Universal Registration Document 2024

ANNUAL FINANCIAL REPORT
SUSTAINABILITY REPORT

74Software

Contents

AFR The elements of the annual financial report are identified in the table of contents by the AFR icon.

SR The Sustainability Report is identified with this icon.

74Software

Universal Registration Document 2024

Including the Annual Financial Report and the Management Report including the Sustainability Statement

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document was filed with the French Financial Markets Authority (*Autorité des marchés financiers*, AMF) on 24 March 2025, in accordance with Regulation (EU) no. 2017/1129, without prior approval in accordance with Article 9 of this Regulation.

The Universal Registration Document may be used when securities are offered to the public or admitted to trading on a regulated market, if supplemented by a securities note and, where applicable, a summary and all amendments made to the Universal Registration Document. The resulting documents are approved as a whole by the AMF in accordance with Regulation (EU) 2017/1129.

Faithful to the XBRL format version. This is a translation into English of the universal registration document of the Company issued in French and it is available on the website of the Issuer.

DISCOVER THE DIGITAL VERSION ON 74SOFTWARE.COM

A word from — *Management*

▲ **PIERRE PASQUIER**
Chairman of the Board of Directors

PATRICK DONOVAN ▶
Chief Executive Officer

« With 74Software, we are giving rise to a new major player in enterprise software-one defined by ambition, excellence, and passion. »

With 74Software, we are shaping a new European leader in enterprise software—stronger, more agile, and resolutely focused on the future. In a world where artificial intelligence, cloud computing, and digital platforms consistently reshape the way we work and interact, our objective is clear: to seamlessly combine innovation and performance, empowering the world's leading organizations in their transformation.

The acquisition of SBS by Axway marked a pivotal milestone, embodying our momentum of growth and consolidation. This transaction creates value for all stakeholders involved. Axway reaches a new dimension, equipping itself with the means to achieve its ambitions. SBS gains fresh momentum within a pure-play enterprise software group. Sopra Steria, in turn, strengthens its positioning by refocusing on its core strategic businesses. More than an evolution, this is a transformation—one that opens up new opportunities and defines a clear trajectory for the companies' future.

The next phase of expansion will be built upon strong foundations, rooted in the shared values and expertise of Axway and SBS. 74Software's strategic roadmap is guided by a long-term vision, structured around key objectives: accelerating growth, strengthening profitability, maintaining rigorous cash management, managing debt responsibly, and creating sustainable value for all stakeholders. To drive this ambition forward, Patrick Donovan took leadership of the combined entity, supported by Eric Bierry as his deputy. Together with their teams, they are fully committed to executing this roadmap with precision and determination.

Yet beyond structures and figures, this is first and foremost a human adventure. The success of 74Software is driven by the commitment and expertise of its companies' people. Attracting, developing, and retaining the best talent is an absolute priority, alongside reinforcing our organization to support its growth. Strengthening our central structure and expanding key support functions will play a crucial role in optimizing efficiency and fostering innovation. At every level, the Board of Directors and Sopra GMT will play a central role in this transformation, ensuring strong governance and providing strategic direction to guide the group and its businesses.

With this energy and ambition, we enter 2025 with confidence, convinced that our vision, dedication, and ability to innovate will establish 74Software as a key player in the enterprise software landscape. It will be an important year, focused on consolidating our model and harmonizing programs to ensure optimal synergy and momentum across the organization. With 74Software, we are giving rise to a new major player in enterprise software—one defined by ambition, excellence, and passion.

Pierre Pasquier

2024 has been a transformative year for our Group, marked by strategic milestones and significant advancements. The acquisition of most of SBS's activities by Axway has significantly bolstered our position in the enterprise software sector and expanded our expertise into banking applications. This move, which more than doubled the Group's size, was financed through a successfully oversubscribed capital increase and new bank funds, underscoring the confidence of our ecosystem— new investors, financial partners, and historical shareholders—in our new project.

Last year, I promised that 2024 would be a new chapter in the company's history, and it hasn't disappointed. But this is just the beginning. The strategic alliance between Axway and SBS, leading to the creation of 74Software in early December, marks a new era for our Group. 74Software stands as a diversified global portfolio company with robust components, strong leadership, and solid market positions, ready to deliver mission-critical software for a data-driven world.

For its part, Axway has effectively completed its transformation. With its secure subscription-based business model and product-line-centric organization, the company is poised to continue leading in key areas of enterprise data infrastructure. In 2024, Axway unwavering focus on customer satisfaction was once again reflected in achieving its highest NPS score to date. The company has not only met but exceeded its financial targets for the year, demonstrating the strength and resilience of its renewed business model.

SBS's evolution under its new colors is nothing short of remarkable. Its banking and specialized finance applications align perfectly with the cloud-based digital evolution of global financial services. SBS's industry-leading product vision and strong customer focus have attracted impressive new clients in 2024, solidifying its position as a key player in the core banking and financing markets.

74Software ambitions for the future are bold, encompassing both organic growth and strategic acquisitions. As we move forward, our software publisher mindset, grounded in disciplined management and focus, will be key to our success. 74Software remains committed to its long-standing purpose: to be an independent enterprise software provider that sustainably grows enduring value, based upon trust, for its Customers, Employees, and our Shareholders.

Patrick Donovan

« The strategic alliance between Axway and SBS leading to the creation of 74Software in early December, marks a new era for our Group. »

Birth
— *of 74Software*

2001

Sopra creates Axway to structure its infrastructure software and data integration offering.

2005

Expansion in the United States, making Axway a key player in the MFT and B2B integration markets.

2011

Axway becomes independent through a strategic spin-off and is successfully floated on Euronext Paris, marking a significant milestone in its corporate journey.

2012-2017

Axway strengthens its offering portfolio through several acquisitions and adopts a position in API Management and integration platforms.

1968

Creation of the Sopra Group, renamed Sopra Steria, a pioneering IT services company in France and the parent company of Axway and SBS.

2012

Sopra groups together its banking software activities in a dedicated entity: Sopra Banking Software (SBS).

2013

Launch of Sopra Banking Platform, an integrated solution which modernises banking systems and accelerates their digitalisation.

2016

SBS launches a cloud-native and modular banking platform, facilitating the scaleability and agility of financial services.

2018

SBS is recognised as a leader in digital banking platforms, strengthening its global influence.

2020

Launch of a banking solution integrating AI, in SaaS mode, automating compliance and customer recommendations.

2021

SBS recognised as a strong performer in digital banking engagement hubs.

2023

SBS becomes a key player in SaaS Core Banking and Open Banking, paving the way for next generation financial services.

2024

Axway acquires SBS and creates 74Software, a key player in enterprise software, strengthening its stability and strategic focus through a varied portfolio and targeted markets.

2018-2021

Axway accelerates its transition to the Cloud, focusing on subscriptions and "as a service" business models, while embracing a customer-centric approach and operational excellence to deliver more flexible and innovative solutions.

2022

Axway restructures its offering portfolio to concentrate on its main products: API, MFT, B2B integration and its Financial Accounting Hub.

2023

Axway reports record revenue and profitability.

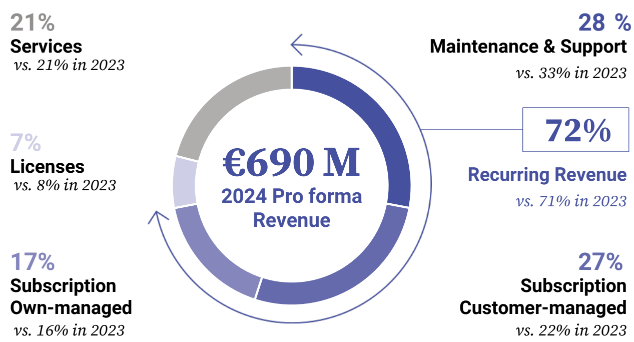
Business lines — *& Geographies*

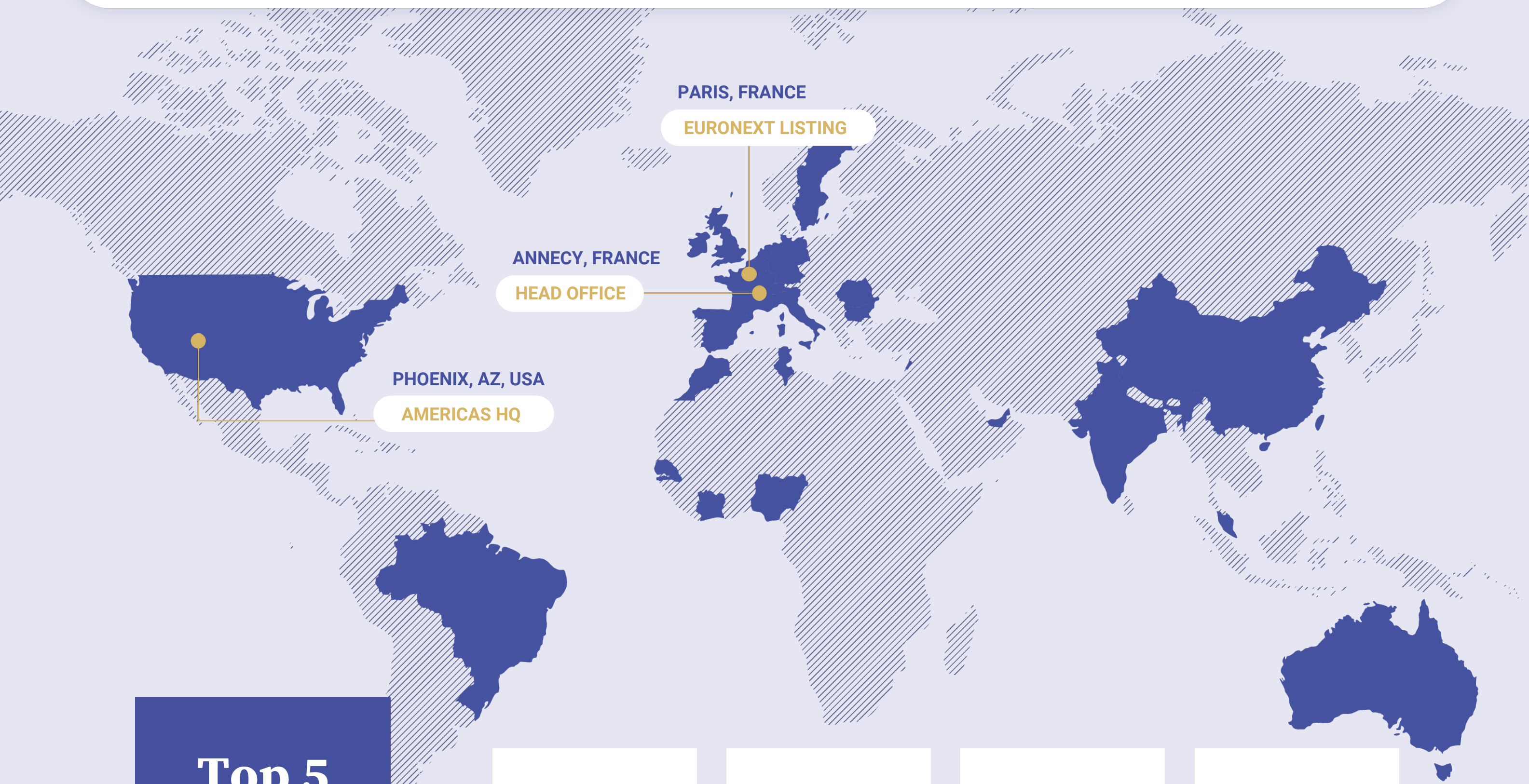
Our Mission

Empowering customers with secure, mission critical software and services to successfully operate and simplify their most complex business interactions.

REVENUE BY PORTFOLIO COMPANY

REVENUE BY TYPE





Top 5
FRENCH ENTERPRISE SOFTWARE PROVIDER
TOP 250 NUMEUM - EY 2024

26 LOCATIONS

4,787 EMPLOYEES

>12,000 CUSTOMERS

DISTRIBUTION IN **> 100** COUNTRIES

Products — & Customers

Our Software Portfolio

MANAGED FILE TRANSFER (MFT)

Managing the largest critical data streams flexibly and securely in accordance with compliance policies, ensuring seamless integration and robust protection of sensitive information.

API MANAGEMENT (APIM)

Managing API adoption by providing a universal platform to unify software infrastructures, streamline analysis, and accelerate the deployment of innovative digital services.

B2B INTEGRATION

Exchanging electronic data between companies, optimizing business and logistics processes to improve collaboration and streamline operations.

SPECIALISED PRODUCTS

Ensuring visibility, intelligence and security across the entire digital ecosystem by optimising operating performance and costs.

AXWAY RECOGNITIONS

- **Gartner®
Magic Quadrant™ for API Management**
16 October 2024
- **The Forrester Wave™: API Management Software, Q3 2024**
1 July 2024
- **G2 Reports: API, B2B & MFT**
Winter 2024
- **IDC MarketScape: Worldwide Business to Business Middleware**
December 2024

INTEGRATED PRODUCTS

Fully integrated banking processing platforms that are leaders in their markets, optimising transactions by offering comprehensive transaction, account, compliance and risk management solutions.

MODULAR PRODUCTS

An innovative and composable SaaS banking platform to address the needs of Tier 2 to Tier 4 banks with modular solutions covering front-to-back functionality in retail banking.

FINANCING PRODUCTS

Products to support the full lending lifecycle from origination to servicing in niche markets such as wholesale auto financing or mortgages.

BANKING COMPONENTS

A large catalogue of components to address the needs of discerning bank customers with point solutions across the payments, lending and processing space.

SBS RECOGNITIONS

- **Quadrant's SPARK Matrix: Digital Banking Platform**
2024
- **One of 12 providers that matter most in The Forrester Wave™: Digital Banking Processing Platforms**
Q4 2024
- **Leader in Quadrant's SPARK Matrix™: Open Banking Intermediaries**
2024

Further information can be found in Chapter 1 of the 2024 Universal Registration Document.

Our Customers

THROUGH ITS BRANDS, 74SOFTWARE SUPPORTS ITS CUSTOMERS ACROSS ALL ACTIVITY SECTORS:

Financial Services | Manufacturing | Retail | Public sector | Transport & Logistic | Healthcare

Customer satisfaction as a company value

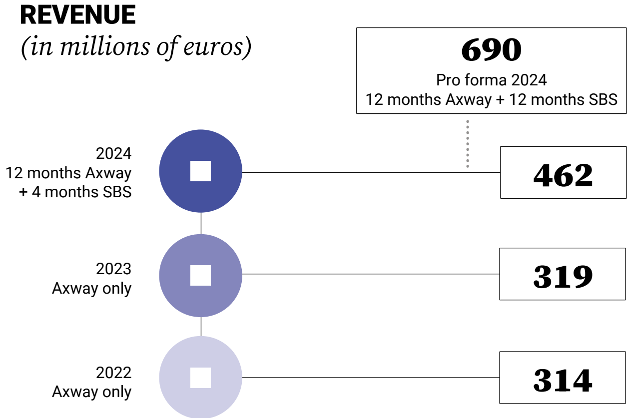
52 NET PROMOTER SCORE (Axway only)

Operating — *indicators*

Revenue & Results

STRATEGIC OBJECTIVES	KPI	2024 RESULTS	2025 AMBITIONS
GROWTH	Organic revenue growth	+ 5.6% to €690 M	2 to 4% organic growth
PROFITABILITY	Profit on operating activity	13.6% of revenue	14 to 16% of revenue
CUSTOMER LOYALTY	Customer Net Promoter Score (Axway only)	52	Increase
EMPLOYEE ENGAGEMENT	Employee Engagement Score (Axway only)	70%	Maintains > 65

REVENUE
(in millions of euros)

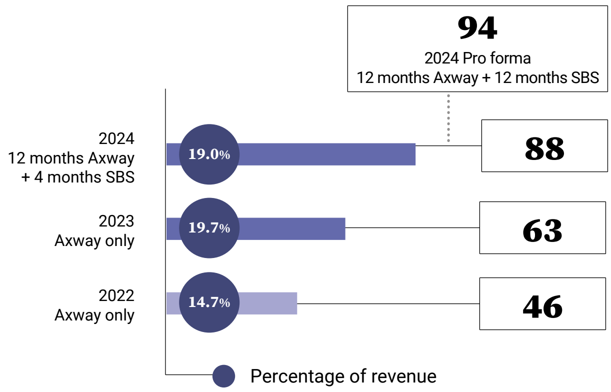


PRO FORMA PRODUCT REVENUE
€544 M
up 4.9% on 2023

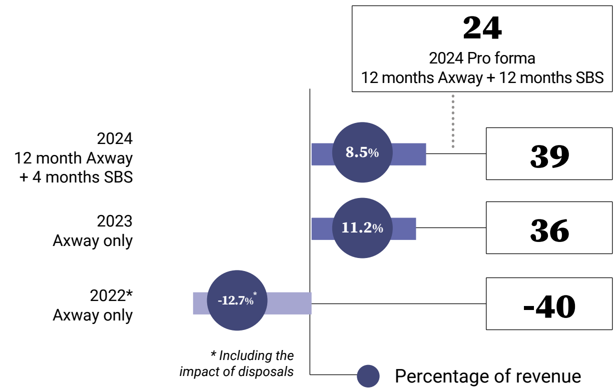
ARR *(Annual Recurring Revenue)*
€246 M (Axway)
+ 7.4% on 2023

€225 M (SBS)
+ 11.8% on 2023

PROFIT ON OPERATING ACTIVITIES
(in millions of euros)

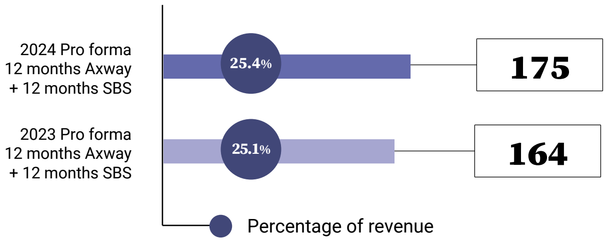


NET PROFIT
(in millions of euros)

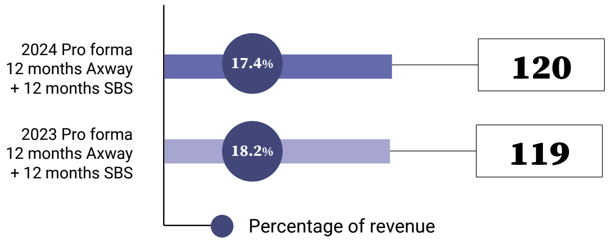


Investments

RESEARCH & DEVELOPMENT
(in millions of euros)



SALES & MARKETING
(in millions of euros)



Balance Sheet

NET DEBT

€250 M

vs. €76 M
at 31/12/2023

EQUITY

€532 M

vs. €346 M
at 31/12/2023

CASH & EQUIVALENTS

€41 M

vs. €17 M
at 31/12/2023

Targets & Outlook

2025 GUIDANCE

- Organic revenue growth of between **2** and **4%**
- Profit on operating activities of between **14** and **16%** of revenue
- Unlevered free cash flow of around **10%** of revenues, with a leverage ratio below **2x**

MID-TERM AMBITIONS

- By 2027, 74Software aims to achieve revenue above **€750m** and a margin on operating activities of more than **17%**
- By 2028, the Group is targeting a margin on operating activities of around **20%** of revenue

Alternative performance measures are defined in the document glossary.

