



**AUBAY**  
**A French public limited company (*Société Anonyme*)**  
**SHARE CAPITAL: 6,634,398 EUROS**  
**REGISTERED IN NANTERRE (RCS No. 391 504 693)**  
**13, RUE LOUIS PASTEUR 92100 BOULOGNE BILLANCOURT**

**COMBINED GENERAL MEETING  
OF MAY, 16<sup>TH</sup> 2023**

**Board of Directors' report to the General Meeting**

To the Shareholders:

We have called you to this Combined General Meeting (Ordinary and Extraordinary) to, on the one hand, present to you the annual parent company and the consolidated financial statements for the financial year ended 31 December 2022 and, on the other hand to submit to your approval a certain number of resolutions presented below.

With respect to the approval of the consolidated and parent company annual financial statements for the financial year ended 31 December 2022, we are pleased to present you the annual financial report. This report includes notably the report of the Group's activity as well as the management report integrating the report on corporate governance and its appendices.

The annual financial report was filed with the French financial market authority, the AMF (*Autorité des Marchés Financiers*) as a universal registration document.

The purpose of this report of the Board of Directors is to describe the resolutions submitted to your approval.

These resolutions are divided into ordinary and extraordinary resolutions.

**Ordinary Resolutions**

**Approval of the financial statements / Appropriation of earnings / Regulated agreements**

**Resolutions 1, 3, 4 and 5** concern the closing of the accounts, regulated agreements and the net income appropriation. In light of the Group's performance, the distribution of a new dividend to shareholders is once again proposed. In light of the amount of distributable reserves of €162,988,000, a distribution of a final dividend in the amount of €1.20 per share is proposed on the basis of the number of shares as at 31 December 2022, and taking into account the payment on 10 November 2022 of an interim dividend of € 0.50, an amount of approximately €9.2 million remains to be distributed, corresponding to a balance of € 0.70 per share.

For natural persons having their tax residence in France, this dividend is eligible for the rebate provided for in paragraph 3-2° of Article 158-3 of the French general tax code.

For information, dividends paid for the last three financial periods were as follows:



<b>Dividends paid over the last three financial periods</b>			
Financial year (n)	Total amount (1)	Amount per share (2)	Percentage of the dividend* eligible for the tax rebate
2020	€ 7,914,496	€ 0.60	100%
2021	€ 8,850,508	€ 0.66	100%
2022	€ 16,702,006	€ 1.10	100%
* 40% tax rebate mentioned in point 2 of 3 of Article 158 of the French general tax code ( <i>Code Général des Impôts</i> )			
(1) paid in the year n			
(2) paid for year n-1			

### **Granting of discharge**

**Resolution 2** proposes that you grant directors discharge for all their acts of management performed by the latter during the financial year ended 31 December 2022.

### **Share buybacks**

The purpose of **Resolution 6** is to grant us the authorisations required to trade in the Company's own shares. The reasons for trading in the Company's its own shares are as follows:

- Ensure orderly trading for and the liquidity of Aubay shares in the secondary market under a liquidity contract in accordance with the code of professional conduct applying thereto recognised by the AMF (*Autorité des Marchés Financiers*);
- Cancel shares (subject to adoption by the General Meeting of 16 May 2023 of extraordinary resolution<sup>19</sup> on the cancellation of shares);
- Comply in accordance with conditions and the procedures provided for by law, the obligations to deliver shares in connection with:
  - Programmes for stock purchase options of the company for employees or officers of the Group;
  - Awards of restricted stock units (*gratuite d'actions*) to employees and officers of the Group;
  - The conversion of debt securities giving access to the share capital;
  - Remittance of shares for exchange or as consideration in payment for external growth operations.

### **Approval of information mentioned in Article L. 22-10-9 of the French Commercial Code**

As required by law, you are asked, under the terms of **resolution 7**, to approve the information published in application of Article L.22-10-9 of the French Commercial Code, as presented in the 2022 Universal Registration Document.

### **Approval of the compensation attributable to executive officers for the financial year ended 31 December 2022**

As required by law, under the terms of **resolutions 8 to 14**, you are asked to approve the fixed, variable and exceptional components of total compensation and benefits of any nature paid in the financial period ended 31 December 2022 or granted for the same period to executive officers.



