements. He is responsible for the management, supervision and completion of the audit of the consolidated financial statements and the opinion expressed thereon.

REPORT TO THE AUDIT COMMITTEE

We submit a report to the Audit Committee that notably presents the scope of the audit work, the schedule of tasks carried out and the resulting conclusions. Where applicable, we also bring to its attention any significant internal control weaknesses that we have identified concerning the procedures relating to the preparation and treatment of the accounting and financial information.

In our report to the Audit Committee, we also communicate what we deem to be the greatest risks of material misstatement impacting the audit of the consolidated financial statements for the year and, as such, those that constitute the key audit points. These points are described in this report.

We also provide the Audit Committee with the declaration stipulated by Article 6 of EU Regulation no. 537-2014 confirming our independence, within the meaning of the rules applicable in France, as set out notably by Articles L.822-10 to L.822-14 of the French commercial Code and in the code of ethics of the statutory audit profession. Where applicable, we discuss with the Audit Committee any risks to our independence and any safety measures applied.

Signed in PARIS on 30 April 2021

The Statutory Auditors
Registered members of the Compagnie Régionale de Paris

SAINT HONORE BK&A

APLITEC AUDIT & CONSEIL

Frédéric BURBAND

Marie-Françoise BARITAUX-IDIR Laurent GUEZ

CORPORATE FINANCIAL STATEMENTS

OF SYNERGIE SE

| | |
|--|------------|
| Financial Data | 107 |
| Statement of financial position of SYNERGIE SE | 107 |
| Income statement of SYNERGIE SE | 109 |
| Notes to the statement of financial position and the income statement of SYNERGIE SE | 110 |
| Report of the Statutory Auditors' on the annual financial statements of SYNERGIE SE | 124 |

FINANCIAL DATA

1. STATEMENT OF FINANCIAL POSITION OF SYNERGIE SE

| ASSET | NOTE | | 2020 | | 2019 |
|--|-------|----------------|-------------------|----------------|----------------|
| In € thousand | No. | GROSS | IMP ^{NT} | NET | NET |
| FIXED ASSETS | | | | | |
| Intangible assets | | | | | |
| Concessions, patents, licences and brands | | 9,967 | 6,799 | 3,168 | 3,391 |
| Business intangibles, rights to leases | | 3,412 | 195 | 3,217 | 3,217 |
| Assets under construction | | 840 | - | 840 | 1,477 |
| TOTAL INTANGIBLE ASSETS | 3/4 | 14,219 | 6,994 | 7,225 | 8,085 |
| Property, plant and equipment | | | | | |
| Land | | - | - | - | - |
| Buildings | | 658 | 646 | 11 | 51 |
| Other property, plant and equipment | | 27,291 | 15,369 | 11,923 | 12,547 |
| TOTAL PROPERTY, PLANT AND EQUIPMENT | 3 | 27,949 | 16,015 | 11,934 | 12,598 |
| Long-term investments | | | | | |
| Equity interests | | 87,443 | 2,761 | 84,683 | 83,923 |
| Receivables related to equity interests | | 51,158 | 69 | 51,089 | 51,014 |
| Other fixed investments | | 12 | 7 | 5 | 5 |
| Loans | | 14 | - | 14 | 14 |
| Other long-term investments | | 5,958 | - | 5,958 | 5,741 |
| TOTAL LONG-TERM INVESTMENTS | 5 | 144,585 | 2,836 | 141,749 | 140,697 |
| TOTAL FIXED ASSETS | 9 | 186,753 | 25,845 | 160,908 | 161,380 |
| Working capital | | | | | |
| Advances, downpayments made on orders | | 2,123 | - | 2,123 | 1,603 |
| Client receivables and related accounts | 6/10 | 193,997 | 7,376 | 186,621 | 243,593 |
| Other receivables | 10/11 | 166,376 | 1,415 | 164,961 | 199,408 |
| Investments in securities | 12 | 11,369 | - | 11,369 | 9,565 |
| Available cash | | 188,551 | - | 188,551 | 101,338 |
| TOTAL WORKING CAPITAL | | 562,417 | 8,791 | 553,626 | 555,507 |
| Prepayments and accrued income | | | | | |
| Prepaid expenses | | 1 474 | - | 1 474 | 1 146 |
| Unrealised exchange loss | 8/18 | 4,933 | - | 4,933 | 3,988 |
| Deferred charges | | - | - | - | - |
| TOTAL ASSETS | | 755,576 | 34,636 | 720,940 | 722,021 |

| LIABILITIES | NOTE | 2020 | 2019 |
|---|-------------|----------------|----------------|
| In € thousand | No. | | |
| EQUITY | | | |
| Capital | 13.1 | 121,810 | 121,810 |
| Issue, merger and contribution premiums | | - | - |
| Legal reserve | 13.2 | 12,181 | 12,181 |
| Regulated reserves | 13.2 | 3,884 | 3,983 |
| Other reserves | 13.2 | 11,000 | 11,000 |
| Retained earnings | 13.2 | 276,790 | 231,755 |
| PROFIT FOR THE YEAR | | 22,812 | 44,937 |
| Regulated provisions | | 2,540 | 2,015 |
| SHAREHOLDERS' EQUITY | 13 | 451,018 | 427,681 |
| PROVISIONS FOR RISKS AND CHARGES | | | |
| Provisions for risks | | 5,388 | 5,399 |
| Provisions for charges | | - | - |
| TOTAL PROVISIONS FOR RISKS AND CHARGES | 7/14 | 5,388 | 5,399 |
| PAYABLES | | | |
| Bank loans and other bank borrowings | 15 | 38 | 49 |
| Other loans and borrowings | 15 | 36,269 | 17,259 |
| Supplier payables and related accounts | | 7,897 | 7,517 |
| Tax and social security payables | | 216,385 | 259,373 |
| Payables on fixed assets and related accounts | 17 | 194 | 597 |
| Other payables | | 3,743 | 4,029 |
| TOTAL PAYABLES | 16 | 264,525 | 288,824 |
| PREPAYMENTS AND ACCRUED INCOME | | | |
| Prepaid income | | 9 | 19 |
| Unrealised exchange gain | 8/18 | | 98 |
| TOTAL LIABILITIES | | 720,940 | 722,021 |