Stock market
— *& Share capital*

Stock Market Profile

EURONEXT PARIS COMPARTMENT B

Bloomberg: 74SW:FP
Reuters: 74SW.PA
Market capitalisation at 31/12/2024: €821m

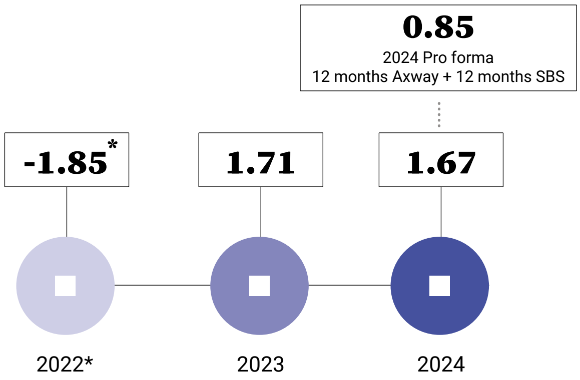
MAIN EURONEXT INDICES

CAC Technology
Euronext Tech Croissance
Euronext PEA-PME 150

ELIGIBILITY

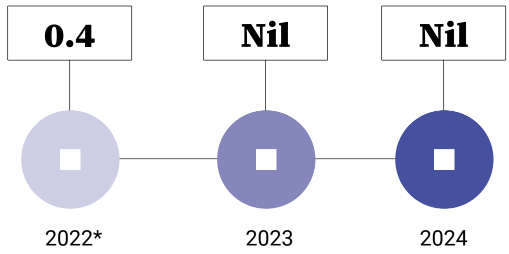
SRD
PEA
PEA-PME

BASIC EARNINGS PER SHARE
(in euros)

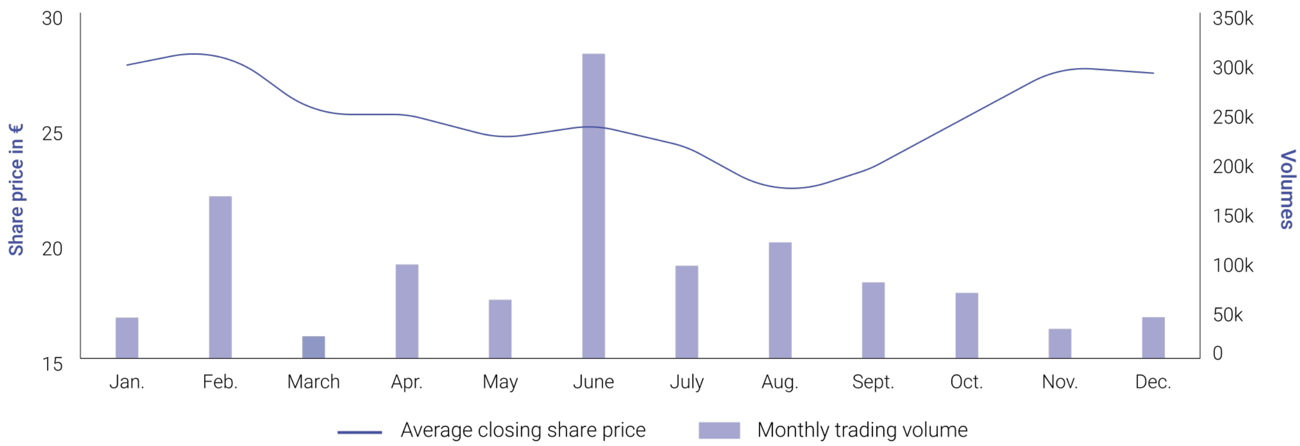


** Restated for the impact of disposals, basic earnings per share would have been €1.47.*

DIVIDEND
(in euros)



SHARE PRICE AND MONTHLY TRADING VOLUMES IN 2024

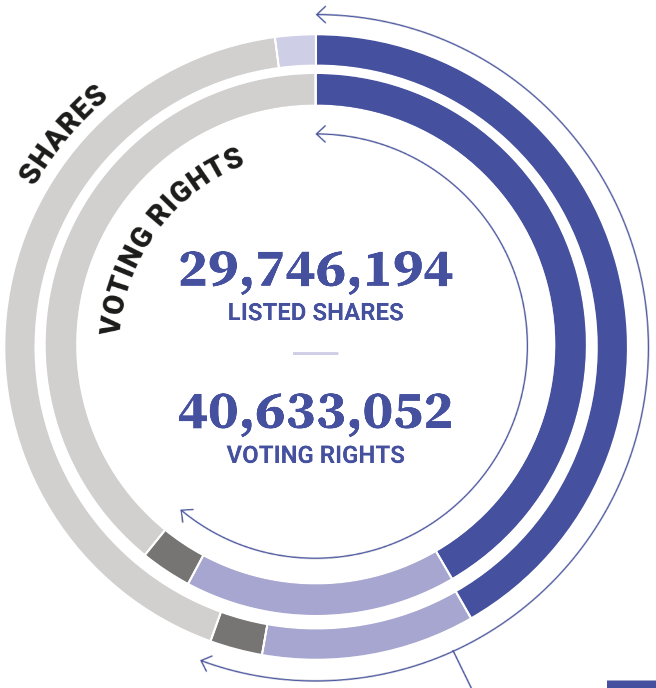


Share Ownership at 31 December 2024

Treasury shares
2.1% of shares

Public
42.4% of shares
39.1% of voting rights

Founding families and management
2.7% of shares
3.1% of voting rights



sopra GMT
41.7% of shares
41.6% of voting rights

sopra steria
11.1% of shares
16.2% of voting rights

SHAREHOLDERS' AGREEMENT
55.5% of shares
60.9% of voting rights

2025 financial calendar

26 FEBRUARY 2025	**24 APRIL 2025**	**20 MAY 2025**	**24 JULY 2025**	**30 OCTOBER 2025**	**25 FEBRUARY 2026**
2024 Full-Year Results	2025 Q1 Revenue	Annual General Meeting	2025 Half-Year Results	2025 Q3 Revenue	2025 Full-Year Results

SHAREHOLDER DIALOGUE

A dedicated team and website
→ **74software.com/investor-relations**

Constant straightforward dialogue
→ **investorrelations@74software.com**

Governance

74Software's governance is founded on the sharing of powers between the Board of Directors and the Executive Committee, in accordance with the recommendations of the Middlenext Code.

Board of Directors

11	4	40%	8	97%
members	nationalities	women	meetings	attendance

		Age	Nationality	Independent Director	Board Observer	Number of offices in other listed companies	Audit Committee	Appointments, Governance and Corporate Responsibility Committee	Compensation Committee	Expiry date of term of office (GM date)	Number of shares held personally
PIERRE PASQUIER		89	FR			1		M		2027	0
KATHLEEN CLARK		57	US/FR			1		C	M	2027	9,587
PIERRE-YVES COMMANAY		59	FR			0		M	M	2026	4,856
NICOLE-CLAUDE DUPLESSIX		65	FR			0			M	2025	2,166
EMMA FERNANDEZ		61	ESP	I		1		M	C	2027	0
MICHAEL GOLLNER		66	US/UK		O	1	O			2025	100
DOMINIQUE ILLIEN		71	FR	I		0	C			2028	82,500
YANN METZ-PASQUIER		36	FR/US			0	M			2026	65,549
OLIVIER PLACCA		56	FR	I		0			M	2025	0
PATRICK RENOUVIN		65	FR	I		0	M	M		2027	0
MARIE-HÉLÈNE RIGAL		54	FR			1	M			2026	0

I Independent O Board Observer C Chairman/Chairwoman M Member

82% Knowledge of the software publishing business

36% Entrepreneurial experience

55% Finance, control & risk management expertise

45% Finance, control & risk management knowledge

73% Human resources & employee relations

36% Environmental & societal challenges

91% International dimension

Activities of the Board of Directors and its Committees

MAIN TOPICS COVERED BY THE BOARD OF DIRECTORS IN 2024

- Strategy and the corporate project;
- Acquisition and disposal operations;
- 2024 budget and major guidelines;
- Approval of the financial statements for the year ended 31 December 2023;
- Approval of the interim financial statements for the first half of 2024;
- Approval of forward-looking financial and management information documents;
- Quarterly results and related financial reports;
- Workplace and wage equality;
- Social and environmental responsibility objectives;
- Composition of the Board and its Committees;
- Assessment of the Board of Directors' activities;
- Share capital increase;
- More in-depth implementation of the ethics and anti-corruption internal systems;
- Qualification of directors as independent;
- Company officer compensation;
- Members of the Board compensation;
- Grant of free shares to Company employees;
- Analysis of the minority shareholders vote at the 2024 General Meeting;
- Monitoring of legal and regulatory developments: Rixain Law, CSRD Directive, DORA Regulation, Attractiveness Law.

AUDIT COMMITTEE

5 members | **6** meetings

100% attendance

APPOINTMENTS, GOVERNANCE AND CORPORATE RESPONSIBILITY COMMITTEE

5 members | **5** meetings

100% attendance

COMPENSATION COMMITTEE

5 members | **6** meetings

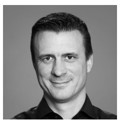
100% attendance

Executive Committee

PATRICK DONOVAN
CEO
United States - France

ERIC BIERRY
Deputy CEO
CEO SBS
France

ROLAND ROYER
CEO Axway
France



TOBIAS UNGER
CFO
Switzerland

XAVIER REBEUF
R&D Operations
France

PAUL FRENCH
Chief of Staff
United States

PHILIPPE BUISSON
Secretary
France

YANN METZ-PASQUIER
Strategy & Ventures
Digital Engagement SBS
France

8 members

3 nationalities

Corporate — *Responsibility*

74Software, a responsible and committed company.

PRINCIPLES

United Nations Global Compact

EXTERNAL APPRAISALS

Climate Change 2024 Score B

GOVERNANCE

middlenext

CERTIFICATIONS

Sustainable Development Goals to which 74Software is committed:

1 NO POVERTY · 3 GOOD HEALTH AND WELL-BEING · 4 QUALITY EDUCATION · 5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 10 REDUCED INEQUALITIES · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 16 PEACE, JUSTICE AND STRONG INSTITUTIONS · 17 PARTNERSHIPS FOR THE GOALS

2025 Orientations

SOCIAL

- Promote employee well-being and work-life balance
- Increase the percentage of women in the workforce
- Invest in training and skills development programs

ENVIRONMENT

- Define a carbon trajectory and implement Science-Based Targets objectives to reduce greenhouse gas emissions
- Reduce the impact of our products by continuing our eco-design efforts and environmental impact assessments

CUSTOMERS & USERS

- Invest constantly in our products and guarantee their relevance and performance
- Continue to measure and improve customer satisfaction through NPS surveys and customer success management initiatives
- Maintain first-class data protection and cybersecurity measures

BUSINESS CONDUCT

- Standardise business conduct charters and practices across all companies
- Strengthen compliance policies and mechanisms for reporting ethical concerns
- Promote responsible purchasing practices

Social

EMPLOYEE ENGAGEMENT *

85%
survey participation rate

70%
engagement score

WORKFORCE

- Americas **8%**
- Europe **65%**
- Asia - Pacific **18%**
- Africa - Middle East **9%**

30%
women
vs. 31% in 2023

99%
permanent contracts

TALENT DEVELOPMENT

124,243
training hours

26
training hours per employee

13%
of employees trained in non-discrimination practices in 2024

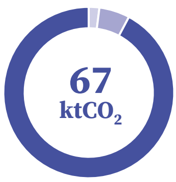
51%
of employees trained in information security in 2024

*Axway only in 2024. Roll-out to SBS from 2025.

Environment

GREENHOUSE GAS EMISSIONS ASSESSMENT

92.2%
Scope 3



2.0%
Scope 1

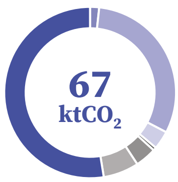
5.8%
Scope 2

52.6%
Purchases

6.7%
Buildings

4.0%
Business travel

0.6%
Waste



1.7%
Other

31.0%
Use of Sold Products

3.5%
Home-work commuting

ESTIMATED CARBON INTENSITY

0.1
$tCO_2eq/k€$

Customers & Users

Customers Experience

Optimize the customer experience and analyse journeys to consistently enhance satisfaction through ongoing improvement.

Data and Transaction Security

Ensure the security of data and transactions for transparent and efficient business interactions

Financial and Digital Inclusion

Facilitate access to financial services through digital solutions to reduce inequalities and promote autonomy.

Business Conduct

74SOFTWARE AS A TRUSTED PARTNER

Strong Practices:

- Ethical training, including anti-corruption measures and data protection
- Strict compliance with international laws and regulations

Promoting a Positive and Ethical Corporate Culture:

- A publicly disclosed Code of Ethics, committing the entire company
- Commitment to fair and sustainable purchasing practices
- Anti-corruption measures and a whistleblowing system accessible to all stakeholders

74%
of employees are trained in ethical practices

0
incidents of corruption or fraud reported in 2024

Business — *model* SR

Our Mission Empowering customers with secure, mission critical software and services to successfully operate and simplify their most complex business interactions.