### **Approval of the compensation policy for executive officers for fiscal year 2023**

As required by law, under the terms of **resolutions 15 to 18**, you are asked to vote on the compensation policy for executive officers for fiscal year 2023, proposed by the Board of Directors as presented in the report on corporate governance included in the Company's 2022 Universal Registration Document.

### **Extraordinary Resolutions**

#### **Authorisation to the Board of Directors to cancel all or part of the shares**

**Resolution 19** proposes that the Board of Directors be granted the power to cancel on one or more occasions, within the limit of 10 % of the Company's share capital per twenty-four month period, all or part of the Aubay shares acquired within the framework of the share buyback authorized under the resolution 6.

#### **General authorisations for increasing the share capital**

Because the preceding authorisations of the same nature granted to the General Meeting of 11 May 2021 will expire in the coming months, you are hereby asked, under the terms of **resolutions 20, 21, 22** to grant once again to the Board of Directors, the authority to carry out capital increases under a number of different circumstances. For that reason, the Board of Directors should, if market conditions thus permit or market opportunities arise, be able to decide to carry out capital increases, mainly for the purposes of financing acquisitions or important internal development projects. The final conditions of such capital increases would be defined by the Board of Directors.

You are furthermore specified that the Board of Directors may not make use of these delegations of authority during possible periods of public tender offers, i.e. from the filing date by a third-party of a public tender offer project initiated for shares of the company until the end of the offer period.

#### **Delegation of authority to the Board of Directors to issue shares as consideration for contributions in kind granted to the Company within the limit of 10% of the share capital**

Under the terms of **resolution 23**, you are asked to renew this authorization for a new period of 26 months, within the limit of 10% of the share capital, as determined at the time of the transaction.

You are furthermore informed that the Board of Directors may not make use of this delegation of authority during possible periods of public tender offers, i.e. from the filing date by a third-party of a public tender offer project initiated for shares of the company until the end of the offer period.

#### **Delegation of authority to the Board of Directors to increase the share capital without preferential subscription rights through a private placement**

In accordance with the provisions of Article L. 225-136 of the French Commercial Code and Article L. 411-2 of the French monetary and financial code, under the terms of **resolution 24**, you are asked to delegate to the Board of Directors the authority to increase the share capital without preferential subscription rights, by private placement, i.e. for the benefit of qualified investors or a limited number of investors (*cercle restreint d'investisseurs*), within the limit of 20% of the share capital per year.

You are furthermore informed that the Board of Directors may not make use of this delegation of authority during possible periods of public tender offers, i.e. from the filing date by a third-party of a public tender offer project initiated for shares of the company until the end of said offer.

#### **Authorisation to the Board of Directors to decide to carry out a capital increase reserved for employees**



The purpose of **resolution 25** is to delegate to the Board of Directors the authority to decide, if it considers appropriate, to increase the share capital for the benefit of the employees and to bring the Company into compliance with its obligations under French law on employee savings plans. This delegation will be granted for a period of 26 months in order to harmonise its period of validity with that of the general authorisations for capital increases provided for above under resolutions 20, 21, 22, 23 and 24.

**Authorisations to the Board of Directors to implement stock option and restricted share unit plans**

The purpose of **resolutions 26 and 27** is to provide for the possibility to the Board of Directors to implement stock option (or stock purchase option) plans and restricted stock unit plans for the benefit of employees of strategic importance for the different Group entities. The shares thus granted may originate from shares purchased under the share buyback programme or by the issuance of new shares. The maximum number of shares which may be granted is limited to 1% of the share capital for each of these two measures, or a maximum amount of 2% of the share capital under these two resolutions.

**Change in the wording of Article 12 of the Articles of Association relating to General Meetings**

For the purpose of taking into account changes in market practice in recent years, notably to address difficulties in calling general meetings caused by the health crisis, resolution 28 proposes the adoption of a new wording for Article 12 of the company's Articles of Association. This new wording will notably provide for the possibility of using communication technologies that have become largely adopted for voting and participating in meetings.

We hope that the above resolutions will meet with your approval.

**For the Board of Directors**

**Christian Aubert, Chair of the Board**