2. INCOME STATEMENT OF SYNERGIE SE

| In € thousand | NOTE No. | 2020 | 2019 |
|--|--------------|----------------|------------------|
| Operating result | | | |
| Output of services | | 924,514 | 1,221,090 |
| Operating subsidies | | 376 | 237 |
| Reversals of depreciation and amortisation, transfers of expenses | | 11,824 | 15,697 |
| Other income | | 4,279 | 4,800 |
| TOTAL OPERATING INCOME | 19/20 | 940,994 | 1,241,824 |
| Operating expenses | | | |
| Other purchases and external expenses | | 42,430 | 47,183 |
| Taxes and similar levies | | 44,400 | 49,260 |
| Wages and salaries | 21 | 658,276 | 860,186 |
| Social security contributions | 21 | 166,638 | 223,643 |
| Depreciation and amortisation of fixed assets | | 3,777 | 3,344 |
| Provisions for impairment of current assets | | 1,963 | 1,598 |
| Provisions for risks and charges | | - | - |
| Other expenses | | 456 | 4,359 |
| TOTAL OPERATING EXPENSES | | 917,940 | 1,189,572 |
| OPERATING RESULT | | 23,053 | 52,252 |
| Financial income | | | |
| From equity interests | 22 | 6,613 | 16,640 |
| From other transferable securities and receivables on fixed assets | | - | - |
| From other interest and similar income | | 193 | 206 |
| Reversals of provisions and transfers of expenses | | 5 | 905 |
| Positive exchange rate differences | | 208 | 4 |
| Net income from the sale of investments in securities | | - | - |
| TOTAL FINANCIAL INCOME | | 7,019 | 17,756 |
| Financial expenses | | | |
| Depreciation, amortisation and provisions | | 1,105 | - |
| Interest and similar expenses | | 1,085 | 278 |
| Negative exchange rate differences | | 310 | 77 |
| TOTAL FINANCIAL EXPENSES | | 2,500 | 354 |
| FINANCIAL RESULT | 22 | 4,519 | 17,401 |
| OPERATING RESULT BEFORE TAX | | 27,572 | 69,653 |
| Extraordinary income | | | |
| On management operations | | - | 1 |
| On capital operations | | 331 | 278 |
| Reversals of provisions and transfers of expenses | | 1,483 | 801 |
| TOTAL EXTRAORDINARY INCOME | | 1,814 | 1,080 |
| Extraordinary expenses | | | |
| On management operations | | 34 | 20 |
| On capital operations | | 286 | 434 |
| Extraordinary depreciation, amortisation and provisions | | 1,052 | 1,046 |
| TOTAL EXTRAORDINARY EXPENSES | | 1,372 | 1,500 |
| EXTRAORDINARY PROFIT | 23 | 442 | (421) |
| Income tax | 24 | 5,202 | 18,521 |
| Employee profit-sharing | | - | 5 775 |
| Total income | | 949,826 | 1,260,660 |
| Total expenses | | 927,014 | 1,215,723 |
| NET PROFIT | | 22,812 | 44,937 |

3. NOTES TO THE STATEMENT OF FINANCIAL POSITION AND THE INCOME STATEMENT OF SYNERGIE SE

SIGNIFICANT EVENTS

The 2020 financial year was marked by an unprecedented health crisis linked to the Covid-19 pandemic, which had a strong impact on the activity and results of SYNERGIE SE.

The swift reaction by SYNERGIE together with the government measures, which included assuming the cost of short-time working for permanent and temporary personnel, enabled it to limit the impact of the crisis on its activity and results.

Impact on activity and results

The decrease in turnover and in the results in 2020 was mainly due to the Covid-19 crisis. All expenses and income linked to the epidemic were recognised under operating income, with the government measures relating to short-time working primarily impacting personnel expenses. The aid directly allocated to SYNERGIE SE came to €18,641 thousand.

The cost cutting measures helped to partly offset the impact of the fall in activity.

Impact on cash

The fall in activity combined with effective receivables recovery (average client credit level maintained) led to a sharp reduction in working capital requirement and a significant improvement in the Group's cash position.

Impact on the balance sheet

The trade receivables item was impacted by the fall in activity, but the level of impairment was low thanks in particular to the support measures provided to companies experiencing cash flow difficulties.

SYNERGIE SE did not apply for any state-guaranteed loans and deferred a small number of payments, which were settled during the year.

ACCOUNTING PRINCIPLES, RULES AND METHODS

Note 1 Application of general principles

The annual financial statements are prepared in accordance with French accounting rules, pursuant to the provisions of ANC Regulation No. 2016-07 of 4 November 2016, amending Regulation No. 2014-03 of 5 June 2014 relating to French GAAP and approved by the decree of 26 December 2016 (and published in the Journal Officiel on 28 December).

General accounting principles were applied in accordance with the prudence principle and the following basic assumptions:

- Operation as a going concern;
- Consistency of accounting methods;
- Separation of accounting periods;

And in accordance with general guidelines for the preparation and presentation of annual financial statements.

The basic method used to value the items recorded in the financial statements is the historical cost method.

The annual financial statements were approved by the Executive Board on 29 March 2021.

Main estimates and judgements used in the preparation of the annual financial statements

The main estimates and judgements used in the preparation of the financial statements for the financial year ended 31 December 2020 concern the valuation of equity investments, related receivables and current accounts, the businesses and pension commitments.

Actual results in the future may differ from these assumptions and estimates.

Note 2 Valuation of fixed assets

2.1 Options taken by the Company

Property, plant and equipment and intangible assets are valued at their acquisition cost (purchase price and ancillary costs). The Company took the option of incorporating acquisition expenses into the acquisition costs of equity investments acquired. However, it opted to recognise acquisition expenses relating to intangible assets and property, plant and equipment under expenses.

The Company opted not to capitalise borrowing costs under eligible assets.

2.2 Fixed assets by component

In view of the nature of the fixed assets held by the Company, no component was regarded as significant enough to justify separate accounting and a specific depreciation and amortisation schedule.

Note 3 Useful life of fixed assets

| TYPE OF ASSET | Useful life | Conventional useful life |
|---|----------------|--------------------------|
| Intangible assets | | |
| Concessions, patents and similar rights | 5 years | 1 to 3 years |
| Business intangibles | - | - |
| Property, plant and equipment | | |
| Buildings | 20 to 30 years | 20 to 30 years |
| Fixtures and fittings | - | - |
| Technical facilities | - | - |
| Equipment and tools | 5 years | 5 years |
| General facilities | 7 years | 5 to 7 years |
| Transport equipment | 5 years | 5 years |
| Office equipment | 5 years | 4 years |
| Computer equipment | 5 years | 3 years |
| Furniture | 10 years | 10 years |

The difference between the accounting duration and the fiscal duration was subject to accelerated depreciation and recorded as a regulated provision.