STRENGTHS

Employees

- 4,787 employees in 26 countries
- Diversity of gender, age, profile, origin and culture

Governance

- Solid financial capacity
- History of organic and external growth
- Independent corporate project, supported by reference shareholders
- Shared governance between the Board of Directors and the Executive Committee
- Matrix-based management structure by region and major product line

Products

- Technology strategy based on agile and efficient product portfolio
- Recognised technological leadership
- Continued investments in R&D
- 20 technology patents

Customers & Partners

- > 12,000 customers worldwide
- Product distribution in over 100 countries
- Global network of partners

Corporate responsibility

- Key performance indicators integrated into the strategy
- Social, societal and environmental ambitions
- Executive Management and Board of Directors leadership

OFFERS

PRODUCT PORTFOLIO

axway

- Managed File Transfer (MFT)
- API Management (APIM)
- B2B Integration
- Specialised products

SBS

- Integrated Products
- Modular products
- Financing products
- Banking components

INNOVATION

- Investment in research and development

PUBLISHING

- Software development
- Architecture
- Quality control and testing

M&A

- Agile & opportunistic strategy
- Make vs. Buy Analyse

INFRASTRUCTURE & SECURITY

- SaaS & Cloud
- Local servers
- Data & transactions security

GO-TO-MARKET

- Marketing & brands
- Sales & services
- Managing and supporting customer success
- Subscriptions & renewals

EMPLOYEE ENGAGEMENT

MARKET TRENDS OBSERVED

- Artificial Intelligence & Automation
- Cloud & Multi-Cloud Migration
- Data Privacy & Sovereignty
- Cybersecurity & Regulatory Compliance
- Open Banking & Financial Services
- Collaborative Ecosystems

STRATEGY

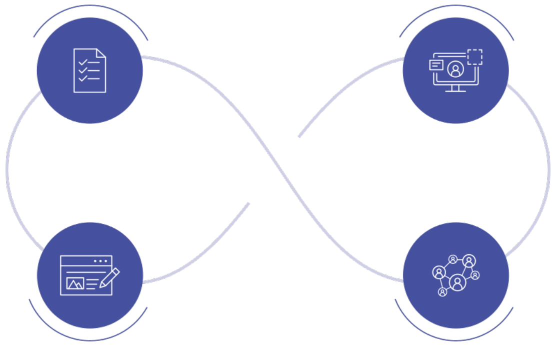
74Software's success pillars

- Customer Centric, NPS Driven
- Agile Portfolio, Leading Products
- Focused R&D, Sales & Marketing
- Engaged People, Efficient Organization

… and the focus it requires,

STANDARDISING OFFERS & PRODUCTS

RATIONALISING SYSTEMS & FACILITIES



OPTIMISING R&D, SALES & MARKETING

CENTRALISING PRODUCTIVITY FUNCTIONS

to build a robust Software House.

axway — INTEGRATION

SBS — BANKING APP

CUSTOMER SATISFACTION

VALUE CREATION

Employees

- Employee Engagement score: 70% (Axway only)
- Promotion of well-being at work and job stability (99% permanent contracts)
- Training: 120,000+ hours
- Flexible working methods, work-life balance
- Ongoing Executive Management - Employees dialogue
- Employee share ownership: 2.3% of share capital
- Promotion of diversity and fight against discrimination

Customers

- Best in class products recognised by market analysts
- Flexible contractual and technological models
- Customer satisfaction (NPS): 52 (Axway only)
- EcoVadis: Silver (70/100)

Shareholders

- Euronext Paris listing
- Middlenext Governance Code
- EthiFinance ESG Ratings (65/100)
- Shareholder dialogue: Transparency and availability of information

Suppliers

- Supplier & Partner Charter
- Ethics Charter and tools
- Environmental and sustainable purchasing programmes

Partners

- Strategic, technological and innovation partnerships
- Partner satisfaction (NPS): 63 (Axway only)

Civil society

- Initiatives to better measure and reduce greenhouse gas emissions
- UN Global Compact commitment
- Financial and digital inclusion programs

1 Strategy and business model

This Chapter presents the history, activities, markets, and business strategy of 74Software. By leveraging the combined expertise of Axway and SBS, 74Software now offers one of the most comprehensive portfolios of enterprise software solutions available, particularly in data-critical sectors such as banking and financial services. 74Software provides thousands of customers worldwide with secure software and services that are essential for managing and simplifying their most complex business interactions.

1.1 Presentation of 74Software

1.1.1 Company overview

74Software is a global portfolio company that provides a platform for enterprise software businesses to thrive in their chosen markets by applying their differentiated business strategies and leveraging scale benefits from being part of a larger group. 74Software has its registered office in Annecy, France, where it took root back in 1968. 74Software was created in 2024 through the strategic combination of Axway and SBS, with the Group's corporate name changing from Axway Software SA to 74Software SA on 6 December 2024.

Through its portfolio companies, 74Software is positioned as a major player in enterprise software, thanks to a diversified and globally distributed product portfolio. Thousands of companies and organisations around the world rely on 74Software's portfolio companies' software solutions to manage their critical data and business processes daily. The Group has unique strengths in the banking and financial services industry.

As of 31 December 2024, 74Software owned two portfolio companies (Axway and SBS) and had a total of 4,787 employees across 26 countries around the world.

74Software is listed in compartment B of the Paris Stock Exchange under the mnemonic code 74SW.PA. As of 31 December 2024, the Group's capitalisation was €821 million and it was included in the CAC Technology, Euronext Tech Croissance and Euronext PEA-PME 150 indices.

1.1.2 Our ambitions

74Software has a clear roadmap for achieving leading positions in selected software markets. The acquisition of SBS, completed in September 2024, marked a significant milestone in the company's development and laid the foundation for launching its portfolio company strategy. By combining the know-how of two major specialised publishers, 74Software's expertise extends from software infrastructure to banking and financial applications.

74Software's purpose is as follows:

"A trusted, independent software provider that sustainably grows enduring value by delivering successful outcomes for its customers, opportunities for its employees and returns for its shareholders through a portfolio of market-leading products".

74Software is a responsible and committed company, attentive to its social, societal and environmental impacts (See Chapter 3 "Corporate Sustainability Report"). The Group commits annually to the United Nations fundamental principles and the Middlenext Corporate Governance Code, its corporate responsibility policies are regularly assessed by independent third parties.

1.1.3 Our vision

74Software's vision is to become a major global company with a diversified portfolio of enterprise software businesses, delivering mission-critical software for a data-driven world. Supporting the world's leading companies and organisations in making the best use of their data and business processes, which are crucial to their success. 74Software provides software solutions that enable businesses to maximize the value of their data—enhancing processing capabilities, AI, integration, and exposition—in support of their critical business flows and seamless operations.

To deliver this vision, the Company leverages several key values:

- We focus on the long term, whether through engaging with our employees, the relationships we maintain with our existing or prospective portfolio companies, or through our long-standing shareholder base and financing partners;
- We are authentic: honesty, transparency and the highest level of ethics are at the heart of the way we interact with stakeholders;
- We are a secure foundation for today and for the future. Our people, entrepreneurial spirit and decades of experience give our customers, employees, and investors a place to build a bold future.

At a time where data is more critical than ever, omnipresent, and growing exponentially in various forms, 74Software continuously invests in innovation to meet the evolving needs of large organisations.

The Company also sees attractive acquisition opportunities in the enterprise software market to broaden its business portfolio.

74Software aims to provide a platform that supports established software companies in their respective markets, enabling them to continue to invest and expand their footprint.

1.1.4 Our business model

74Software's business model, which reflects its vision and corporate strategy, can be presented as follows:

We help our portfolio companies to focus on their customer and business success by providing them with platform services in the areas of:

- People and Culture
- Information Technology and Systems
- Cash Management and Financing
- Accounting, Tax and FP&A
- Facilities
- Legal Services
- R&D Operations

By providing these services, we believe our operating portfolio companies can focus fully on their value proposition to their customers and achieve higher revenue growth and profit margins than on a standalone basis.

Furthermore, 74Software is focused on group functions to support the achievement of its strategic goals, such as

- Investor Relations
- Banks and Financing Partners Relations
- M&A Strategy and Execution
- Consolidation, Tax and Corporate Structuring

Our portfolio companies assist their customers in identifying their needs and developing robust, secure, and innovative digital solutions through software and services that optimize business processes and enhance competitiveness.

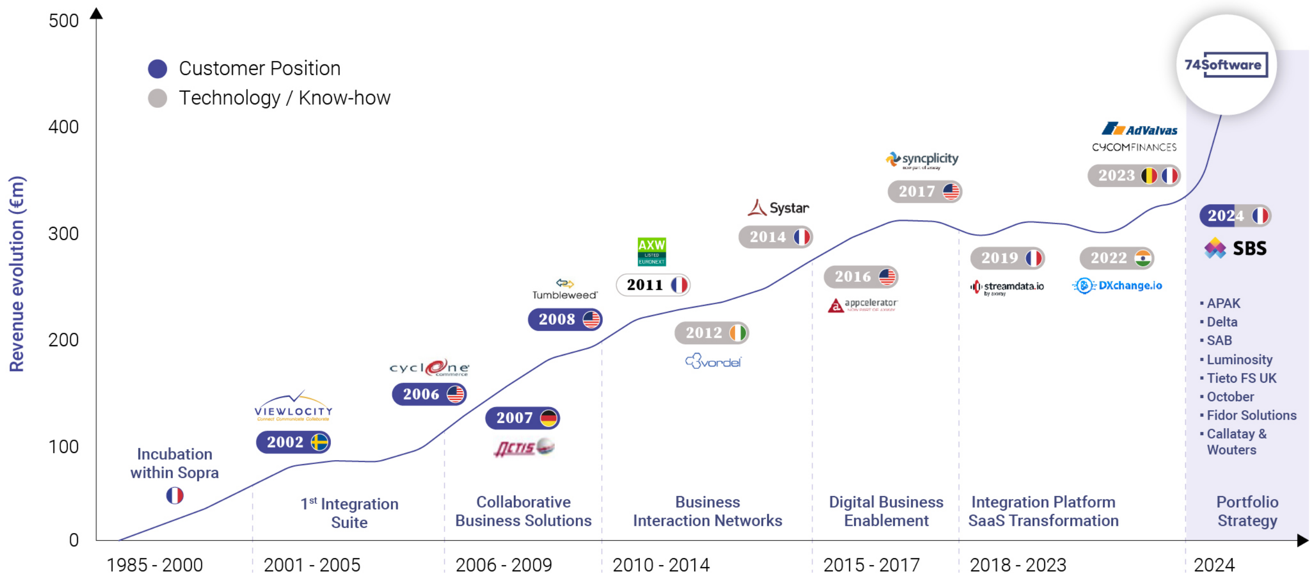
Our brands proactively gather feedback and observations, continuously striving to improve products throughout their lifecycle, adapting to the evolving needs of a dynamic world. The customer experience, a key factor in our markets, is at the core of our values and business model. A significant portion of their revenue comes from product and service subscriptions, sold directly or through partners, to large companies and organisations. Additionally, software licenses, on-site support, consulting, development, training, and other services contribute to their revenue.

Thanks to its diversified portfolio of leading enterprise software companies, 74Software is addressing various vertical and technological niche markets.

An overview of 74Software's companies' products is available in Section 1.1.6 of this Chapter.

1.1.5 Mergers and acquisitions strategy

Mergers and acquisitions play a major role in 74Software's history and strategy. Since 2001, the Group has carried out more than 25 external growth transactions under both Axway and SBS.



The Group is a long-term investor in its portfolio companies, which aim to position themselves as consolidators in their respective markets. Within each Group company, the product portfolio is designed to be flexible, adapting to new investments, disposals and end-of-life products.

While each portfolio company remains focused on its organic development through significant investment in innovation and research & development, 74Software continuously explores external growth opportunities at both the Group and portfolio company levels.

74Software favours the sustainable development of its product portfolio and, where appropriate, will continue to make acquisitions when opportunities arise. The Group employs a proprietary M&A framework to evaluate potential acquisitions, aiming to support its long-term goals. The criteria assessed include:

- Revenue diversification;
- Return on investment;
- EPS accretion;
- Cash generation;
- Strategic fit;
- Market position;
- Innovation potential;
- Make versus buy analysis.

1.1.5.1 Recent transactions

74Software was created in 2024 following Axway Software’s acquisition of SBS (formerly Sopra Banking Software). This strategic acquisition, announced in February 2024, was partially financed by a €131 million share capital increase, completed during the summer.

The share capital increase was oversubscribed, achieving a subscription rate of 123%, which demonstrated strong investor confidence in the project. In addition, Axway secured new credit facilities with partner banks totalling approximately €200 million.

The acquisition, valued at €330 million, was finalised on 2 September 2024, following the receipt of all necessary regulatory approvals.

1.1.5.2 Disposals and end-of-life products

74Software did not perform any disposals in 2024.

Axway's acquisition allowed SBS to refocus on its core software assets. The transaction involved a pre-transaction carve-out of certain Sopra Banking Software service entities, which were not part of the acquisition by Axway.

Finally, the acquisition scope represented approximately 80% of SBS’s 2023 revenue, or around €340 million.

1.1.6 Our Portfolio Companies

Drawing on its technologies and the strong commitment of its teams, 74Software’s portfolio companies supports the development of thousands of large organisations every day, including some of the world’s largest financial institutions.

Customer experience, operational excellence, cost containment, compliance and risk reduction are just some of the transformation priorities addressed by 74Software’s portfolio companies for their customers, through software solutions key to their competitiveness.

At the end of 2024, 74Software's product portfolio was based on two brands: Axway and SBS, two leading publishers, both specialists in their markets and recognised internationally.

1.1.6.1 Axway: Infrastructure software and data flow management

Axway targets several application infrastructure and middleware sub-segments, standing out in five specific markets:

- Managed File Transfer (MFT): secure and reliable managed file transfer, essential for businesses that handle sensitive data;
- B2B Gateway Software (B2B Integration - Electronic Data Interchange): electronic data exchange between companies, optimising business and logistics processes;
- API Management (Application Programming Interface Management): management tools that enable organisations to securely and efficiently create, deploy, and manage their Application Programming Interface;
- Integration Platform as a Service (iPaaS): flexible and scalable integration solutions that enable organisations to easily connect their applications and data;

Axway also offers several specialized products such as Axway Financial Accounting Hub (AFAH) for the integration, transformation, and control of financial data, supporting multiple entity accounting and reporting, intercompany processing and reconciliation, and connection to any data source or target. Other products include Axway Automator for cross-silo automation and orchestration, Axway Track & Trace for healthcare supply chain integrity, and Axway Validation Authority for real-time validation of digital certificates and access permissions within PKI environments.

1.1.6.2 SBS: Banking and financial applications

SBS, formerly Sopra Banking Software, is a major player in banking and financing software, serving over 1,500 financial institutions. The brand's software solutions cater to retail banks, corporate banks, microfinance institutions, payment or credit factories, and specialised finance institutions (*e.g.*, auto captive). The SBS portfolio includes:

- Financing products: products to support the full lending lifecycle from origination to servicing in niche markets such as wholesale auto financing or UK mortgages;
- Integrated banking products: fully integrated core banking processing platforms that are market leaders in their chosen markets, most notably Middle East and African retail banking, French mid-market banks and retail banks in the Benelux region;
- Modular banking products: innovative and composable SaaS banking platform to address the needs of Tier 2 to Tier 4 banks with modular solutions covering front-to-back functionality in retail banking;
- Banking components: Various components to address the needs of discerning bank customers with point solutions across the payments, lending and processing space.

1.1.7 Customer satisfaction as a Group value

74Software seeks to increase the value customers derive from their technology investment and relationship with the Group at every touchpoint of their experience, throughout their entire engagement cycle. Customer-facing teams in the Group's companies – products, sales, services, customer engagement, and more – work together in business models that aim to align internal processes to improve customer outcomes. 74Software strives to provide customers with consistent end-to-end experiences, proactively standardizing initiatives and methodologies in its portfolio companies to continuously identify areas for improvement.

74Software deploys dedicated customer success organizations in its portfolio companies to drive customer-facing functions. Marketing teams of 74Software's companies create value propositions to showcase the unique features of their brands and software products. 74Software measures its Net Promoter Score (NPS) among its clients and partners to gauge customer satisfaction and loyalty. This score is used as a key performance indicator across the Company and is incorporated into certain executive compensation.

1.1.7.1 Policies and performance monitoring

74Software has formally documented a Code of Ethics and general conditions of sale that govern its customer relations.

74Software monitor a variety of customer experience metrics including Net Promoter Score (NPS) as a feedback mechanism to assess customer satisfaction and loyalty. Based on NPS survey results, the main issues to be addressed and areas for improvement can be effectively identified. NPS is one of 74Software's key non-financial KPIs.

The customer success management team ensures feedback is considered by the responsible parties within the Group so they can take measures to continuously improve the customer experience.

1.1.7.2 Commitment to Innovation and reliability

74Software is committed to keeping its companies' products at the forefront of their markets through significant and continuous investment in research and development, as demonstrated by the commitment of 2057 employees, representing 43% of the total workforce, spread across 10 main R&D centres worldwide.

74Software's strong commitment to reliability and innovation is reflected in its R&D investments representing over 25% of its 2024 pro forma revenue.

At end 2024, 74Software had 20 patents (issued and/or published) through its portfolio companies, relating to its technologies and solutions. These patents are filed mainly in the United States, in the security and data exchange integrity market segment. The Group's business as a whole is not specifically dependent on a particular patent or technology.

1.1.7.3 Global ecosystem and comprehensive support

With a global reach supported by an extensive network of technological partners and distributors, 74Software and its companies, Axway and SBS, distribute their software products in over 100 countries. This enables 74Software's companies to position themselves as preferred partners for some of the world's largest companies and organizations in all their transnational projects.

Partnerships also drive the evolution of the portfolio companies' offerings and products. 74Software and its brands have a worldwide network of partners, not only providing services and support to 74Software's companies' customers but also delivering innovations that enrich and extend 74Software's solutions.

74Software's service catalog and support capabilities focus on the adoption of its companies products and optimizing their use by their customers. Axway and SBS offer all the tools and services necessary for the success of their clients' critical projects. These services can be supplemented by tailored success plans, designed to meet specific goals, deadlines, or objectives.

1.1.8 Measuring 74Software's success

74Software primarily uses the following financial and non-financial objectives to guide its development:

- Revenue growth;
- ARR - Annual Recurring Revenue;
- Profit on operating activities;
- Cash generation;
- Customer loyalty (NPS evaluation for each company in the portfolio);
- Employee Engagement (Axway only in 2024).

Strategic Objective	KPI	2024	2025 Guidance
Growth	Organic revenue growth	+5.6% to €690.0m	2 to 4% organic growth
	ARR	Axway: +7.4% to €246m SBS: +11.8% to €225m	
Profitability and Cash generation	Profit on operating activities	13.6% of revenue (€94.0m)	14 to 16% of revenue
	Unlevered free cash flow	5.7% of revenue (€26.3m)	Around 10% of revenue
Customer loyalty	Customer NPS	Axway: 52 SBS: From 2025	
Employee engagement	Employee engagement score	Axway: 70% SBS: From 2025	

1.2 Overview of 74Software's markets

1.2.1 Axway in the infrastructure Software market

With revenue of €329.8 million in 2024, Axway is France's third largest horizontal software publisher[(1)].

According to Gartner, "The enterprise infrastructure software end-user spending Constant Currency is expected to accelerate by 12% in 2025, reaching $557 billion, as businesses shift their focus to revenue growth. By 2028, end-user spending Constant Currency is expected to surpass $774 billion, expanding at a CAGR of 11.6%"[(2)].

As a software publisher, Axway operates in several infrastructure software sub-segments and specifically application infrastructure and middleware (AIM). In total, Gartner estimates the worldwide AIM market will grow to $98.6 billion by 2028[(2)].

Within the application infrastructure and middleware sub-segment, Axway participates in four specific markets:

- Managed File Transfer Suites (MFT);
- B2B Gateway Software (Stand-Alone) (B2B Integration);
- API Management (APIM);
- Integration Platform-as-a-Service (iPaaS).

(1) *Source: Top 250 French software publishers, Numeum - EY 2024.*
(2) *Gartner, Forecast: Enterprise Infrastructure Software, Worldwide, 2022-2028, 4Q24 Update, Arunasree Cheparthi, et al., 17 December 2024. End-User Spending Constant Currency basis. Asia/Pacific=Emerging Asia/Pacific + Mature Asia/Pacific. See external sources, page 340 .*

For 2025, Gartner estimates growth in the different technology markets in which Axway operates as follows: Managed File Transfer Suites (MFT) +1.6%, B2B Gateway Software (Stand-Alone) -3.0%, API Management +15.0%, Integration Platform-as-a-Service (iPaaS) +18.8%[1].

As an international player, Axway is exposed to the dynamics of different geographic markets. The Company has locations in 18 countries across five continents. Gartner estimates 2025 application infrastructure and middleware growth in Axway regions as follows: North America +12.2%, Latin America +10.3%, Europe +10.1% and Asia/Pacific +15.2%[1].

More globally, the infrastructure and integration markets continue its evolution. Requirements are constantly increasing, both with regard to the availability of information on all devices and the security of connections and data. IT ecosystems continue to develop as more and more companies work together through collaborative solutions.

While more and more workloads are moving to the cloud, companies have decades of legacy infrastructure and systems that must continue to be leveraged to meet short-term needs and cost constraints. Companies are therefore naturally turning to integration platforms to facilitate their digital transformation.

According to Gartner, "The increasing adoption of GenAI, strategic application modernization, cloud-native architecture, and multicloud and distributed-cloud models are expected to significantly increase the demand for iPaaS and API management technology segments. iPaaS spending will reach $17.2 billion by 2028 at a second-fastest growing five-year CAGR of 17.2%. API management spending will grow to $6.6 billion by 2028[2]."

Axway's products and vision in its different technological markets were again rewarded in 2024. In 2024, Axway was positioned as a Leader in The Forrester Wave™: API Management Software, Q3 2024 [3]. At the same time, the API Management, B2B integration and MFT offerings, which represent three of Axway's four main product lines, were named as Leaders in their respective categories in the Winter 2024 reports released by G2, a business solutions assessment platform. Additionally, Axway was recognised for the 9th time in its history as a Leader in the 2024 Gartner® Magic Quadrant™ for API Management[4]. Axway was also positioned as a Leader in the IDC MarketScape: Worldwide Business-to-Business Middleware 2024 Vendor Assessment[5].

1.2.2 SBS in the banking and financing application markets

With pro forma revenue of €362.0 million in 2024, SBS ranks among the leading European software providers for the banking and asset finance industry. According to Gartner, vertical-specific software, such as core banking, digital banking and payment systems, is expected to see a growth of 12.9% in 2025 to reach $37 billion[6].

SBS solutions cover multiple segments of the banking and asset finance software market, including modular retail banking and asset financing platforms, integrated core banking solutions, and domain-specific solutions such as payments, lending, deposits and savings, customer and employee engagement, and risk and compliance.

SBS software solutions are available through multiple deployment models, including on-premises, private cloud (customer-managed), or Software-as-a-Service (SBS-managed).

Gartner estimates that the global market for banking and financing platforms will reach $27.9 billion in 2028[1].

SBS, a distinctly international player, is established in over 80 countries across five continents. For the year 2025, Gartner anticipates notable growth in vertical-specific software in the regions where SBS is active: an increase of +13.1% in North America, +12.1% in Africa and the Middle East, +12.2% in Europe, and +12.2% in Asia/Pacific[1].

Financial institutions continue to accelerate their legacy modernization to drive new frontiers of customer engagement. Major banks are increasingly turning to software platforms to facilitate their digital transformation. According to Celent, "Legacy modernization is a top investment driver for mid-large banks. 46% of Tier 2-4 and 12% of Tier 1 banks see legacy modernization as a leading technology investment priority for 2024–25"[7]."

In 2024, SBS products and vision were widely recognized. SBS was designated: a Leader in Quadrant Knowledge Solutions' SPARK Matrix™: Digital Banking Platform, 2024; "One to Watch" in the Chartis RiskTech100 2025; One of 12 providers that matter most in The Forrester Wave™: Digital Banking Processing Platforms, Q4 2024[8]; a Leader in Quadrant Knowledge Solutions' SPARK Matrix™: Global Retail Core Banking, 2024; a Leader in Quadrant Knowledge Solutions' SPARK Matrix™: Card Management System, 2024; a Leader in Quadrant Knowledge Solutions' SPARK Matrix™: Open Banking Intermediaries, 2024.

(1) *Gartner, Forecast: Enterprise Infrastructure Software, Worldwide, 2022-2028, 4Q24 Update, Arunasree Cheparthi, et al., 17 December 2024. End-User Spending Constant Currency basis. Asia/Pacific=Emerging Asia/Pacific + Mature Asia/Pacific. Calculations performed by 74Software. See external sources, page 340.*
(2) *Gartner, Forecast Analysis: Application Infrastructure and Middleware Software, Worldwide, Varsha Mehta, et al., 23 October 2024.*
(3) *The Forrester Wave™: API Management Solutions, Q3 2024, Forrester Research, Inc., July 1 2024*
(4) *Gartner® Magic Quadrant™ for API Management, Shameen Pillai, John Santoro, Nicholas Carter, Mark O'Neill, 16 October 2024 - See external sources, page 340. The report (Magic Quadrant™ for API Management) was published as Magic Quadrant for Application Services Governance for the year 2013 and 2015, as Magic Quadrant for Full Life Cycle API Management for 2016; 2019-2023, Axway was recognized as Axway (Vordel) in 2013.*
(5) *IDC MarketScape: Worldwide Business-to-Business Middleware 2024 Vendor Assessment, December 2024, Doc #US51811124.*
(6) *Gartner® Forecast: Enterprise IT Spending for the Banking and Investment Services Market, Worldwide, 2022-2028, 4Q24 Update, Debbie Buckland, Jeff Casey, Inna Agamirzian, 27 February 2025. Core banking, digital banking and payments systems=Banking and Investment Services, End-User Spending Constant Currency basis, Africa and the Middle East=Middle East and North Africa + Sub-Saharan Africa, Asia/Pacific=Mature Asia/Pacific + Emerging Asia/Pacific.*
(7) *Celent: Top Technology Trends Previsory: Retail Banking 2025 Edition, November 2024.*
(8) *The Forrester Wave™: Digital Banking Processing Platforms, Q4 2024, Forrester Research, Inc., November 18, 2024.*

1.2.3 Trends observed in the markets of 74Software

The enterprise software landscape continues to transform rapidly, driven by major technological advancements and increasing demands for security and efficiency. The key trends particularly relevant for Axway and SBS within the 74Software Group are as follows:

- Artificial Intelligence and Automation: AI and Machine Learning continue to revolutionize business integration processes, from API management to file transfer automation. In the core banking and financing sectors, these technologies optimize banking operations, reduce human errors, and improve risk management. For infrastructure and data management, they facilitate predictive analysis and informed decision-making;
- Cybersecurity and Regulatory Compliance: with the rise of sophisticated cyber threats, data security and regulatory compliance remain top priorities. Zero Trust security models are essential for ensuring secure and monitored access to sensitive data. In the banking sector, this protects financial transactions and clients' confidential information. For infrastructure, it involves safeguarding systems and databases against attacks;
- Cloud and Multi-Cloud Migration: the adoption of multi-cloud and hybrid cloud strategies is becoming widespread, offering businesses increased flexibility and scalability. Financial institutions, such as banks, are embracing these strategies to enhance their agility and meet customer expectations for digital services. In the realm of infrastructure and data flow management, this enables efficient resource management and leverages the benefits of edge computing and 5G;
- Open Banking and Financial Services: financial institutions are increasingly opting for open banking while operating in a constantly evolving regulatory environment. This trend is driven by security and privacy concerns as well as competitiveness. Open banking allows banks to collaborate with fintechs and offer innovative services, while data management strategies must ensure compliance and protection of shared information;
- Data Privacy and Sovereignty: data protection has become a global priority, accompanied by increasingly stringent regulations. Companies must manage and secure their data worldwide while complying with local regulatory requirements. In the financial sector, this means protecting clients' sensitive information and adhering to privacy standards. For infrastructure, it involves implementing robust solutions for data management and security;
- Collaborative Ecosystems: companies are no longer isolated entities; they interact within a complex ecosystem of partners, suppliers, and customers. Success now depends on the ability to integrate and collaborate effectively within these ecosystems. For financial institutions, this means working with technology partners to offer innovative services. It also requires infrastructure capable of facilitating integration and collaboration between different systems and platforms.

Building on these trends, 74Software positions itself as a key player in digital transformation. By investing in innovation and addressing growing security and compliance demands, the Group is ready to guide its clients towards a safer, more agile, and more efficient digital future. 74Software is shaping the future of enterprises, providing them with the necessary tools to thrive in an ever-evolving digital world.

1.2.4 Competitive Environment of 74Software

Axway and SBS, subsidiaries of 74Software, operate in a dynamic and diverse competitive environment, marked by the presence of numerous players in various niche markets.

Axway stands out for its deep expertise and specialized solutions, capable of addressing the most complex IT infrastructure challenges. Axway's main competitors include:

- Major Generalist Players: companies such as Amazon Web Services, Broadcom, Dell, Google, IBM, Microsoft, Oracle, Salesforce, and SAP dominate the global information systems market with extensive product ranges. Their offerings cover operating systems, cloud services (public and private), search, or ERP, meeting a broad set of basic infrastructure and integration needs. Despite the size and scope of these companies, Axway distinguishes itself with its independent and technology-agnostic approach, enabling unparalleled interaction across all data ecosystems, whether on-premises or in the cloud, on all devices, and across all applications;
- Infrastructure and Integration Specialists: players like Apigee, Boomi, Informatica, Kong, MuleSoft, Postman, Progress Software, Software AG, Tibco, and WSO2 are Axway's main competitors. Whether they are cloud-native startups, more established companies, or specialized subsidiaries of major generalists, these companies see their respective areas of expertise converge as the market evolves. Axway stands out among these competitors with over 20 years of continuous investment in data exchange technologies and recognized leadership in the MFT, B2B integration, and API management markets.

SBS operates in a competitive environment specific to banking and financial software. SBS's main competitors include:

- Banking and Financial Application Specialists: SBS competes with companies such as Alfa, Avaloq, BackBase, Finastra, FIS, Fiserv, Infosys Finacle, Mambu, Temenos, and Thought Machine. These companies focus on banking and financial solutions, with offerings ranging from transaction management systems to integrated financial services platforms. SBS stands out for its commitment to innovation and continuous product improvement, as well as its ability to provide robust and secure solutions for large financial institutions. SBS is recognized for its composable banking and financing platforms, which enable financial institutions to transform their operational models and meet the evolving needs of their clients.

1.3 Highlights and ambitions

1.3.1 Highlights and developments in 2024

2024 was a transformative year for the Group, culminating in the creation of 74Software in December. 74Software aims to centralize support functions and services for its enterprise software brands, Axway and SBS, positioning itself as a major player in the European enterprise software market with expertise spanning data management, infrastructure and banking applications.

Since the closing of the transaction, the two businesses have continued to ensure the expected results were achieved. SBS had a dynamic first four months under its new banner, and Axway performed strongly, leading to a robust year-end for 74Software. While business teams remained focused on their respective projects, 74Software began uniting efforts to support operations and drive future organic and external growth.

The new Group achieved its annual revenue target and exceeded profitability forecasts, benefiting from the combined strengths of Axway and SBS, setting a strong momentum for 2025.

Over the year, several important developments have taken place:

- In 2024, Axway achieved significant milestones, surpassing sales targets and gaining 121 new customers. The company saw exceptional growth in North America and strong multi-year renewals, particularly in API Management and B2B Integration. With its products and offers recognized by the most influential market analysts, Axway has maintained its commitment to customer excellence, achieving an NPS of 52. The year was marked by strategic initiatives to attract new customers, retain existing ones, and expand within the current customer base, all while fostering a culture of continuous improvement and innovation.
- SBS performed well during 2024 despite changes in its environment and shareholder structure following its sale. Before the sale, SBS's service-focused business (around 20% of its business activities, including more than 1,000 employees) was transferred to Sopra Steria. The business in scope of the transaction continued to advance the software-as-a-service (SaaS) transformation started in 2021, focusing its investments on its composable, modular banking platform. The first three customers were signed for this market-leading offer, with over 20 rolling out its first single component around instant payments in 2024. Overall, SBS added 24 new clients in 2024, ending the year with over 700 customers.

1.3.2 Strategic priorities, objectives and ambitions

In 2025, 74Software will focus on expanding its global platform and supporting its portfolio companies, Axway and SBS, to grow their brands in their respective markets. Axway will continue to increase its subscription-based revenues while further transforming its maintenance revenues. SBS will advance its transition into a pure software model, with a higher contribution from SBS-managed offerings and a reduced reliance on service revenues. Free cash flow will be utilized to reduce leverage and support long-term strategic investments.

As part of the 2024 capital raise, the Group had already provided its 2025 guidance, aiming for revenue growth between 2% and 4%. 74Software targets around €700 million in revenue and a margin from operating activities between 14% (€100 million) and 16%. The Company confirms these targets and its ambitions for unlevered free cash flow of around 10% of revenues, with a leverage ratio below 2x.

Beyond financial performance, 74Software is committed to long-term value creation for its clients, employees, and shareholders.

The Company fosters a strong talent development culture, investing in employee engagement, leadership programs, and an innovation-driven work environment to attract and retain top-Tier professionals.

Strengthening customer excellence remains a key priority, ensuring high service quality, client satisfaction, and long-term partnerships.

74Software also emphasizes sustainable growth, integrating responsible digital practices and optimizing resource efficiency to minimize environmental impact while ensuring scalable architectures for future expansion.

By 2027, at the same scope, 74Software aims to achieve revenue above €750 million and a margin on operating activities of more than 17%. By 2028, the Group is targeting a margin on operating activities of around 20% of revenue, reinforcing its ambition to be a leader in innovative, high-value enterprise software solutions.

Looking beyond 2028, 74Software aspires to exceed €1 billion in revenue, driven by continued innovation, global expansion, and strategic acquisitions. By leveraging its strong market position and customer-focused approach, the Group aims to establish itself as a premier global technology provider, delivering sustainable value and operational excellence across all its markets.

1.4 Key figures and comments on the 2024 consolidated financial statements

1.4.1 Key figures

(in millions of euros)	2024 Proforma 12m AXW + 12m SBS	2024 Consolidated IFRS 12m AXW + 4m SBS	2023 Reported Axway Standalone
Revenue	690.0	461.9	319.0
Gross Margin	448.8	320.2	231.8
As a % of revenue	*65.0%*	*69.3%*	*72.7%*
Profit on operating activity	94.0	87.7	62.8
As a % of revenue	*13.6%*	*19.0%*	*19.7%*
Profit from recurring operations	68.7	73.0	55.4
As a % of revenue	*10.0%*	*15.8%*	*17.4%*
Operating profit	51.1	61.4	47.6
As a % of revenue	*7.4%*	*13.3%*	*14.9%*
Net profit – Group share	24.6	39.3	35.8
As a % of revenue	*3.6%*	*8.5%*	*11.2%*
Number of shares at 31 December	29,746,194	29,746,194	21,633,597
Basic earnings per share *(in euros)*	0.85	1.67	1.71
Diluted earnings per share *(in euros)*	0.83	1.62	1.66
Net dividend per share* *(in euros)*	–	–	–
ARR Axway	246	246	229
ARR SBS	225	225	NA
EBITDA	95.9	85.6	69.9
As a % of revenue	*13.9%*	*18.5%*	*21.9%*
Unlevered Free Cash Flow	NA	26.30	27.20
As a % of revenue	*NA*	*5.7%*	*8.5%*
Cash and cash equivalents	41.4	41.4	16.7
Shareholders' equity – Group share	532.4	532.4	346.3
Net debt (cash)	250.3	250.3	75.6
Leverage Ratio	2.87	2.87	1.19
Gearing ratio	0.46	0.46	0.22
Employees at 31 December	4,787	4,787	1,465

* *The Axway Board of Directors will not propose a dividend distribution in respect of 2024.*

1.4.2 Comments on the 2024 consolidated financial statements

Operating performance and activity

In 2024, 74Software's pro forma revenue reached €690.0 million, with 5.6% organic growth and a 5.9% overall increase from 2023. The annual organic growth was 3.4% for Axway and 7.8% for SBS.