Note 4 Intangible assets

The item “Concessions, patents, licences and brands” comprises the SYNERGIE brand and software.

The item “Business intangibles, leasehold rights” comprises the business in its strictest sense and the leasehold rights associated with the agencies under operation.

Intangible assets that indicate a loss in value are tested for impairment.

Business intangibles are to have an unlimited duration and consequently are not amortised; pursuant to Article 214-5 of French GAAP, impairment tests are performed at the year-end, as a result of which no impairment was recognised.

Note 5 Long-term investments

The gross value of equity investments and related receivables corresponds to their acquisition cost. This cost does not include any commitments given.

Equity investments and related receivables are valued pursuant to Article 221-3 of the French GAAP, according to their value-in-use. This value, which corresponds to what the Company would be willing to pay to obtain the investment if it were to acquire it, is determined primarily on the basis of:

- Future cash flows;
- A market price and the benefit of a presence in the territory or the business activity controlled by the subsidiary;
- The portion of the shareholders’ equity of the subsidiary held.

An impairment is recorded, where necessary, if the value-in-use of the equity investments and related receivables calculated in this manner falls below their book value; at 31 December 2020, no impairment was required under this approach.

Note 32 shows the table of subsidiaries and equity interests.

Purchase of treasury shares

Under a liquidity contract, SYNERGIE SE:

- Purchased 75,272 shares at an average price of €23.11;
- Sold 79,323 shares at an average price of €23.67

At 31 December 2020, SYNERGIE SE held:

- Through this contract, 17,161 treasury shares purchased at an average price of €26.82, i.e. €460 thousand;
- 352,463 shares purchased, not as part of the liquidity contract, at an average price of €9.39, i.e. €3,309 thousand, representing 1.45% of the share capital.

These shares are registered as long-term investments, as stipulated by the French GAAP (article 221-6).

The share price at 31 December 2020 was €32.00.

Note 6 Receivables and recognition of income

6.1 Trade receivables

Trade receivables are recognised at their nominal value.

When current events make the recovery of these receivables uncertain, they are impaired according to the nature of the risk (delayed settlement or disputed debt, compulsory administration or liquidation of assets).

In 2020, the company took the uncertain nature of the health crisis into account in relation to its approach to client risk.

The Company's income is registered as and when its service of providing personnel is carried out. This procedure means that the rules of separation for financial years can be strictly applied.

6.2 Other receivables

Current accounts of subsidiaries

When the gross value of receivables from subsidiaries is challenged by a significant existing gap between the value of the equity investments and the portion of the shareholders' equity of the subsidiary held by SYNERGIE SE, impairment may be recognised if the subsidiary concerned does not meet one or other of the conditions mentioned above in Note 5.

Note 7 Provisions for risks and charges

In accordance with Article 214-25 of the French GAAP, a provision is recognised when the Company has an obligation towards a third party which will probably or definitely require an outflow of resources to this third party with no, at least equivalent, compensation expected in return. The amount relating to provisions for risks and charges is approved after consulting with the Company's Boards.

Note 8 Foreign currency operations

Expenses and income in foreign currencies are recorded at their exchange value at the date of the transaction. Payables, receivables and cash in foreign currencies are recorded in the statement of financial position at their exchange value based on the rate applicable at the year-end closure date.

The difference arising from the translation of payables and receivables in foreign currencies to this year-end price is taken to the statement of financial position under "Translation gains or losses". A full provision is made for unrealised exchange losses that are not offset.

NOTES TO THE STATEMENT OF FINANCIAL POSITION OF SYNERGIE SE

Note 9 Capitalised assets

| In € thousand | Amounts at 01/01/2020 | Increase | Decrease | Amounts at 31/12/2020 |
|--|-----------------------|--------------|--------------|-----------------------|
| Intangible assets | | | | |
| Concessions, patents, licences and brands | 9,157 | 809 | - | 9,967 |
| Business intangible rights to leases | 3,412 | | | 3,412 |
| Assets under construction | 1,477 | 388 | 1,025 | 840 |
| Total intangible assets | 14,046 | 1,198 | 1,025 | 14,218 |
| Property, plant and equipment | | | | |
| Land | - | - | - | - |
| Buildings | 658 | - | - | 658 |
| Facilities, equipment and tools | 9 | - | 7 | 2 |
| Other property, plant and equipment | 25,448 | 2,099 | 258 | 27,289 |
| Total property, plant and equipment | 26,115 | 2,099 | 265 | 27,949 |
| Long-term investments | | | | |
| Loans to subsidiaries and associates | 137,606 | 996 | - | 138,601 |
| Other fixed investments | 12 | - | - | 12 |
| Loans | 14 | - | - | 14 |
| Other financial assets | 5,741 | 2,093 | 1,876 | 5,958 |
| Total financial assets | 143,373 | 3,089 | 1,876 | 144,585 |
| TOTAL | 183,533 | 6,386 | 3,166 | 186,752 |

Intangible assets

The €809 thousand increase in “Concessions, patents, licences and brands” corresponds solely to the purchase of software.

Property, plant and equipment

The increase in the “Other property, plant and equipment” item includes:

- €1,389 thousand in fixtures and fittings relating to openings, transfers and refurbishments of agencies or Open Centers;
- €448 thousand in purchases of new IT and office automation equipment;
- €262 thousand in purchases of new office furniture.

The decrease in the “Other property, plant and equipment” item relates mainly to fixtures and fittings in respect of openings, transfers and refurbishments of agencies or Open Centers for a total of €257 thousand.

Assets under construction

“Assets under construction” in the amount of €840 thousand correspond to work relating to fixtures and fittings for €426 thousand and software developments for €414 thousand.

Long-term investments

The increase in the gross value of “Equity interests and related receivables” corresponds to the incorporation of a receivable of €920 thousand into the capital of INTERSEARCH FRANCE and

an increase in the receivables on SYNERGIE Prague, SYNERGIE Switzerland and SYNACO GLOBAL RECRUITMENT of €39 thousand, €31 thousand and €5 thousand respectively.

Other long-term investments

Other long-term investments mainly concern treasury shares (€3,770 thousand) and guarantee deposits paid in relation to leases (€1,481 thousand).