Pro forma profit on operating activities increased to €94.0m for the year, representing an operating margin on business activity of 13.6% of revenue, compared to 13.1% in 2023.

A slight reduction in the gross margin was more than offset by good cost control on operating expenses. Product margin came in at 77.3%, a slight drop from 77.8% in 2023, whilst services margin increased strongly from 16.2% to 19.4% of revenue. Both Axway and SBS contributed to the increase in margin on operating activities.

Pro forma profit from recurring operations was €68.7 million in 2024, or 10.0% of revenue. It includes amortization of allocated intangible assets of €19.6 million and a share-based payment expense of €5.8 million.

After accounting for other operating income and expenses, which include restructuring costs of €12.9 million, exceptional costs related to Axway's acquisition of SBS amounting to €2.8 million and various smaller non-recurring items, the pro forma operating profit for the year stood at €51.1 million or 7.4% of revenue.

Pro forma net profit for the year was €24.6 million, representing 3.6% of revenue. Pro forma basic earnings per share were €0.85.

Revenue Breakdown by Portfolio Company

€m / %	2024 Proforma	2023 Proforma	2023 Restated	Total Growth	Organic Growth
Axway Scope (12 Months)	329.8	319.0	319.0	+3.4%	+3.4%
SBS Scope (12 Months)	362.0	333.9	335.7	+8.4%	+7.8%
Consolidation	-1.7	-1.5	-1.5		
74SOFTWARE	**690.0**	**651.4**	**653.2**	**+5.9%**	**+5.6%**

* *Revenue at 2024 scope and exchange rates.*

Revenue Breakdown by Type

€m / %	2024 Proforma	2023 Proforma	2023 Restated	Total Growth	Organic Growth
Product revenue	**544.1**	**517.4**	**518.7**	**+5.2%**	**+4.9%**
Recurring revenue	**496.8**	**464.3**	**465.5**	**+7.0%**	**+6.7%**
o/w Maintenance & Support	*194.8*	*218.4*	*218.8*	*-10.8%*	*-11.0%*
o/w Customer-managed Subscription	*183.4*	*143.7*	*143.7*	*+27.6%*	*+27.6%*
o/w Own-managed Subscription	*118.6*	*102.2*	*103.0*	*+16.1%*	*+15.2%*
Licenses revenue	**47.3**	**53.1**	**53.3**	**-10.9%**	**-11.2%**
Services revenue	**146.0**	**134.1**	**134.5**	**+8.9%**	**+8.5%**
TOTAL REVENUE	**690.0**	**651.4**	**653.2**	**+5.9%**	**+5.6%**

Product revenue saw an organic increase of 4.9%, driven by both Axway (+4.0%) and SBS (+5.9%), highlighting the robust demand for the Group's software products. In line with 74Software's strategy, license revenue as well as maintenance & support continue to drop, whilst customer- and own-managed subscriptions increase strongly. Product revenues accounted for 79% of total revenues, with most of it being recurring revenue (91% of product revenue).

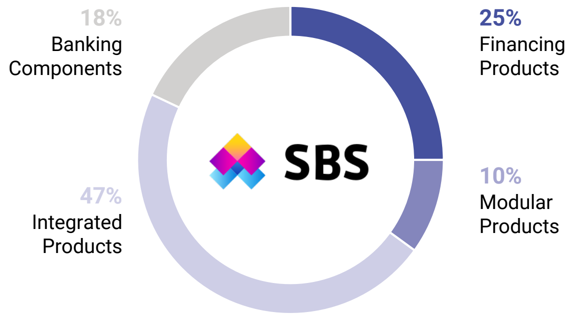
Axway's product revenue continues to shift from maintenance and support revenues (-21.3%) towards both customer-managed and Axway-managed subscriptions, propelled by the transition to a subscription-based business model. Customer-managed and Axway-managed subscriptions grew by 17.3% and 9.3%, respectively. Within customer-managed subscriptions, the upfront revenue recognized under IFRS rules amounted to €104.8 million.

SBS's product revenue experienced strong organic revenue growth (+7.8%) but noted a marked drop in License revenue (-17.8%) as the focus shifted to customer- or SBS-managed offerings for new business, which surged by 325.3% and 20.3%, respectively. The growth in these revenue lines primarily stems from new offerings to both existing and new clients. Within customer-managed subscriptions, the upfront revenue recognized under IFRS rules amounted to €9.0 million.

Services revenue increased by 8.5%, driven by SBS, and constituted 21% of total revenue. While Axway's service revenue decreased by 1.9%, making up 11% of Axway's revenues, SBS's service revenue stood at €110.2 million, representing 30% of SBS's revenues. This reflects the difference in business models between Axway and SBS, as well as the more complex and less standardized implementation projects required for banking applications compared to more technical infrastructure software.

ARR, a key indicator for Axway and SBS, is calculated according to slightly different methodologies in the two companies (see definitions). Axway ARR grew by 7.4% to €246 million at the end of 2024, while SBS's ARR rose by 11.8% to €225 million, due to strong demand for both companies' offerings.

Revenue Breakdown by Product Line



Axway, a prominent player in application infrastructure and middleware, achieved significant milestones in 2024 as outlined in the key portfolio highlights below:

- Managed File Transfer experienced exceptional growth over 2023, particularly in North America. A major new customer transitioned from an important competitor in the largest deal of the year, highlighting the competitiveness of Axway's cloud offerings. Additionally, MFT was named a Leader in its category in the Winter 2024 reports released by G2;
- API Management outperformed other product lines in booking amount, driven by several multi-year renewals with substantial upsell due to API volume growth. Amplify Integration saw robust growth, with 33 new customers, particularly in EMEA. Moreover, Axway was positioned as a Leader in The Forrester Wave™: API Management Software, Q3 2024, and recognized for the 9th time in its history in the 2024 Gartner® Magic Quadrant™ for API Management;
- B2B Integration had an impressive year, marked by successful migrations and renewals. A significant five-year deal underscored the robustness of Axway's B2B solutions, highlighting its essential role in customers' digital transformation efforts. In addition, Axway was positioned as a Leader in the IDC MarketScape: Worldwide Business-to-Business Middleware 2024 Vendor Assessment and named a Leader in its category in the Winter 2024 reports released by G2;
- Specialized Products, including Axway's Financial Accounting Hub (AFAH), continued to push the transition to subscription models and continued expansion with key clients and partners.

SBS, is a leading player in banking and financing software, serving over 700 financial institutions, with more than 1500 entities using SBS' products. The brand's software solutions cater to retail banks, corporate banks, microfinance institutions, payment or credit factories, and specialized finance institutions (e.g., auto captive). SBS won various accolades in 2024, for example as a Leader in the Quadrant®: Global Retail Core Banking 2024 report and was named a Contender in the Forrester Wave™ Digital Banking Processing Platforms 2024 report. More specifically, during the year:

- Financing Products saw strong demand from the auto finance offering, with an especially important new client, which is one of the largest North American groups in floor plan financing for car dealerships, on the SBS Digital Audit solution. The UK mortgage market also continued to expand with strong demand for SaaS offerings, anticipating an extended scope to new banking services;
- Modular Products, the latest addition to SBS's portfolio, was impressively embraced by customers, particularly in core banking, digital engagement, and regulatory reporting. The ongoing overhaul of banks' legacy systems fueled the demand for these cutting-edge products throughout the year;
- Integrated Products contracted slightly mainly due to reduced service revenues from SBS' core banking product in the Benelux market, where a major customer project was successfully wrapped up. At the same time, SBS adeptly positioned its new modular offerings, securing several new contracts in the region. This strategic shift prompted customers to pivot from integrated products to the modular product line in a progressive transformation journey, securing long-term relationships;
- Banking components demonstrated solid growth, driven by Tier 1 banks in France and in North Africa with the willingness to combine best of breed components on cards, payments (including the new European Payment initiative) and lending (individuals and SMEs). These components effectively met the sophisticated needs of discerning bank customers.

Comparison of proforma financial statements at 31 December 2024 and 2023

	2024		2023	
	Proforma		Proforma	
	12m AXW + 12m SBS		12m AXW + 12m SBS	
	€m	*% of Rev.*	*€m*	*% of Rev.*
Product revenue	544.1	78.8%	517.4	79.4%
Services revenue	146.0	21.2%	134.1	20.6%
Total revenue	**690.0**		**651.4**	
Total costs of revenue	**241.3**		**227.2**	
Gross profit	**448.8**	**65.0%**	**424.2**	**65.1%**
Operating expenses	**354.7**	**51.4%**	**339.2**	**52.1%**
o/w research & development	*174.9*	*25.4%*	*163.8*	*25.1%*
o/w sales & marketing	*120.4*	*17.4%*	*118.5*	*18.2%*
o/w general & administrative	*59.40*	*8.6%*	*56.80*	*8.7%*
Profit on operating activities	**94.0**	**13.6%**	**85.1**	**13.1%**
Product gross profit	*420.4*	*77.3%*	*402.5*	*77.8%*
Services gross profit	*28.4*	*19.4%*	*21.7*	*16.2%*
Net capitalization of R&D	*19.4*	*2.8%*	*23.2*	*3.6%*
As % of gross R&D	*10.0%*		*12.4%*	

Cost of sales and gross margin

In 2024, the pro forma gross margin was 65.0% of revenue, stable compared to 65.1% in 2023.

The gross margin for software products was 77.3% in 2024, compared to 77.8% in 2023. The services gross margin improved to 19.4% in 2024, up from 16.2% in 2023.

Operating expenses

Pro forma profit on operating activities was €94.0 million in 2024, or 13.6% of revenue, compared to €85.1 million in 2023, or 13.1% of revenue.

Optimised cost management led to a decrease in operating expenses as a percentage of revenue, from 52.1% in 2023 to 51.4% in 2024.

Sales and Marketing costs totalled €120.4 million (17.4% of revenue), down from 18.2% in 2023.

Research & Development expenditure totalled €174.9 million, or 25.4% of revenue, compared to 25.1% in 2023. The pro forma net capitalization of R&D related solely to SBS's products totalled €19.4 million in 2024 (10.0% of gross R&D expenses) compared to €23.2 million in 2023 (12.4% of gross R&D expenses).

General expenses totalled €59.4 million and represented 8.6% of revenue, stable compared to 8.7% in 2023.

Balance Sheet and financial structure

As of December 31, 2024, 74Software's financial position was healthy, with cash reserves of €41.4m and net debt of €250m (before IFRS16). This resulted in a leverage ratio of 2.87x and a gearing ratio of 0.46x, comfortably meeting the bank debt covenant ratios.

1.5 Comments on the 74Software 2024 annual financial statements

The financial statements described below are those of 74Software. They present the financial position of the parent company, strictly speaking. They do not include the financial statements of the Company's subsidiaries, unlike the consolidated financial statements.

1.5.1 Income Statement

2024 revenue increased 16.7% on 2023 (License +1.2%, Maintenance +4.52%, Services +64.1%, Subscription +30.2%). Revenue from non-Group customers rose 3.7% and inter-company revenue rose +26.7%.

Operating profit was +€19.1 million in 2024, compared to an operating loss of -€2.3 million in 2023. Revenue growth (+ €31.1 million) offset the increase in certain expenses, improving the operating profit. Employee costs rose +€0.9 million, while purchases consumed reported a much greater increase of + €9.4 million, mainly due to inter-company invoicing.

The charge to Depreciation, amortisation and provisions also increased by +€3.3 million, mainly due to the charge to the provision for doubtful receivables concerning our subsidiary Axway Do Brasil of €3.1 million.

Net financial income for 2024 was +€2.3 million, compared to a net financial expense of -€1.2 million in 2023. The main movements in this heading comprised an increase in dividends from subsidiaries of +€4.1 million, an increase in financial expenses relating to loan interest and other costs of + €4.3 million and financial income for €2.7 million. Charges to provisions for impairment of equity investments totalled + €4.8 million, while reversals amounted to -€1.1 million.

The pre-tax current loss of -€3.4 million in 2023 improved to a pre-tax current profit of +€21.5 million in 2024.

The net exceptional expense was -€20.4 million in 2024, compared to -€11.5 million in 2023. Exceptional income and expenses were impacted by the free share plans, but especially by the acquisition of the SBS group which generated a marked increase in acquisition costs of +€7.4 million.

Also of note is a change of +€3.2 million in charges to provisions for contingencies and losses on shares purchased and to be bought back before the end of the plans. The loss recorded on the delivery of free share plans decreased by -€1.3 million between 2023 and 2024. Debt waivers granted to our subsidiaries, and particularly Axway Ireland, also decreased by -€2.6 million.

Employee profit-sharing totalled €1.2 million in 2024, compared to €1.3 million in 2023.

The 2024 net profit is +€3.8 million, compared to a net loss of -€12.5 million in 2023.

As 74Software reported a taxable profit of €1.2 million this year (after restatements and the offset of prior year losses) income tax payable of €0.3 million is recognised in the accounts.

1.5.2 Balance sheet

On 2 September 2024, 74Software acquired SBS for €311 million (€115.2 million in equity investments and €195.3 million of SBS Software financial debt). Acquisition fees related to this transaction totalled €7.8 million.

Shareholders' equity increased from €192.2 million at 31 December 2023 to €324.3 million at end-2024.

This increase was due to several factors:

- the +€16.2 million increase in net profit between 2023 and 2024;
- the share capital increase with retention of PSR of a net amount of €128.2 million decided in the Company's interest to enable the acquisition of SBS.

The 2023 net loss of -€12.5 million was allocated to retained earnings.

The -€1.1 million decrease in intangible assets and property, plant and equipment is partly due to fittings and installations and furniture purchased on the move to the Trinity Tower (+€2.3 million). Impairment of research expenses increased by +€1.5 million.

The +€320.3 million increase in financial assets is mainly due to the +€114.1 million increase in equity investments (+ €115.2 million following the acquisition of SBS and -€1.1 million following the liquidation of Dxchange Technologies Private Limited).

This sharp increase is also due to a rise in receivables from equity investments, particularly from the subsidiaries SBS Software (+€195.8 million), SBS UK (+€24.7 million) and SBS Inc. (+€1.5 million) and despite a decrease in receivables from our subsidiaries Axway Inc. (-€10.3 million) and Axway Ireland (-€3.2 million).

The -€9.9 million decrease in trade receivables is mainly due to a fall in inter-company accrued income (-€39.8 million), offset by a +€33.4 million increase in trade receivables, including inter-company trade receivables (+€14.6 million) and non-group trade receivables (+€18.8 million).

A provision for doubtful receivables of €3.1 million was recognised in respect of our subsidiary Axway Do Brasil due to its financial position.

Commercial debt waivers were granted to our subsidiary Axway Ireland, reducing trade receivables by €5.9 million and inter-company accrued income by €2.7 million.

Other receivables, prepayments and accrued income fell -€6.6 million on 2023, mainly due to a -€6.3 million decrease in Supplier accounts in debit, due to a credit note received in 2023 from our subsidiary Axway Ireland in respect of expenses relating to our former transfer pricing policy that was settled in 2024.

The €15.3 million increase in cash and cash equivalents is consistent with financing activities for the acquisition of the SBS group (share capital increase of €128.2 million and net borrowings of €200 million) and the actual price paid of €311 million (€115.2 million in equity investments and €195.3 million of SBS Software financial debt).

Financial debt increased by €215.9 million, mainly due to a new €200 million loan secured by 74Software to finance the acquisition of SBS.

In addition, €0.2 million was repaid during the year on two loans guaranteed by the French State (PGE loans) and assumed by 74Software on the acquisition of Cycom in 2023. An additional €1m was also drawn on the RCF. Loans from equity investments increased by €13.5 million.

The -€7.9 million decrease in trade accounts payable was partly due to a sharp drop of -€12.2 million in inter-company accrued expenses at the end of 2024, offset by an increase in inter-company trade payables of +€3.2 million and non-Group trade payables of +€1.4 million.

Tax and employee-related payables increased by +€3.1 million. The +€0.7 million increase in employee-related liabilities is mainly due to provisions for commission, bonuses and paid leave, while tax payables also increased by +€2.3 million, due to an increase in output VAT not yet reported of €2.9 million, in line with the increase in group and non-group customer invoices.

Other liabilities, accruals and deferred income decreased by -€25.6 million. This decrease is due to a -€37.2 million decrease in customer accounts in credit and concerns credit notes issued to inter-company customers in June 2023 and settled in 2024, in respect of transfer prices rebilled prior to the change in policy (including -€27.5 million for Axway Inc. and -€4.3 million for Axway GmbH). Deferred income recognised at the year-end is up €11.3 million.