Depreciation, amortisation and impairment

| In € thousand | Amounts at 01/01/2020 | Increase | Decrease | Amounts at 31/12/2020 |
|--|-----------------------|--------------|------------|-----------------------|
| Intangible assets | | | | |
| Concessions, patents, licences and brands | 5,766 | 1,033 | - | 6,799 |
| Business intangible rights to leases | 195 | - | - | 195 |
| Total intangible assets | 5,961 | 1,033 | | 6,994 |
| Property, plant and equipment | | | | |
| Buildings | 607 | 39 | - | 646 |
| Facilities, equipment and tools | 6 | 1 | 6 | 2 |
| Other property, plant and equipment | 12,904 | 2,704 | 241 | 15,367 |
| Total property, plant and equipment | 13,517 | 2,744 | 246 | 16,015 |
| TOTAL | 19,478 | 3,777 | 246 | 23,009 |
| Financial assets | | | | |
| Loans to subsidiaries and associates | 2,669 | 160 | - | 2,829 |
| Other fixed investments | 7 | - | - | 7 |
| Other financial assets | - | - | - | - |
| Total financial assets | 2,676 | 160 | - | 2,836 |
| TOTAL | 22,154 | 3,937 | 246 | 25,845 |

Pursuant to the rules mentioned in Notes 4 and 5, no impairment recognition is required at the year-end.

Note 10 Receivables

| In € thousand | 2020 Gross amounts | Provisions depreciation & amortisation | 2020 net amounts | 2019 net amounts |
|---|--------------------|--|------------------|------------------|
| Client receivables and related accounts | 193,997 | 7,376 | 186,621 | 243,593 |
| Other receivables | 166,376 | 1,415 | 164,961 | 199,408 |
| TOTAL | 360,373 | 8,791 | 351,582 | 443,002 |

Receivables from training organisations account for €12,355 thousand of the “Other receivables” item.

Receivables in foreign currencies are valued at the closing price, with the difference compared with the initial price allocated to translation gains or losses (Note 18).

Current account advances granted to subsidiaries are considered short-term amounts insofar as they are given under a cash management agreement or current account advance agreements which are payable at any time.

Note 11 Statement of maturities of receivables at year-end

| In € thousand | Gross amount | | Up to one year | | Beyond one year | |
|---|----------------|----------------|----------------|----------------|-----------------|----------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Fixed assets | | | | | | |
| Receivables related to equity interests | 51,158 | 51,082 | - | - | 51,158 | 51,082 |
| Loans | 14 | 14 | 14 | 14 | - | - |
| Other long-term investments | 5,958 | 5,741 | - | - | 5,958 | 5,741 |
| Total fixed assets | 57,129 | 56,837 | 14 | 14 | 57,116 | 56,823 |
| Working capital | | | | | | |
| Bad and doubtful debts | 9,484 | 9,328 | - | - | 9,484 | 9,328 |
| Other client receivables | 184,513 | 241,407 | 184,513 | 241,407 | - | - |
| Personnel | 1,428 | 106 | 1,422 | 100 | 7 | 7 |
| Social bodies | 13,673 | 23,927 | 13,648 | 23,902 | 25 | 25 |
| Income tax | 82,180 | 104,963 | 41,773 | 17,666 | 40,408 | 87,297 |
| Value-added tax | 771 | 747 | 771 | 747 | - | - |
| Other tax | 6,232 | - | 6,232 | - | - | - |
| Group and associates | 60,873 | 69,675 | 60,857 | 69,659 | 16 | 16 |
| Sundry debtors | 1,218 | 246 | 1,003 | 31 | 215 | 215 |
| Total working capital | 360,373 | 450,399 | 310,218 | 353,512 | 50,155 | 96,888 |
| Prepaid expenses | 1,474 | 1,146 | 1,474 | 1,146 | - | - |
| TOTAL | 418,976 | 508,382 | 311,705 | 354,672 | 107,271 | 153,711 |

Accrued income under receivables breaks down as follows:

| In € thousand | 2020 | |
|---|--------|---------------|
| Client receivables and related accounts, of which: | | 8,735 |
| Clients - unbilled revenue outside Group | 3,255 | |
| Clients - unbilled revenue within Group | 5,480 | |
| Other receivables, of which: | | 20,469 |
| Suppliers - assets to be received outside Group | 64 | |
| Suppliers - assets to be received within Group | 942 | |
| Personnel - income to be received | - | |
| Social bodies - income to be received | 287 | |
| Training bodies - income to be received | 12,369 | |
| State - Levies | 6,806 | |
| Other receivables | 1 | |
| Total | | 29,204 |

Note 12 Investments

| In € thousand | 2020 | 2019 |
|----------------------------|---------------|--------------|
| Investments in securities | | |
| Deposits and term accounts | 11,369 | 9,565 |
| TOTAL | 11,369 | 9,565 |

Deposits and term accounts have terms of up to three months.

Note 13 Shareholders' equity

13.1 Share capital

The share capital is €121,810 thousand, comprising 24,362,000 shares worth €5 each.

13.2 Changes in shareholders' equity

| In € thousand | Capital | Premiums | Reserves and carry-forward | Result | Regulated provisions | 2020 TOTAL | 2019 TOTAL |
|--|----------------|----------|----------------------------|---------------|----------------------|----------------|----------------|
| Opening shareholders' equity | 121,810 | - | 258,919 | 44,937 | 2,015 | 427,681 | 401,711 |
| Capital reduction | - | - | - | - | - | - | - |
| Appropriation of earnings of the previous year | - | - | 44,937 | (44,937) | - | - | (19,188) |
| Profit of the year | - | - | - | 22,812 | - | 22,812 | 44,937 |
| Changes in regulated provisions | - | - | - | - | 525 | 525 | 221 |
| Closing shareholders' equity | 121,810 | - | 303,855 | 22,812 | 2,540 | 451,018 | 427,681 |

No dividends were paid during the 2020 financial year.

The item "Reserves and carryforwards" includes a "Regulated reserve" of €3,884 thousand, corresponding to the reserve for treasury shares.

The regulated provisions correspond to accelerated depreciation.

Note 14 Provisions for risks and charges

| In € thousand | 2019 | Increase | Decrease | 2020 |
|----------------------|--------------|--------------|--------------|--------------|
| Social and tax risks | 1,395 | 196 | 1,135 | 455 |
| Other risks | 4,004 | 945 | 16 | 4,933 |
| TOTAL | 5,399 | 1,141 | 1,151 | 5,388 |

At 31 December 2020, the provision for foreign exchange risk was €4,933 thousand, which was included under "Other risks".

Reversals of provisions include €16 thousand of provisions used.

Note 15 Loans and borrowings

| In € thousand | 2020 | 2019 |
|--|---------------|---------------|
| Long-term bank loans and other bank borrowings | - | - |
| Current bank debt and bank overdrafts | 38 | 49 |
| Miscellaneous borrowings | 36,269 | 17,259 |
| TOTAL | 36,307 | 17,308 |

Miscellaneous borrowings mainly correspond to current accounts vis-à-vis subsidiaries.

Note 16 Statement of maturities of payables at year-end

| In € thousand | Gross amounts | | <1 yr | | 1 ayr <5 yrs | | >5 yrs | |
|---|----------------|----------------|----------------|----------------|--------------|----------|--------|------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Other bank borrowings: | | | | | | | | |
| <i>Borrowings - up to 1 yr</i> | 38 | 49 | 38 | 49 | - | - | - | - |
| <i>Borrowings - more than 1 yr</i> | - | - | - | - | - | - | - | - |
| Miscellaneous borrowings | 10 | 9 | 9 | - | 1 | 9 | - | - |
| Group and associates | 36,259 | 17,250 | 36,259 | 17,250 | - | - | - | - |
| Trade payables and related accounts | 7,897 | 7,517 | 7,897 | 7,517 | - | - | - | - |
| Tax and social security payables | 216,385 | 259,373 | 216,385 | 259,373 | - | - | - | - |
| Payables on fixed assets and related accounts | 194 | 597 | 194 | 597 | - | - | - | - |
| Other payables | 3,743 | 4,029 | 3,743 | 4,029 | - | - | - | - |
| Subtotal | 264,525 | 288,824 | 264,524 | 288,815 | 1 | 9 | | |
| Prepaid income | 9 | 19 | 9 | 19 | - | - | - | - |
| TOTAL | 264,534 | 288,843 | 264,533 | 288,834 | 1 | 9 | | |

(*) In the context of the various government measures relating to Covid-19, SYNERGIE deferred the payment of certain tax and social security liabilities during the year, but no liability remained in this respect at 31 December 2020.

Accrued expenses under payables break down as follows:

| In € thousand | 2020 |
|--|---------------|
| Bank loans and other bank borrowings | 38 |
| Of which interest accrued on loans | - |
| Bank charges | 38 |
| Loans and borrowings | - |
| Of which interest accrued on employee profit-sharing | - |
| Trade payables | 5,910 |
| Of which suppliers - invoices not yet received outside the Group | 5,803 |
| Suppliers - invoices not yet received within the Group | 107 |
| Tax and social security payables | 55,747 |
| Of which personnel and related accounts | 27,168 |
| Social bodies | 15,460 |
| State - Levies | 13,119 |
| Other payables | 181 |
| Clients - accrued credit notes outside Group | 166 |
| Clients - accrued credit notes within Group | 15 |
| Total | 61,876 |

Note 17 Payables on fixed assets

| In € thousand | 2020 | 2019 |
|---|------------|------------|
| Payables on equity investments | - | - |
| Payables to suppliers (property, plant and equipment) | 194 | 597 |
| TOTAL | 194 | 597 |

Note 18 Unrealised translation gains and losses

Unrealised translation gains and losses correspond to exchange rate differences between the euro and local currencies, calculated at the date of approval of the balance of the current accounts of the UK, Canadian and Swiss subsidiaries.

Full provision was made for the unrealised exchange loss of €4,933 thousand. It concerns ACORN (SYNERGIE) UK and ACORN RECRUITMENT in the amount of €4,902 thousand.

NOTES TO THE INCOME STATEMENT OF SYNERGIE SE

Note 19 Breakdown of turnover

| In € thousand | 2020 | 2019 |
|------------------|----------------|------------------|
| Revenue France | 921,354 | 1,218,176 |
| Revenue exported | 3,161 | 2,914 |
| TOTAL | 924,514 | 1,221,090 |

Production from services includes the invoicing of temporary employment in the amount of €919,160 thousand, employee placement in the amount of €3,879 thousand and other services in the amount of €1,475 thousand.

Note 20 Other income, reversals of provisions and transfers of expenses

| In € thousand | 2020 | 2019 |
|--|---------------|---------------|
| Capitalised production costs | 409 | 440 |
| Operating subsidies | 376 | 237 |
| Reversals on depreciation, amortisation and provisions | 571 | 4 336 |
| Transfers of expenses | 11,254 | 11,361 |
| Brand royalties | 3,816 | 4,311 |
| Other income from ordinary operations | 54 | 48 |
| TOTAL | 16,480 | 20,734 |

The “Transfers of expenses” item breaks down as follows:

| In € thousand | 2020 | 2019 |
|--|---------------|---------------|
| Transfers of expenses on compensation | 8,774 | 9,538 |
| Transfers of expenses on insurance | 659 | 637 |
| Transfers of expenses on purchases not held in inventory | 90 | 24 |
| Transfers of expenses on leases | 612 | 417 |
| Transfers of expenses on other services | 1,119 | 743 |
| TOTAL | 11,254 | 11,361 |

Transfers of expenses on remuneration mainly correspond to remuneration financed by training bodies.

Note 21 Personnel costs

| In € thousand | 2020 | 2019 |
|-------------------------------|----------------|------------------|
| Wages and benefits | 658,276 | 860,186 |
| Social security contributions | 166,638 | 223,643 |
| Employee profit-sharing | - | 5,775 |
| TOTAL | 824,914 | 1,089,604 |

The government support measures implemented following the Covid-19 health crisis involved the granting of subsidies to Group companies which reduced personnel expenses by an amount of €18,641 thousand.

Note 22 Financial income and expenses

| In € thousand | 2020 | 2019 |
|--|--------------|---------------|
| Dividends | 5,950 | 15,850 |
| Interest on current accounts of subsidiaries | 380 | 594 |
| Interest on long/medium-term bank loans | 117 | 122 |
| Income from investments in securities | 81 | 84 |
| Other financial income | (666) | 37 |
| Allocations and reversals of provisions on securities | (160) | - |
| Allocations and reversals on translation gains or losses | (945) | 868 |
| Foreign exchange gains (losses) | (102) | (72) |
| Discounts granted | (135) | (81) |
| FINANCIAL RESULT | 4,519 | 17,401 |

Note 23 Non-recurring income and expenses

| In € thousand | 2020 | 2019 |
|---|----------------|----------------|
| Extraordinary expenses | | |
| On management operations | (34) | (20) |
| On capital operations | (286) | (434) |
| Extraordinary depreciation, amortisation and provisions | (1,052) | (1,046) |
| Total extraordinary expenses | (1,372) | (1,500) |
| Extraordinary income | | |
| On management operations | - | 1 |
| On capital operations | 331 | 278 |
| Reversals of provisions and transfers of expenses | 1,483 | 801 |
| Total extraordinary income | 1,814 | 1,080 |
| Extraordinary profit | 442 | (421) |

Note 24 Corporate income tax

| In € thousand | 2020 | 2019 |
|------------------------------------|--------------|---------------|
| On profit from ordinary operations | 6,823 | 18,818 |
| On extraordinary profit | 137 | (139) |
| On profit-sharing | (1,790) | - |
| Tax consolidation result | 32 | (158) |
| TOTAL | 5,202 | 18,521 |

Note 25 Deferred tax position

An unrealised receivable of €1,539 thousand is shown temporarily (social solidarity contribution and unrealised exchange gain for the year), corresponding to tax credits on expenses that are not deductible in the year in which they are recognised.