Pursuant to Article D. 441-6 of the French Commercial Code, 74Software reports that trade accounts payable at 31 December 2024 break down as follows:

Article D. 441-6°: Unpaid invoices received past due at the fiscal year-end

	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total 1 day and over
(A) Late payment brackets						
Number of invoices	163					237
Total amount of invoices excluding VAT	4,463,743.37	2,407,953.42	910,205.52	1,712,002.76	182,998.84	5,213,160.54
Percentage of total purchases for the fiscal year, excluding VAT	3.58%	1.93%	0.73%	1.37%	0.15%	4.18%
(B) Invoices excluded from (A) regarding disputed or unrecognised debts and receivables						
Number of excluded invoices						NIL
Total amount of excluded invoices						NIL
(C) Reference payment periods applied (contractual or statutory - Article L. 441-6 of the French Commercial Code)						
Payment terms of reference used to calculate late payments	Statutory period: 30 days from the invoice date					

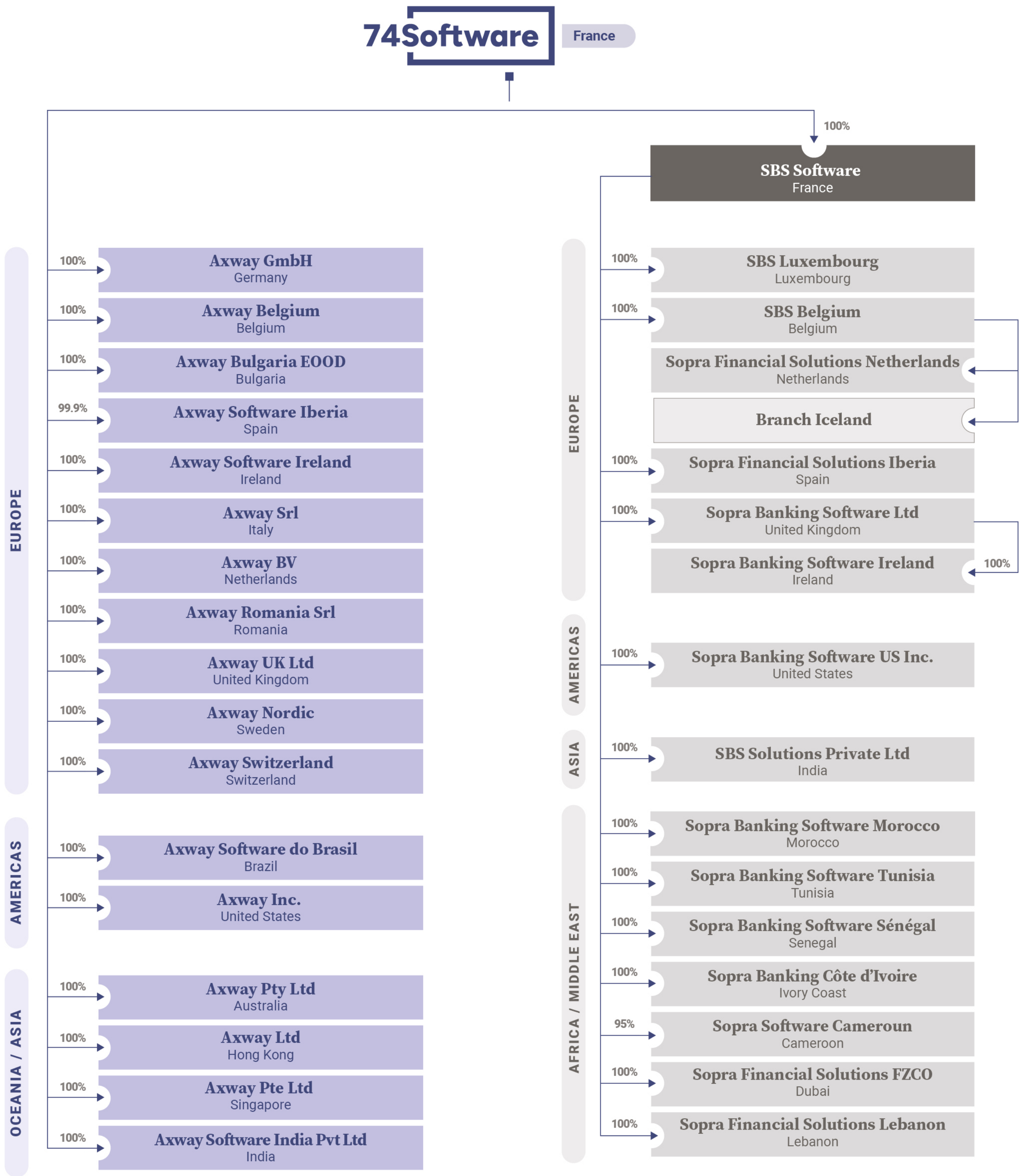
Trade receivables break down as follows:

Article D. 441-6°: Unpaid invoices issued past due at the fiscal year-end

	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total 1 day and over
(A) Late payment brackets						
Number of invoices	499					928
Total amount of invoices excluding VAT	37,996,201.80	1,783,953.81	2,304,486.24	3,574,062.92	26,156,688.77	33,819,191.74
Percentage of total purchases for the fiscal year, excluding VAT	17.46%	0.82%	1.06%	1.64%	12.02%	15.54%
(B) Invoices excluded from (A) regarding disputed or unrecognised debts and receivables						
Number of excluded invoices						NIL
Total amount of excluded invoices						NIL
(C) Reference payment periods applied (contractual or statutory - Article L. 441-6 of the French Commercial Code)						
Payment terms of reference used to calculate late payments	Statutory period: 30 days from the invoice date					

Invoices issued and past due more than 91 days mainly concern inter-company receivables.

1.6 74Software's simplified legal structure at 31 December 2024



* *Inactive Axway subsidiaries, 100% owned by 74SW: Axway SAS (FR) and Axway Distribution (FR).*
* *Inactive SBS subsidiaries, owned 100% directly or indirectly by SBS: SAMIC (Monaco), Field Solutions (UK), Cassiopae (UK), Apak Group (UK), SAB Atlas (Morocco), Seris Medshore (Morocco), Banking Software Morocco (Morocco), and Sopra Banking Gabon (Gabon).*

Active company | Branch or Permanent Establishment

1.7 74Software at a glance

Company name	The Company name is 74Software.
Place of registered office	The registered office is located at PAE Les Glaisins 3 rue du Pré-Faucon, 74940, Annecy France. The Company also has four secondary establishments located at Tour Trinity 1 bis, place de la Défense 92400 Courbevoie; 23, rue Crepet 69007 Lyon; 23, rue Matabiau 31000 Toulouse, and 29, boulevard des Alpes 38240 Meylan. The head office is located at 16220 N Scottsdale Rd. Suite 500, Scottsdale AZ 85254, USA.
Shareholders and investors website	74Software has a website dedicated to its shareholders and investors, https://www.74software.com/investor-relations. The information presented on this website is not an integral part of this Universal Registration Document, unless expressly incorporated by reference.
Date of incorporation and Company term	The Company was incorporated on 28 December 2000 for a term of 99 years. The Company's term will therefore expire on 28 December 2099 unless it is dissolved before that date or the term is extended.
Legal status and applicable legislation	74Software is a French law public limited company (*société anonyme de droit français*). It is therefore governed by all the texts applicable to commercial companies in France and particularly the provisions of the French Commercial Code.
Trade and Companies Register	Annecy Trade and Companies Register under number 433 977 980. APE code 5829A.
LEI	969500220 6SP7FQONJ77
SIRET	433 977 980 000138

Corporate purpose (Extract from Article 2 of the Articles of Association)

"The Company's purpose in France and abroad is:

- the publishing, sale, distribution, installation and maintenance of all types of software packages, the design and development of any software programme, the integration of any IT system, the sale of any IT systems and hardware, and the provision of any related services, training, consultancy and hosting;
- the Company's, direct or indirect involvement, by any means, in any transaction connected with its purpose by means of the incorporation of new companies, transfer of assets, subscription or purchase of securities or ownership interests, merger or otherwise, creation, purchase, leasing, lease management of any business goodwill or premises; the registration, purchase, use or disposal of any processes and patents connected with these activities; and
- in general, all industrial, commercial, financial, procedural, movable property or real-estate transactions that may be directly or indirectly related to the corporate purpose or any similar or connected purpose."

Documents available for consultation

74Software's Articles of Association, the minutes of General Meetings and the reports of the Board of Directors to the General Meetings, Statutory Auditors' reports, the financial statements for the last three fiscal years and, more generally, all documents sent to or made available to shareholders pursuant to prevailing laws and regulations may be consulted at Tour Trinity 1 bis, place de la Défense 92400 Courbevoie France.

Where applicable, these documents are also accessible on 74Software's website https://www.74software.com/investor-relations which notably contains regulated information published in accordance with Articles 221-1 *et seq.* of the AMF General Regulations.

Axway's Ethics Charter and Securities Trading Code of Conduct can also be consulted on the Company's website at the following link: https://www.74software.com/ethics-and-anti-corruption.

Fiscal year

The Company's fiscal year commences on 1 January and ends on 31 December of each year.

1.8 74Software's organisation

74Software's governance structure is detailed below in accordance with Article L. 225-37-4 of the French Commercial Code. The governance structure consists of a Chairman, a Deputy Chief Executive Officer and a Board of Directors.

This legal structure is supported by a permanent operational and functional structure as well as temporary structures for the management of particular businesses and projects.

1.8.1 Permanent structure

74Software's permanent structure comprises a management body, an organisation based on the main operating functions and functional structures.

Executive Management

Executive Management is responsible for Group strategy, capital allocation, investor relations, corporate services, and more. It is led by the Group Executive Committee, which consists of the Chief Executive Officer, the Deputy Chief Executive Officer, and the heads of major operating and functional entities. They oversee strategy development, the organization and management system, and major cross-functional initiatives.

Additionally, 74Software provides platform services to its portfolio companies in areas such as People and Culture, Information Technology and Systems, Cash Management and Financing, Accounting, Tax and FP&A, Facilities, Legal Services, and R&D Operations.

The Board of Directors

The Company's Board of Directors comprises ten directors (including four independent directors). It is chaired by Pierre Pasquier and assisted by a Board observer. Information on the Board's organisation and working procedures is presented in Chapter 4, Section 1.2 of this Universal Registration Document.

Operational structure

The operational structure is divided between Axway and SBS, each led by its own CEO. The portfolio companies have General Managers, along with an SBS CCO and SBS CSO, all reporting to their respective portfolio company CEO. They are responsible for defining, producing, and selling 74Software's products and services:

- Axway Regional General Managers, responsible for all interactions with current and prospective customers in their region, including sales, pre-sales, services, customer success and field marketing. They are located in the main regions where Axway operates: Europe, North America, Latin America and Asia/Pacific;
- Axway and SBS Product General Managers, responsible for all aspects of 74Software's offerings, including product management, development, innovation, maintenance and related marketing;
- the SBS Chief Customer Officer (CCO), in charge of all interactions with current and prospective SBS customers, except with regard to services, including sales, pre-sales, customer success and field marketing. The main regions concerned are Europe, Africa and the Middle East and the United States;
- the SBS Chief Services Officer (CSO), in charge of SBS customer projects in all regions where SBS operates.

This structure ensures that strategies and processes are consistent and harmonised, while providing the necessary proximity to 74Software customers and markets.

Each department is allocated resources and assigned targets as part of the budget process, with progress assessed monthly and weekly control points for sales and services, along with monitoring of major customer accounts.

Functional structures

The Functional Departments (Corporate Secretary, Finance, Logistics, People & Culture, Communication, IT Resources, Legal Affairs, Purchasing, Real Estate) are being centralised within the new 74Software structure.

They contribute to overall cohesiveness, ensuring commitment to 74Software's core values and serve its portfolio companies. They report directly to Executive Management.

The functional structures standardise the management rules (IT resources, IT systems, financial reporting, etc.) and monitor the application of policies and rules.

In this manner, they contribute to overall supervision and enable the operating entities to focus on business.

74Software's Corporate social responsibility structure

In support of its stakeholder responsibility policy and in accordance with the recommendations of the Middlenext Code of Corporate Governance updated in 2021, 74Software strengthened its Corporate, social and environmental responsibility (CSR) framework within its governance bodies and internal teams.

Within the Board of Directors and its committees:

- CSR is included on the agenda of the Appointments, Governance and Corporate Responsibility Committee and the Audit Committee.

Within Executive Management:

- the Chief Executive Officer leads the CSR policy and defines the roadmap in quarterly Committee meetings with the Human Resources Director, the Head of CSR and, if necessary, the heads of the functional departments concerned;
- the main social, societal and environmental indicators are included and measured as part of the Company's performance monitoring.

Within the internal teams:

- the CSR team is led by the Head of CSR, who coordinates the work with the relevant Functional Departments (Human Resources, Purchasing, IT, Legal Affairs, etc.);
- a network of local officers in 74Software's subsidiaries is responsible for gathering social, societal and environmental data in line with the CSR roadmap.

1.8.2 Temporary structures: businesses and projects

74Software's organisation must retain flexibility in order to adapt to changes in its markets and ensure the successful completion of projects.

Projects are handled by temporary teams and are supervised:

- within a national sales unit; or
- under the responsibility of a management entity, acting in concert with other entities (sales entity for local commercial support, expert product assistance, etc.).

Each project is organised and operated based on fundamental objectives: customer service, economic success, and contribution to 74Software's general growth.

The main development programmes for the various product lines use resources and expertise from different development centres, under the responsibility of a Programme Manager.

1.9 Recent developments

No events have occurred since the end of the 2024 fiscal year.

2 Risks and Control

2.1 Risk factors AFR SR

74Software is exposed to risks, financial and non-financial, internal and external, which if they materialise could have a negative impact on its activities, financial results, reputation, or jeopardise the achievement of its objectives.

Of course, the acquisition of SBS by Axway in 2024 profoundly reshaped the Company – giving birth to 74Software – and the very nature of some of the risks the Company faces. The proper integration of the two companies will be a determining factor for the future success of the Group. In addition, 74Software operates in a constantly changing business environment. The economic and geopolitical situation has increased uncertainty and impacted the business, by exacerbating some of the existing risks already faced by the Company.

However, processes implemented by the Company allow it to identify and assess risks and take the necessary actions to minimise their adverse repercussions on its activity and organisation.

2.1.1 Risk identification and assessment

Risk mapping is the approach allowing the identification and assessment of risks. We redesigned the risk mapping to better reflect the changes faced by the Company and its current organisation. We identified the main threats and drew up a detailed description of each corresponding risk for all the key activity domains. These were assessed based on their probability of occurrence and their potential impact on activity, taking account of all mitigation measures already implemented and effective ("net risk"). The specific corruption risk mapping also feeds into the general risk mapping.

The work undertaken this year sought to consolidate and unify the Audit & Risk Universe and the risk factors disclosed in the URD. This ensures better consistency, easier understanding, and a more complete coverage of the risks reported. Based on this work, the most material net risks, specific to 74Software, are presented hereafter, by category and in descending order of Residual Materiality. Explanations are provided on how each risk may affect 74Software, as well as information on how this risk is managed.

This Section therefore presents the main risk factors to which 74Software considers it is exposed at the date of filing of this document. This presentation of the main residual risks is not intended to identify all risks which may affect the Company negatively. More generally, the uncertain economic environment and exchange rate fluctuations, could significantly impact the Company's results.

While 74Software cannot ensure that all risks will be eliminated, risk management and the internal control system seek to identify, qualify, and mitigate risks. They are described in Section 2 of this Chapter "*Internal control and risk management*". Additional information is provided on sensitivity to foreign exchange rate and interest rate risks in Chapter 5 "*Consolidated financial statements*".

The risk mapping as well as risk factors were validated by Executive Management and examined by the Board of Directors' Audit Committee.

2.1.2 Overview of risk factors

The table below shows the results of the risk assessment, presenting residual materiality on a scale of one to three, from least material (■) to most material (■■■).

Risk categories	Main activity domains and risk factors	Residual Materiality
Risks relating to governance and corporate responsibility	■ Acquisitions	■■■
	■ External factors	■
	■ Corporate sustainability	■
Risks relating to software publishing	■ Innovation & Offering of adapted solutions	■■■
	■ Product development	■■
	■ Intellectual property	■
Risks relating to software distribution	■ Customer experience & Contract renewal	■■■
	■ Go-to-Market & Sale of products and services	■■
	■ Production and support	■■
Risks relating to corporate support functions	■ Cybersecurity & Management of systems and data	■■■
	■ Attraction, development and retention of key talents	■■
	■ Financial information	■
	■ Purchasing & Reliance on third-parties	■
	■ Regulatory compliance	■

2.1.3 Risks relating to governance and corporate responsibility

Acquisitions

Risk description MATERIALITY ■■■	Risk management process
Acquisition of SBS: a major event in the Company's life Axway acquired a company slightly bigger than itself in terms of revenue. This transformational event reshaped the company's size and future. We consider the efficient integration of SBS to be the most critical risk for the future of the Company. The ability to properly integrate people, products, and technologies is key to the success of such a major step. Poor management and execution of the integration of newly acquired companies, and especially SBS, with major difficulties in integrating the product portfolio, customer base, systems, processes, culture and communication, and in retaining key resources, could lead to failure to maximize the value of acquired companies. **External growth** The Company's development strategy is based in part on its ability to identify potential acquisition targets. Nevertheless, the external environment is extremely mobile, making the identification and valuation of potential targets more complex. The inability to identify consistent acquisition targets, aligned with our strategy and objectives, at a reasonable price, could jeopardise the Company's strategy. Also, weaknesses in the Due diligence analysis phase could lead to the acquisition of companies not fully aligned with our strategy, or not meeting our technology innovation, product portfolio, people and/or customer base needs. **Potential impact on 74Software** Any major difficulty in integrating acquired companies, generating the expected synergies, or retaining key staff could have a negative impact on the Company's financial results and strategy.	**Integration** Doubling the size of the company involves high risks but will offer high rewards. In the near future, we are confident that combining Axway's and SBS's strengths within 74Software will build a stronger company and that we will be able to leverage this increased scale to target new major acquisitions. Given the size and materiality of the SBS acquisition, a specific committee was established to monitor actions and ensure a successful integration. All Executive Committee members are committed to the success of the operation. In the new structure, the "Chapters" comprise the support functions, whether centralised or hybrid, without direct accountability for revenue, but critical for meeting long-term goals. They are organised as centres of expertise, providing infrastructure, operations and administrative services across the group. This facilitates continuous improvement in service and efficiency, for the benefit of the Company and its customers. This is especially the case for the finance, accounting and purchasing functions and facilities, and information systems, and allows us to share a common approach and manage the company efficiently. Where necessary, teams are being reinforced with additional recruitment. In 2025, Transition Services Agreements signed with Sopra Steria will ensure the continuity of key processes and a smooth and efficient transition, allowing us to focus on business priorities. **Opportunities** Other acquisitions may be deemed necessary in the future to achieve 74Software's ambitious strategic objectives, and strengthen its technology innovation, product portfolio, skills and/or customer base. The Company regularly assesses external growth opportunities through the selective acquisition of companies. The recent acquisitions of DXchange, AdValvas and CYCOM Finances were opportunities to acquire new technologies, complementing our offering. Due diligence procedures are implemented for all potential acquisitions to identify the inherent risks of the deal. An integration programme is established for all acquisitions, making it possible to monitor all key stages of the process from a strategic, operating, financial and human perspective.

External factors

Risk description MATERIALITY ■	Risk management process
Geopolitical and economic crises 74Software may have to deal with the consequences of major geopolitical or economic external crises. A systemic event such as a political or social crisis could profoundly change business conditions in countries in which the Company operates. A major public health crisis, severe natural phenomena, a global cyberattack, a war or any important incident could make the physical and/or communication infrastructures widely unavailable **Political changes** Sudden political changes, for instance on tax regulations, or major external economic factors such as exchange rates and interest rates fluctuations, may also have a major impact. **Potential impact on 74Software** Failings in prevention actions and/or crisis management processes, or an inappropriate response to the crises could have a significant impact on an economic and operational level.	**Crisis management** Whenever possible, the Company has set up measures to mitigate the potential impacts of a crisis. Crisis management systems and business continuity plans allow the Company to respond to issues and monitor remediation and crisis communication measures through dedicated governance. Permanent interactions between teams ensure relevant escalation and a unified crisis management response. **Internal control and risk management** Processes and procedures set up help to control and manage the operations efficiently. The internal control environment and risk management system are described in Chapter 2, Section 2.2 "Internal control and risk management". As detailed below in Chapter 2, Section 2.4, the Company took out insurance policies for adequate coverage and protection of the Company's activity and employees.

Corporate sustainability

Risk description MATERIALITY ■	Risk management process
Environmental risks The – necessary – development of corporate responsibility brings significant changes in how companies must manage environmental, social, societal, and governance risks. This must be considered throughout the entire value chain and take into account all stakeholders, particularly with the requirements of the Corporate Sustainability Reporting Directive and the Green Taxonomy. Notably, the climate impact of companies' activities and that of their value chains must be considered. Strong actions must be taken on their carbon trajectory, as well as on resource efficiency, waste management, and biodiversity preservation. The urgency of these actions is reinforced by the geopolitical context, its impacts on energy costs, and the increasing regulatory pressures. Additionally, the growing awareness and expectations of stakeholders, including investors, customers, and communities, further emphasises the need for comprehensive environmental strategies. **Social, societal and governance risks** Obligations concerning social risks and corporate governance are being strengthened. Companies must comply with stricter laws on the respect of human rights, fair labour practices, and anti-corruption. Additionally, there is a growing focus on promoting workplace diversity and inclusion, and on maintaining transparent and ethical business operations. These measures are essential for building stakeholder trust and ensuring long-term sustainability. **Potential impact on 74Software** Failure to meet corporate sustainability requirements or to address stakeholder expectations could damage 74Software's reputation. It could also lead to legal proceedings initiated by customers or relevant authorities, resulting in potential financial penalties and loss of trust among stakeholders.	**Corporate responsibility** Corporate responsibility is becoming a key issue, and companies cannot stay silent on environmental, social, and societal concerns. Companies must actively address these subjects, which should be seen not only as risks but also as opportunities to enhance company operations and strengthen stakeholder engagement. At 74Software, environmental, social, and governance (ESG) subjects are integrated consistently into the comprehensive risk analysis. They are monitored by a dedicated team and managed through specific policies. In certain cases, action plans and insurance coverage are also implemented to mitigate potential impacts. The Chapter 3 of this document, "Corporate Responsibility," provides a detailed overview of the double materiality analysis, of the actions undertaken and presents numerous relevant indicators. This chapter highlights 74Software's commitment to sustainability and its proactive approach to addressing these areas.

2.1.4 Risks relating to software publishing

Innovation & Offering of adapted solutions	
Risk description MATERIALITY ■■■	**Risk management process**
Constantly evolving market Technology innovation is a constant feature of the market in which 74Software operates. Its commercial success lies mainly in its ability to deliver innovative products to enable digital transformation and satisfy the needs of its customers, while anticipating any developments in technology likely to be expected by the market. The Company must offer a range of solutions perceived by its customers as different or innovative compared to its competitors. Market appetite for cloud solutions has considerably increased in recent years, increasing the need for technical agility offered by our products. **Increased competition** The competitive environment together with market pace and dynamics are evolving faster than ever. Consequently, alternative or rival technologies could be developed and gain substantial market share. The risk is even higher as 74Software's market has concentrated and it competes with other companies which often have significantly greater resources **Artificial intelligence** Artificial intelligence potential and usage have developed extremely quickly. Artificial intelligence clearly defines itself as a new way of working, which tech companies must embrace. 74Software, like its competitors, must define the most appropriate use cases and elaborate its internal policies and guidelines to apply and benefit from AI and Large Language Models if it is to avoid becoming rapidly obsolete. **Potential impact on 74Software** The inability to develop the right vision on innovation, leading to inadequate product folio strategy and design, could lead to failure to satisfy the present and future business needs of customers and prospects, and impact the Company's revenue and results.	**Continuous investment in innovation** 74Software constantly invests to develop new innovative offerings and solutions for its customers. The Company continues to focus its efforts on delivering the agility and functionalities expected by customers. It pays even greater attention to its proximity, transparency, and communication with customers, to better understand their expectations and anticipate market trends. 74Software's product strategy is clearly established: streamline the product portfolio to better prioritise Research & Development investments and focus our offering on the most valuable solutions for our customers. **Organisation** Product General Managers have end-to-end responsibility for products in our main product lines: with their holistic view of the market and customer needs, they help break the silos and pursue the transformation of the Company. They improve R&D understanding of the business impacts and commercial performance of products, enabling the rationalisation of the product portfolio and informed choices on investments and product roadmaps. An incubation team under the leadership of the Chief Product Officer helps to better anticipate technological or architectural shifts. This team is tasked with discovering, assessing, and testing new approaches or solutions that could drive long-term growth.

Product development

Risk description MATERIALITY ■■	Risk management process
Product complexity Research & Development teams must be able to reflect the strategy and vision in the development and delivery of product features and functionalities, with adequate design choices. Failure to do so could lead to lost momentum in the technology evolution race. 74Software's products are complex software engineering components, often made up of several million lines of code. Like any other company in its market, the Company can make no assurance that the software developed and integrated has no errors or defects. **Sustaining of legacy products** The allocation of Research & Development capital and resources must find the right balance, by promoting innovation and ensuring the sustainability of existing products, thus not jeopardising the recurring revenue generated by the installed base. Indeed, substantial investment is necessary to sustain legacy products by taking account of technical debt and correcting vulnerabilities, especially when support extensions have been signed with customers. **Potential impact on 74Software** Any error, performance defect or security breach could require emergency corrective measures generating substantial maintenance or production cost overruns. Such problems may also result in claims for damages from customers, additional warranty costs, and damage the Company's reputation.	**Delivery of product roadmap** Resources must be efficiently allocated to ensure the timely delivery by R&D of the product roadmap, with offerings providing added value to customers. Products and Development teams work closely together to rationalise development costs while maintaining high quality in both the delivery of innovative solutions and sustaining current products. **Quality control** Quality controls conducted by the Research & Development department aim to industrialise the product development chain, through automated, consistent, and continuous integration of product modifications. From product development to release, the development cycle must ensure source code quality, regression testing, continuous integration as well as repository, build and backlog management. R&D teams conduct quality assurance tests on all new products and on all new versions and updates. This supporting control environment and continuous improvement process ensure, to the best extent possible, the prevention, detection and management of errors and technical defects. **Cloud readiness** R&D teams are committed to developing top-Tier cloud-based products, making scalability, migrations and upgrades easier and more cost-effective.

Intellectual property

Risk description MATERIALITY ■	Risk management process
74Software's intellectual property 74Software's business is founded on the software and solutions it develops and integrates, and those of companies acquired over the years. The Company can make no assurance that no third parties will claim the intellectual property rights to the Company's software or that the Company's intellectual property will not be stolen or misused. **Respect of other parties' intellectual property** Infringement of the intellectual property of software vendors, open-source components, or OEM (Original Equipment Manufacturers) – third-party components and libraries embedded in our software – could lead to compliance breaches and legal proceedings. Recent developments in artificial intelligence reinforce the need to manage proactively the third-party components embedded in our solutions. **Potential impact on 74Software** The occurrence of such risks may damage the Company's reputation, and lead to legal proceedings with the vendors or authorities concerned. Violations of intellectual property rights could hinder 74Software's ability to use or develop its solutions.	**Intellectual property protection** 74Software uses the various means at its disposal, *i.e.*, copyright, patent rights, trademark rights, and professional secrecy. The Company has put in place confidentiality measures and technical processes to protect its intellectual property rights. Subcontractors and other technological partners are selected based on their ability to safeguard the Company against any intellectual property right claims. **74Software compliance** The Company reinforced its compliance programme for third party software and components, notably open source. The Company performs an in-depth analysis of the sources used, for each release or new version of a product, as well as a legal review to prevent any non-compliance. Controls and reporting processes have been implemented to ensure the Company fully complies with the usage and licensing requirements of third-party software and components, and the payment of the corresponding royalties.

2.1.5 Risks relating to software distribution

Customer experience & Contract renewal

Risk description — MATERIALITY ■■■

Importance of recurring revenue

The recurring revenue generated by Maintenance and Subscription contracts accounts for a significant and growing portion of the Company's business. This transition towards Subscription contracts, whether SaaS (Software as a Service) or Managed Services operated by Axway/SBS, demonstrates the demand of customers and prospects for these business models.

This provides increased visibility on the future revenues but requires constant efforts to avoid the non-renewal of contracts, known as churn. The ability to retain and expand the customer base is therefore instrumental in maintaining and growing revenue. Indeed, the expiry of existing Subscription contracts is not only an opportunity to renew these contracts, but, if possible, to extend them by upselling (sale of a higher-end version or additional quantities) or cross-selling (sale of complementary products).

In this context, the Company must fully satisfy customer expectations and needs. A poor alignment of the teams in direct contact with customers, particularly the Sales, Services, Cloud & Managed Services and Support teams, could be detrimental to the customer experience, which is key to satisfaction and loyalty.

Change of business model and operating model

In a consumption-based business model, the operating model must be amended to maintain the profitability of the company. Indeed, contracts, internal systems, infrastructures, and internal processes must be adapted to cater for these new means of production, sales, and operations. These new tools and processes require investment and the reorganisation of teams. In this new business model, the ability to measure usage and adoption of products by customers is also critical to renewing and expanding business.

Potential impact on 74Software

A degraded customer experience could lead to the non-renewal of Subscription and Maintenance contracts by a significant number of customers and impact the Company's reputation and revenue.

Risk management process

Critical products for customers

The majority of 74Software's solutions, once fully adopted by customers, are mission-critical for their digital business interactions and operational activities. They become an integral part of the services proposed internally or to their own customers. Non-renewal by customers can have a significant negative impact on their activities, resulting in a low attrition rate for these solutions once effectively deployed.

74Software strives to promote the adoption of its products and the renewal of its contracts to accompany its customers From start to forever. This customer lifecycle-based approach strengthens the customer partnership and promotes a relationship of trust.

Customer experience and satisfaction

The success of software often depends on more than just the intrinsic quality of the technology. Customer satisfaction and loyalty also originate from the forging of trustworthy relationships and the quality of interactions to support them over the long-term. To this end, 74Software has built teams dedicated to the customer experience and customer success. The Company also has dedicated teams and tools to manage proactively the renewal business.

Improving the customer experience is central to 74Software's strategy. The Company implemented satisfaction surveys at several touchpoints of the customer journey and uses the Net Promoter Score (NPS) to measure customer loyalty. Results are used to implement corrective actions to further improve the customer experience and maintain a high level of overall customer satisfaction. These metrics are closely monitored by the Executive Committee, and they are part of the variable compensation criteria of many employees.

Go-to-market & Sale of products and services

Risk description MATERIALITY ■■	Risk management process
Recognition by the market and brand strategy The Company's business heavily depends on its ability to gain market recognition as a player offering products and services that deliver quality, security, innovation, and business outcomes to its customers. New offerings and transition to a Subscription business model must be accompanied by strong go-to-market initiatives. This requires 74Software to develop its brand and deliver its brand strategy through clear and impactful communication. It may be difficult for the Company to make its voice heard in a market dominated by major IT software and service players with substantial marketing power. **Execution of the sales strategy** In such a competitive environment, the return on investment of the various actions to generate interest from customers and prospects, and to identify commercial opportunities is not guaranteed. The sales and marketing efforts to obtain customer references, promote customer successes, and demonstrate the added value of the proposed solutions may be insufficient to build a consistent stream of commercial opportunities, and to transform this actionable pipeline into business, by growing its installed base or acquiring new customers. Additionally, the failure to build, develop and manage an ecosystem of strong alliances and partnerships to access new markets, new customers and high-level personas in customer organizations could hinder the Company's growth. **Potential impact on 74Software** The inability to gain this market recognition and to transform business opportunities may lead to a slowdown in business and a decline in sales and, more broadly, have a significant negative impact on revenue and results.	**Strategic alignment of team** Synergy between the various departments is a priority for the Company. Continuity between the innovation, product management, development, product marketing, go-to-market, sales and customer experience processes was improved through strong governance and the involvement of the Executive Committee and its main Directors. The roles of Chief Product Officer and Product General Managers allow a better alignment of teams not only on technology aspects, but also on customers' real needs. **Added value provider** The Company has reinforced its positioning as a technical expert providing critical business outcomes to its customers, presenting specific examples of customer success and business added value. Ongoing exchanges with customers enable their needs to be understood and better met. The Company is also converting its strong installed base, through migrations towards more modern products and a Subscription model. We also develop close relationships with major consulting and integration partners to better attract new customers. With the acquisition of SBS, combined business offerings are being developed, with an increased footprint and visibility. **Market analysts** The Company continues to successfully bolster its relationship with market analysts, demonstrating its valid vision and well-executed strategy. Axway was recognised as a leader in the *2024 Gartner® Magic Quadrant™ for API Management,* and in *The Forrester Wave™: API Management Solutions, Q3 2024*. Its B2BI solutions were recognised as leader in the *IDC MarketScape: Worldwide B2B Middleware 2024 Vendor Assessment*. SBS was also recognised as one of 12 providers that matter the most in *The Forrester Wave™: Digital Banking Processing Platforms, Q4 2024*. It has also been recognised as a leader in several categories by *Quadrant – SPARK Matrix™* and by other leading market analysts.

Production & Support

Risk description MATERIALITY ■■	Risk management process
Cloud environments 74Software products are often used in complex and critical operating environments, processing several million individual transactions. An error or defect could have a major impact on customer production. The risk is even greater due to the growth of Managed Services activities, as production issues in cloud environments could affect several customers sharing the same environment, and could lead to the failure to provide reliability, agility, and availability of our solutions' delivery, at a cost- efficient rate. Product complexity can lead to difficulties in their deployment into production, migration or upgrade, which could result in delays and misconfigurations. The availability in the cloud of legacy products also requires significant investment to enable easier migration, deployment, scalability, and updates. **Remediation of production incidents** The failure to provide the right level of expertise or technical assistance could lead to the inability to remediate efficiently incidents and alerts, and provoke non-compliance with Support commitments and SLAs (Service Level Agreements). **Potential impact on 74Software** The occurrence of such risks may damage the Company's reputation, lead to legal proceedings with the customers concerned and, more broadly, have a significant negative impact on 74Software's results.	**Deployment and production in cloud environments** Our quality requirements also concern the deployment of solutions, migrations and updates, whether in the cloud or on premise. The organisation and governance structures have been adapted to bring together the expertise necessary for the proper management of cloud customers. The rationalisation and management of configurations and environments must enable easier and more efficient deployment and production of our solutions in the cloud. **Incident management** The Company undertakes to comply with its standardised support and service level maintenance procedures and tracks performance and reliability incidents. In cloud environments, the deployment and operation of products is constantly monitored to ensure the continuity of customer activities. Support teams continuously answer the alerts and issues raised by customers. They provide the required level of expertise and technical assistance to effectively address production or security incidents. 74Software also has professional indemnity and operations insurance coverage. More details are available in Chapter 2, Section 4 "Insurance and risk hedging policy".