An unrealised tax payable of €722 thousand also exists, relating to regulated provisions.

OTHER INFORMATION ON SYNERGIE SE

Note 26 Information relating to the members of the administrative and management bodies

Information relating to the members of the administrative and management bodies of SYNERGIE SE is provided below.

26.1 Remuneration

The remuneration of directors is €541 thousand.

26.2 Pension commitments

At the end of 2020, no commitment had been made by SYNERGIE SE in relation to pensions and related benefits for members of the administrative and management bodies.

26.3 Loans and advances

At the end of 2020, no loans and advances had been granted to members of the administrative and management bodies.

Note 27 Information on transactions with related parties

Relationships with subsidiaries are concluded under arm's length conditions.

Note 28 Company workforce at year-end

| | Permanent employees | Temporary employees | 2020 | 2019 |
|---------------------|---------------------|---------------------|---------------|---------------|
| Manager and similar | 401 | 206 | 607 | 762 |
| White collar | 879 | 5,522 | 6,401 | 8,002 |
| Blue collar | - | 18,331 | 18,331 | 23,495 |
| TOTAL | 1,280 | 24,059 | 25,339 | 32,260 |

Permanent employees are those present at the year end, all categories combined.

Temporary employees are shown as full-time equivalent. The "Employees" heading refers solely to those seconded to the tertiary sector.

Note 29 Tax consolidation

SYNERGIE SE opted for the tax consolidation regime with some of its subsidiaries as of 1 January 1991 and renewed this option in 2000 for an indefinite period.

Tax consolidation scope in 2020

- SYNERGIE SE (representing the only company liable for tax vis-à-vis the tax authorities)
- DIALOGUE & COMPETENCES
- AILE MEDICALE
- SYNERGIE CONSULTANTS
- INTERSEARCH FRANCE
- SYNERGIE PROPERTY

The tax consolidation agreement applied provides for the taxation of subsidiaries as if they were taxed separately.

Under tax consolidation, tax savings associated with losses are regarded as an immediate gain.

Given the tax position of the consolidated subsidiaries, tax consolidation profits likely to be reversed at year-end are negligible.

Note 30 Off-balance sheet commitments

| In € thousand | 2020 | 2019 |
|--|----------------|----------------|
| Commitments given | | |
| Discounted bills | - | - |
| Counterparty guarantees for temporary employment | 60,566 | 55,595 |
| Supplementary commitments on securities purchases | 20,268 | 21,573 |
| Guarantees on mortgages | 20,008 | 22,349 |
| Commercial leases (rents to expiry) | 6,882 | 7,297 |
| TOTAL | 107,723 | 106,814 |
| Commitments received | | |
| BNP guarantee | 97,159 | 92,767 |
| of INTERSEARCH if return to better fortunes after 2009, 2010 and 2011 debt waiver | 715 | 715 |
| of DIALOGUE & COMPETENCES if return to better fortunes after 2011 debt waiver | 1,724 | 1,724 |
| TOTAL | 99,598 | 95,206 |

The 2021/2022 temporary employment guarantee, based on turnover of €919,160 thousand, should amount to €73,525 thousand.

Pension commitments

The pension commitments of permanent personnel in relation to their defined benefit schemes are measured according to the projected unit credit method, pursuant to ANC Recommendation No. 2013-02; the following assumptions were used as at 31 December 2020:

- Salary increase rate: 2%
- Personnel turnover rate: calculated by age bracket
- Social security contribution rate: 45%
- 2018 Life expectancy table: TU-TD2012-2016 of February 2018
- Discount rate (based on iBoxx indices): 0.40%
- Estimate based on average retirement age of 65 years
- Departure at the employee's initiative
- Retroactive application

Based on the assumptions and the method outlined above, the retirement benefits in respect of the Company's personnel were estimated at €3,572 thousand including social security charges. The capital represented with an insurance company covered €4 thousand of this commitment at 31 December 2020.

The retirement benefits paid out in 2020 amounted to €237 thousand, compared with €50 thousand in 2019.

Note 31 Contingent commitments and liabilities

At the end of the financial years shown, no other significant commitment had been entered into, and no contingent liabilities existed (other than those provisioned or mentioned in Note 14) likely to significantly affect the assessment of the financial statements.

Note 32 Table of subsidiaries and equity affiliates of SYNERGIE SE as at year-end 31 December 2020

SYNERGIE SE is the consolidating company of the Group in which the subsidiaries mentioned below are consolidated.

| In € thousand | | | | | |
|---|---------|---|-------------------|-----------------------|---------------------|
| COMPANIES | Capital | Shareholders' equity other than capital | % of capital held | Gross inventory value | Net inventory value |
| 1/ French subsidiaries | | | | | |
| AILE MÉDICALE | 72 | 6,107 | 100% | 1,886 | 1,886 |
| SYNERGIE PROPERTY | 5,000 | 2,054 | 100% | 5,000 | 5,000 |
| 2/ Foreign subsidiaries | | | | | |
| SYNERGIE ITALIA (Italy) | 2,500 | 48,043 | 85% | 3,437 | 3,437 |
| SYNERGIE BELGIUM (Belgium) | 250 | 55,237 | 99% | 7,911 | 7,911 |
| SYNERGIE INTERNATIONAL EMPLOYMENT SOLUTIONS (Spain) ⁽¹⁾ | 40,000 | 73,754 | 100% | 64,561 | 64,561 |
| 3/ Comprehensive information on other securities whose gross value does not exceed 1 % of SYNERGIE's CAPITAL | | | | | |
| Other subsidiaries and equity interests | | | | 4,648 | 1,888 |
| TOTAL | | | | 87,443 | 84,683 |

(*) SIES is a holding company with equity interests mainly in the Group's other subsidiaries

| In € thousand | | | | | |
|---|--------------------|------------------|---------------|-----------------|--|
| COMPANIES | Loans and advances | Guarantees given | 2020 turnover | 2020 net profit | Dividends received by SYNERGIE in 2020 |
| 1/ French subsidiaries | | | | | |
| AILE MÉDICALE | - | - | 18,016 | 584 | - |
| SYNERGIE PROPERTY | 5,594 | 15,844 | 2,057 | 556 | - |
| 2/ Foreign subsidiaries | | | | | |
| SYNERGIE ITALIA (Italy) | 7,670 | 43,493 | 431,184 | 14,050 | 5,950 |
| SYNERGIE BELGIUM (Belgium) | | 643 | 234,621 | 9,349 | |
| SYNERGIE INTERNATIONAL EMPLOYMENT SOLUTIONS (Spain) | 51,447 | 10,257 | | 177 | - |
| 3/ Comprehensive information on other securities whose gross value does not exceed 1 % of SYNERGIE's CAPITAL | | | | | |
| Other subsidiaries and equity interests | 83,606 | - | | | |
| TOTAL | 148,316 | 70,237 | | | 5,950 |

Note 33 Events after the reporting period

No events likely to call into question the 2020 financial statements or requiring a specific declaration in the financial statements took place after the reporting date.

STATUTORY AUDITORS' REPORT ON THE ANNUAL FINANCIAL STATEMENTS

SYNERGIE

European Company (SE) with share capital of € 121,810,000

Registered office: 11, avenue du Colonel Bonnet

75016 PARIS

329 925 010 RCS PARIS

STATUTORY AUDITORS' REPORT

ON THE ANNUAL FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 DECEMBER 2020

To the Shareholders' Meeting of SYNERGIE SE,

OPINION

Under the terms of the assignment entrusted to us by your Shareholders' Meeting, we conducted an audit of the accompanying annual financial statements of SYNERGIE SE for the financial year ended 31 December 2020.

We hereby certify that the financial statements are, in respect of French accounting rules and principles, honest and sincere and provide a fair representation of the results of operations in the past year and the financial position and assets of the company at the end of that year.

The opinion formulated above is consistent with the contents of our report to the Audit Committee.

BASIS OF OUR OPINION

Audit standards

We conducted our audit in accordance with the professional standards applicable in France. We believe that the audit evidence we have obtained forms a sufficient and appropriate basis for our opinion.

Our responsibilities by virtue of these standards are set out in the section of this report entitled "Statutory Auditors' responsibilities concerning the audit of the annual financial statements".

Independence

We conducted our audit in accordance with the rules of independence set forth in the French commercial Code and the code of ethics applicable to the statutory auditor profession for the period from 1 January 2020 to the date of issuance of our report, and in particular we provided no services that are prohibited under Article 5, paragraph 1 of EU Regulation no. 537/2014.

JUSTIFICATION OF OUR ASSESSMENTS - KEY AUDIT POINTS

The global crisis caused by the Covid-19 pandemic created particular conditions for the preparation and auditing of the 2020 financial statements. The crisis and the exceptional public health emergency measures implemented had multiple consequences for companies, in particular in relation to their activity and financing, and led to increased uncertainty around their future prospects. Some of these measures, such as travel restrictions and remote working, also had an impact on the internal organisation of companies and the methods for carrying out audits.

In the context of such a complex and changing environment, in accordance with the provisions of Articles L. 823-9 and R.823-7 of the French commercial Code concerning the justification of our assessments, we draw your attention to the main audit points concerning the risks of material misstatement that, in our professional opinion, were the most significant for the audit of the annual financial statements for the year, together with our responses to these risks.

The assessments were made in the context of our audit of the annual financial statements taken as a whole, and the formation of our opinion expressed in the first part of this report. We express no opinion on any elements of the annual financial statements taken in isolation.

EVALUATION OF EQUITY INVESTMENTS, RELATED RECEIVABLES AND CURRENT ACCOUNTS

Risk identified

Notes 5 and 6.2 to the annual financial statements specify that these assets are recognised at their acquisition cost and that an impairment is recorded if the value-in-use falls below their net book value.

At 31 December 2020, the net book value of equity investments, related receivables and current accounts was €196,629 thousand.

The estimation of the value-in-use of these securities, related receivables and current accounts requires the exercise of judgement by the management in determining the future cash flow projections and the main assumptions involved.

We deem the measurement of securities, related receivables and current accounts to be a key audit point because of the significant related amount in the annual financial statements and the nature of the items to be taken into consideration by the management for their valuation.

Audit procedures implemented to deal with this risk

Our audit procedures entailed controlling the value-in-use applied in relation to the main components of the securities portfolio.

In accordance with the applicable standards, our work consisted in:

- Taking note of and assessing the process followed by management to estimate the value-in-use of the equity investments, related receivables and current accounts;
- Comparing the portion of shareholders' equity held with the accounting data extracted from the audited annual financial statements of the subsidiaries concerned;
- Checking that an appropriate model was used for the calculation of value-in-use;
- Ensuring the consistency of projected future cash flows:
 - Analysing the consistency of cash flows with the budgets established by local management and approved by management;
 - Assessing the level of adherence to the budget during the first few months of 2021;
 - Examining activity in 2020 and notably in the last quarter of the year to assess the level of resumption of activity and consistency with the 2021 projections used in the tests for the financial year;
 - Identifying major changes between the 2021 projections used as at 30 June 2020 and those used as at 31 December 2020, and ensuring their validity given the new information to hand;
 - Analysing the methodology followed for the calculation of the discount rate for each country;
 - Completing the information collected by conducting interviews with the local management of key subsidiaries.
- Assessing the appropriateness of the financial information provided in Notes 5 and 6.2 to the corporate financial statements.

SPECIFIC VERIFICATIONS

We also carried out specific verifications required by the laws and regulations, in accordance with the professional standards applicable in France.

Information provided in the management report and the other documents on the financial position and in the annual financial statements sent to the shareholders

We have no observations to make as to the sincerity and consistency with the annual financial statements of the information provided in the management report of the Executive Board and in the other documents on the financial position and the annual financial statements sent to the Shareholders.

We certify that the information on payment times, as set out in Article D.441-4 of the French commercial Code, is accurate and consistent with the annual financial statements.

We certify that the declaration of extra-financial performance stipulated by Article L. 225-102-1 of the French commercial Code appears in the management report, and specify that, in accordance with the provisions of Article L. 823-10 of this code, we have not verified that the information contained in this declaration is accurate or consistent with the annual financial statements and is covered by a report by an independent third-party body.

Report on corporate governance

We certify that the report of the Executive Board on corporate governance contains the information required pursuant to Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French commercial Code.

We verified the consistency of the information provided pursuant to the provisions of Article L.22-10-9 of the French commercial Code on compensation and benefits paid to corporate officers and any commitments made in their favour, with the financial statements or with the data used to prepare the financial statements, and, where appropriate, with the information obtained by your Company from companies controlled by it and included in the consolidation scope. Based on this work, we hereby certify that this information is accurate and fair.

OTHER VERIFICATIONS OR INFORMATION STIPULATED BY LAW AND THE REGULATIONS

Format for the presentation of the annual financial statements to be included in the annual financial report

In accordance with Section III of Article 222-3 of the General Regulations of the AMF (French financial market authority), the management of your company informed us that it decided to defer the application of the single electronic reporting format as defined in European Commission Delegated Regulation No. 2019/815 of 17 December 2018 in respect of financial periods starting on or after 1 January 2021. Consequently, this report does not contain a conclusion on the compliance with this format of the presentation of the annual financial statements to be included in the annual financial report referred to in Section I of Article L. 451-1-2 of the French Monetary and Financial Code.

Appointment of the Statutory Auditors

We have been appointed as Statutory Auditors for SYNERGIE by the Shareholders' Meeting of 21 December 1983 in the case of APLITEC AUDIT & CONSEIL and of 13 June 2019 in the case of SAINT HONORE BK&A. Due to the changes that were made to the capital structure of APLITEC AUDIT & CONSEIL at 31 December 2010, APLITEC AUDIT & CONSEIL was, on 31 December 2020, in the 10th consecutive year of its assignment and SAINT HONORE BK&A in the 2nd year, it being the 10th and 2nd year respectively since the Company's shares were admitted for trading on a regulated market.

RESPONSIBILITIES OF MANAGEMENT AND INDIVIDUALS INVOLVED IN CORPORATE GOVERNANCE WITH REGARD TO THE ANNUAL FINANCIAL STATEMENTS

Management is responsible for drawing up annual financial statements providing a true and fair view in accordance with French accounting standards and principles and also for implementing the internal controls it deems necessary to establish annual financial statements that are free of material misstatement, whether arising from fraud or error.

When drawing up the annual financial statements, management is responsible for assessing the Company's capacity to operate as a going concern, for presenting in these financial statements, where applicable, the necessary information on operation as a going concern and for applying the going concern accounting policy, unless there are plans for the Company to be liquidated or cease activity.

The Audit Committee is responsible for monitoring the process for preparing the financial information and the efficiency of the internal control and risk management systems, and, where applicable, the internal audit system, with respect to the procedures relating to the preparation and treatment of the accounting and financial information.

The annual financial statements were approved by the Executive Board.

RESPONSIBILITIES OF THE STATUTORY AUDITORS CONCERNING THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS

Audit purpose and process

Our role is to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements taken as a whole do not contain any material misstatements. While reasonable assurance corresponds to a high level of assurance, it does not guarantee that an audit performed in accordance with professional standards will systematically detect all material misstatements. Misstatements may arise from fraud or errors and are considered material when it can be reasonably expected that, when taken individually or combined, they may influence the economic decisions that the users of the accounts may take based on these misstatements.

As stipulated in Article L.823-10-1 of the French commercial Code, our assignment to certify the financial statements does not include guaranteeing the viability or quality of your Company's management.

In the case of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises his professional judgement throughout the audit. Moreover, the auditor:

- Identifies and assesses the risks of the annual financial statements containing material misstatements, whether as a result of fraud or error, defines and implements audit procedures faced with these risks, and gathers the information deemed necessary and appropriate in order to form an opinion. The risk of failing to detect a material misstatement arising from fraud is greater than that of failing to detect a material misstatement resulting from error because the fraud may involve collusion, falsification, deliberate omissions, false statements or circumvention of internal controls;
- Takes note of the internal controls that are relevant for the audit in order to define audit procedures that are appropriate to the circumstances, and not with the aim of expressing an opinion on the effectiveness of the internal controls;
- Assesses the appropriateness of the accounting methods used and the reasonableness of the accounting estimates made by management, as well as the information on these items provided in the annual financial statements;
- Assesses the appropriateness of the application by management of the going concern principle and, based on the information gathered, whether or not there is significant uncertainty surrounding events or circumstances that are likely to undermine the Company's capacity to continue to operate. This assessment draws on the information gathered up to the date of his report, bearing in mind nevertheless that subsequent circumstances or events could undermine the Company's continued operation. If the Statutory Auditor concludes that significant uncertainty exists, he will draw the attention of the readers of his report to the information provided on this uncertainty in the annual financial statements or, if this information is not provided or is not relevant, he will issue a qualified certificate or refuse to certify;
- Considers the overall presentation of the annual financial statements and assesses if these annual financial statements reflect the underlying transactions and events in such a manner as to give a true and fair view thereof.

REPORT TO THE AUDIT COMMITTEE

We submit a report to the Audit Committee that notably presents the scope of the audit work, the schedule of tasks carried out and the resulting conclusions. Where applicable, we also bring to its attention any significant internal control weaknesses that we have identified concerning the procedures relating to the preparation and treatment of the accounting and financial information.

In our report to the Audit Committee, we also communicate what we deem to be the greatest risks of material misstatement impacting the audit of the annual financial statements for the year and, as such, those that constitute the key audit points. These points are described in this report.

We also provide the Audit Committee with the declaration stipulated by Article 6 of EU Regulation no. 537-2014 confirming our independence, within the meaning of the rules applicable in France, as set out notably by Articles L.822-10 to L.822-14 of the French commercial Code and in the code of ethics of the statutory audit profession. Where applicable, we discuss with the Audit Committee any risks to our independence and any safety measures applied.

Signed in PARIS on 30 April 2021

The Statutory Auditors
Registered members of the Compagnie régionale de Paris

SAINT HONORE BK&A

APLITEC AUDIT & CONSEIL

Frédéric BURBAND

Marie-Françoise BARITAUX-IDIR Laurent GUEZ

DECLARATION FROM THE PERSON IN CHARGE OF THE ANNUAL FINANCIAL STATEMENT

Paris, 30 April 2021

I certify that, to my knowledge, the annual financial statements were prepared in compliance with the applicable accounting standards and provide a fair view of the assets, financial position and results of the Company and of all companies included in the consolidation.

The management report therefore includes a fair picture of business developments, results and financial position of the Company and of all companies included in the consolidation, as well as a description of the principal risks and uncertainties they face.

Daniel AUGEREAU

Chairman of the Executive Board