2.1.6 Risks relating to corporate support functions

Cybersecurity & Management of systems and data

Risk description MATERIALITY ■■■	Risk management process
Increasing cybersecurity threats 74Software operates in a market notable for very rapid technological changes, thereby constantly exposing it to IT or industrial hacking risks and IT virus attacks. Security threats linked to cyber-crime are constantly increasing and the technology sector is specifically targeted. Despite the measures implemented, the Company can make no assurance that no security breach or uncorrected vulnerability in a product or customer environment could be exploited by a third party or cybercriminals, and that no customer data could be compromised. Such breaches could disrupt the smooth running of 74Software's systems and applications and those installed for their customers, hindering the Company's ability to meet its availability, quality, and service continuity commitments. **Increased complexity** This security risk is heightened due to the nature of the Company's cloud service offering and the fact that this solution represents a growing percentage of its business. Cloud-based services occasionally involve the storage and transmission of sensitive customer data in strictly regulated fields such as banking and financial or medical services. Any security breach in its infrastructures could expose 74Software to a risk of unauthorised access to sensitive internal or customer data. **Management of internal systems** 74Software must ensure the protection of its infrastructure, networks, devices, and internal applications, with efficient monitoring of access and usage rights, data flows, and interconnections. Security risks have also increased due to remote connections in the context of widespread working from home and the development of BYOD (Bring Your Own Device) – the use of personal devices for professional use. Internal systems and tools must provide, more than ever in this changing industry, insightful and data-driven analytical capabilities to manage the business. Axway is in the process of finalising the implementation of its new financial and human resources information systems. A strong focus will be placed in 2025 on integrating SBS, with the deployment of common tools and processes. **Potential impact on 74Software** The occurrence of severe security risks may damage the Company's reputation, lead to legal proceedings with the customers or authorities concerned and, more broadly, have a significant negative impact on results.	**Security organisation and management** The security of products and solutions is foremost in 74Software priorities. A dedicated product security team ensures that all security requirements are met during product development (Secure Software Development Life Cycle), providing "Zero trust security" and "security by default" on our software. Security tests must be successfully completed before the release of each product. The constant maintenance and modernisation of products seek to manage technology and security debt and correct identified vulnerabilities. Proactive and corrective controls are performed to ensure our products remain "state of the art", and combat security breaches and technological obsolescence, particularly that of third-party components. For cloud services, dedicated teams constantly monitor the smooth running of operations on customer production environments and manage any security breach or vulnerability. Other teams are dedicated to the management of security on internal systems and infrastructures. With the help of tools – including intrusion detection and prevention systems – they monitor internal systems and manage server and workstation vulnerabilities. Systems for backing up data, monitoring infrastructures and data flows, and controlling access to sites and IT applications are deployed universally. **Protection of information** 74Software ensures it complies with data privacy protection regulations to protect the security and confidentiality of information and sensitive data of both customers and the Company. The Company fully adheres to the requirements set forth in the GDPR (General Data Protection Regulation) under the control of its DPO (Data Protection Officer). **Internal policies and procedures** The Company has defined an information security management system comprising a consistent set of policies and procedures based on ISO 27001 principles. Under the responsibility of its CISO (Chief Information Security Officer), these policies are applied across the Company, enabling it to obtain external certifications. As security is everyone's concern, all employees receive yearly training, particularly on information security. The Company has also set up a Business Continuity Plan, disaster recovery plan and crisis escalation procedures to quickly remediate any security issues and minimise the reputational impact of a security breach. A cybersecurity insurance policy was taken out in addition to professional indemnity insurance coverage to manage and cover as well as possible the different types of cybersecurity risks. More details are available in Chapter 2, Section 4 "Insurance and risk hedging policy".

Attraction, development & retention of key talents

Risk description MATERIALITY ■■	Risk management process
Rare and sought-after expertise 74Software operates in a highly competitive business sector, with some particularly rare and sought-after expertise. This creates significant employee mobility, salary competition, and makes certain experts hard to find or retain. In this context, the Company may encounter difficulties in attracting, recruiting, and retaining talent. Given the complexity of its solutions, 74Software must build the loyalty of staff members who boast the critical expertise required for its success, and who have a good understanding of how software is used. Companies must also be able to develop their talents by enhancing their soft and personal skills, and by providing efficient team training in technical and commercial aspects of products and offerings. Failing to do so could result in a gap between employee expertise and requirements, jeopardising innovation. **Attrition risk** The pandemic context which affected the whole economy specifically impacted the labour market. A notable catch-up effect was observed in 2021 and 2022, with significant employee attrition and a widespread phenomenon of "Great resignation". Staff turnover has since returned to a more controlled level. In addition, high inflation levels since 2022 impacted salary costs. The economic and geopolitical context remains complex and changing and is likely to have an even greater impact on business activity and the labour market. Following the acquisition of SBS, one of the critical aspects of a successful integration will be the ability to retain key talents. The harmonious management of Human Resources is therefore more than ever necessary, to favour employee engagement and loyalty. **Potential impact on 74Software** A significant reduction in the number of highly experienced employees, especially through their move to a competing company, could weaken certain activities and increase recruitment costs and labour costs, notably through the extended use of outsourcing.	**Controlled employee attrition** 74Software has set up comprehensive programmes to attract, develop, engage, recognise, and retain talents. The in-house recruitment team ensures the ability to attract sought-after profiles depending on the skills needed. The employee attrition rate remained under control in recent years, and did not lead to the departure of key stakeholders. Labour costs are carefully monitored, and the overall reduction in the number of employees remains under control and is in line with the Company's strategy. **Talent management** 74Software recognises talent and builds loyalty for the long-term. The Human Resources team performs an annual Talent Review exercise with the involvement of all managers, to assess not only the performance but also the potential of each employee, and to identify an individual career and development plan, as well as training needs. With the new size of the Company, greater focus will be placed on internal mobility with increased opportunities to pursue a lengthy carrier within the Company. 74Software proposes numerous training modules, constantly renewed, notably as the products evolve. The Company also encourages more transparent managerial communication to share and explain strategy and associate teams through more participative methods. **Employee engagement** Employee involvement and engagement are considered to be an essential performance lever. The Company conducts yearly surveys to measure employee engagement, which will be harmonised. Actions are monitored at the highest level to further improve employee engagement and motivation. Moreover, as explained in detail in Chapter 3 "Corporate responsibility", 74Software implements strong commitments regarding its social, environmental and employer responsibility, in particular with regard to the feminisation of its teams and the inclusion of people with disabilities.

Financial information

Risk description MATERIALITY ■	Risk management process
Quality of financial information Errors, fraud, or non-compliance with accounting rules and tax regulations could lead to inconsistencies in financial reporting and/or penalties from local authorities. Inaccuracies, limited visibility, or insufficient analytical possibilities in the management of budgets, financial reporting and analysis and forecasting of revenues and costs could lead to the poor management of resources and wrong investment decisions. **Cash needs** With the acquisition of SBS, cash generation and the management of Working Capital Requirements are more critical than ever. Delays and errors in order management, invoicing and cash collection of customer receivables and cash forecasting could increase liquidity risks. Insufficient management of relations with creditors and banks could lead to fraud and credit risks. **Potential impact on 74Software** Significant issues regarding the quality of financial information or cash management could impact the Company's financial results and lead to legal proceedings with the authorities concerned.	**Finance teams and processes** 74Software finance teams ensure accounting rules and tax provisions are strictly followed in all countries where the Company is present. This maximizes the accuracy of financial reporting, while ensuring full compliance with tax regulations, notably regarding the use of tax credits including research tax credits (*Crédit Impôt Recherche,* CIR). Finance teams have implemented strict processes on the invoicing of customers, the follow-up of customer receivables and cash collection; they have also built cash forecasting reports. Finally, anti-fraud and ethics-related processes and training are particularly designed to meet the needs of financial teams regarding evolving fraud threats. **Financial information systems** Accounting and financial reporting tools have largely evolved in recent years with the deployment of a new system. Common reporting, procedures and tools are being implemented to cover all Axway and SBS scopes.

Purchasing & Reliance on third-parties

Risk description MATERIALITY ■	Risk management process
Management of expenditures Purchases must be negotiated, meet requirements and quality standards, be validated at the right level with budget and cost controls, and be efficiently managed from a contractual standpoint. Insufficient management of expenditure could lead to wrong investment decisions, overspending and poor value for money. Additionally, over-reliance on critical vendors such as major cloud providers and the excessive use of outsourcing could put our operations and production at risk. **Transition Services Agreement** With the acquisition of SBS, a Transition Services Agreement was signed with Sopra Steria. The carve-out agreement determines the conditions under which the seller undertakes to provide services to the buyer, to guarantee business continuity during the empowerment phase (duration of services, cost, etc.). TSAs are always costly and 74Software must gain autonomy in the management of some functions, tools and processes. The aim is to terminate most transition services by the end of 2025. **Potential impact on 74Software** Significant issues in the management of purchasing could impact the cost base and negatively affect operations and production.	**Purchasing process and teams** Delegation rules and validation workflows are implemented to ensure consistent decision-making on expenditures, at the required level of responsibility. Purchasing and Legal teams help the business to define their needs and secure the contractual components. Monitoring and reporting processes allow an in-depth review of the cost base and allocation of budgets. **Integration of SBS** Teams are working hard to define where the adoption of common systems and processes is required. Whenever needed, all entities will be onboarded in the most relevant tools and processes. The objective is to gain autonomy and provide a unified experience and common approach to all teams, where it makes the more sense. These actions will be pursued throughout 2025.

Regulatory compliance

Risk description MATERIALITY ■	Risk management process
Regulatory inflation 74Software operates in many countries *via* its subsidiaries and is therefore subject to various legislations. The Company must comply with national regulations and implement regulatory requirements for commercial, fiscal or data privacy matters as well as on environmental, social, and corporate responsibility subjects. There may also be laws on foreign investment or import-export regulations, and the Company may be required to comply with certain regulatory provisions in its capacity as subcontractor. **Regulated sectors** Finally, some sectors where 74Software is present – and especially the banking, financial, health, or public sectors – may have some specific regulations or require authorisations to conduct business. All these regulations may be amended at any time. 74Software can make no assurance that no breaches of regulation will be identified during an audit or inspection. Likewise, the Company can make no assurance that its suppliers or subcontractors comply or will always comply with applicable regulations. **Potential impact on 74Software** The occurrence of such risks may damage the Company's reputation, and lead to legal proceedings with the authorities concerned.	**Legal expertise** 74Software relies on a network of internal and external experts in addition to legal and regulatory monitoring tools to identify the regulations applicable to each of its entities and anticipate, and comply with them. **Controls implemented** 74Software is growing a culture of compliance and business ethics: the Company has implemented a Code of Ethics, a whistle-blowing procedure, and training or awareness campaigns on security, GDPR, the fight against fraud and corruption, insider trading, etc. A specific mapping of corruption risks is also maintained and considered when establishing risk factors. With the significant presence of SBS in some geographies where standalone Axway was not present, harmonisation is in progress, with the roll out of common internal control and continuous improvement processes to ensure full compliance with applicable regulations, especially regarding business conduct. 74Software undertakes to fully comply with the tax laws and regulations applicable in all countries where the company operates. **The internal control system in place within the Group** ensures that it acts in tax matters in accordance with its ethical values and principles of integrity, commitment, and responsibility. 74Software pays taxes in the countries where its activities are established and where value is created. In this regard, 74Software does not engage in tax evasion, does not resort to any practices contrary to its ethics, and has **no presence in a tax haven***. It does not hold any bank accounts in institutions based in such states or territories and, more generally, refrains from creating structures without economic or commercial substance.

* *Non-cooperative states or territories appearing on the official French list and the blacklist established by the European Union.*

2.2 Internal control and risk management

2.2.1 Internal control and risk management environment

74Software's internal control and risk management system complies with prevailing laws and regulations. It is supported by the reference framework, implementation guide and recommendations published and updated by the AMF *(Autorité des marchés financiers).*

As with any control system, it cannot provide an absolute guarantee that such risks have been totally avoided, eliminated, or controlled, or that the Company's objectives will be achieved.

2.2.1.1 Internal control

According to the definition in the AMF's reference framework, internal control is "a system set up by the Company, defined and implemented under its responsibility, which aims to ensure:

- compliance with laws and regulations;
- the application of instructions and guidelines determined by Executive Management;
- the proper functioning of the Company's internal processes, particularly those intended to safeguard its assets;
- the reliability of financial disclosures".

2.2.1.2 Risk management

With regard to risk management, its aim is to:

- create and preserve the Company's value, assets and reputation;
- safeguard decision-making and other Company processes, in order to promote the achievement of objectives;
- promote the consistency of the actions taken with the Company's values;
- unify Company employees around a common vision of the main risks and increase their awareness of risks inherent to their activity.

The main risks faced by 74Software are described in Chapter 2, Section 2.1 "Risk factors".

2.2.1.3 Implementation

All the internal control system and risk management processes described hereunder are implemented in all entities in the scope of consolidation with the aim of reducing the risk factors to an acceptable level, helping 74Software achieve its objectives and providing reasonable assurance on their implementation.

Due to the size and complexity of the SBS acquisition, 74Software is undertaking its best efforts to consolidate systems, processes, and teams into the global internal control and risk management system. This rationalisation and unification, where it makes sense, is being done with the engagement of all teams and Executive Management.

2.2.2 Components of the internal control and risk management system

2.2.2.1 Organisation

The number of legal structures is purposely limited to the simplest organisation. Nevertheless, with the acquisition of SBS, there may be more than one active company per country. A legal organisational chart is presented in Chapter 1, Section 1.6 "74Software's simplified structure at 31 December 2024".

The internal organisation of 74Software is described in Chapter 1, Section 1.8 "74Software's Organisation". The key players in risk management and internal control are the Executive Committee, centralised functional structures for the Company as a whole (Human Resources, Finance, Legal, IT, etc.), operating departments focused on a specific aspect of software publishing (Product, Research & Development, Customer Success Organisation, Marketing) and the regional or national administrative branches of these divisions.

Rules governing delegation define the operating powers attached to each level of the Company and organise the control of decisions for all entities. The decision-making levels selected reflect a balance between the autonomy of the business divisions, integrating an extended geographic coverage and the controls and limitations that are also necessary. Delegation rules are regularly reviewed and updated.

2.2.2.2 Common tools and framework

a. Ethics

The Company has formalised and communicated its Code of Ethics, as part of a transparent, fair, and loyal approach with all stakeholders: customers, employees, shareholders, partners, suppliers, and societal organizations. The Code of Ethics defines the rules that the Company and any associated stakeholder must observe in their internal behaviour and vis-a-vis persons and companies in their business relations.

This charter also describes the professional alert procedures in place should these rules not be observed (whistleblowing system). Furthermore, an Ethics Committee has been set up to regularly analyse potential cases of fraud, measures undertaken, and changes in procedures and controls which guarantee compliance with corresponding legal requirements.

Finally, a Securities Trading Code of Conduct was established to prevent insider trading, and a specific mapping of corruption risks is also kept up to date.

b. Procedures

The Operational and Functional Departments are responsible for the implementation, appropriation and correct execution of the Company's procedures. Each operating division – Product, Research & Development, CSO (Customer Success Organisation), Marketing – has a unit in charge of defining, rolling out, industrialising, and monitoring procedures, methodologies, and tools. Global and support processes (Human Resources, Infrastructures and IT systems, Finance, Legal) are also formalised. The procedures are, in part, grouped together in the QMS (Quality Management System), accessible through a collaboration portal. One of the main goals of the procedures is to manage the risks identified.

The Company also has information security management procedures (Information Security Management System), based on the principles set out in ISO/IEC standards 27001-27002 and 27005. These procedures aim to protect information systems in terms of access, use, disclosure, disruption, modification, or destruction. The IT systems security policy was designed to protect not only the Company's internal data but also that of its customers and partners. The procedures are rolled out as soon as possible following acquisitions.

2.2.2.3 Monitoring and risk identification and management system

The business monitoring system is a fundamental component of the internal control system. This system is designed not only to organise the internal dissemination of information, ascending to Executive Management, and descending to the operating and functional units, but also to direct, control, assist and train.

Management meetings held throughout and at all levels of the organisation are scheduled at regular intervals corresponding to the various horizons considered: (1) weekly for a monthly horizon (operational monitoring of the activity, monitoring of forecasts, execution and production, management of major contracts, alerts and risks); (2) monthly for an annual horizon (previous month's results, review of annual forecasts, budget monitoring); (3) annually for the multi-year timeframe (budgetary approach as part of the strategic plan).

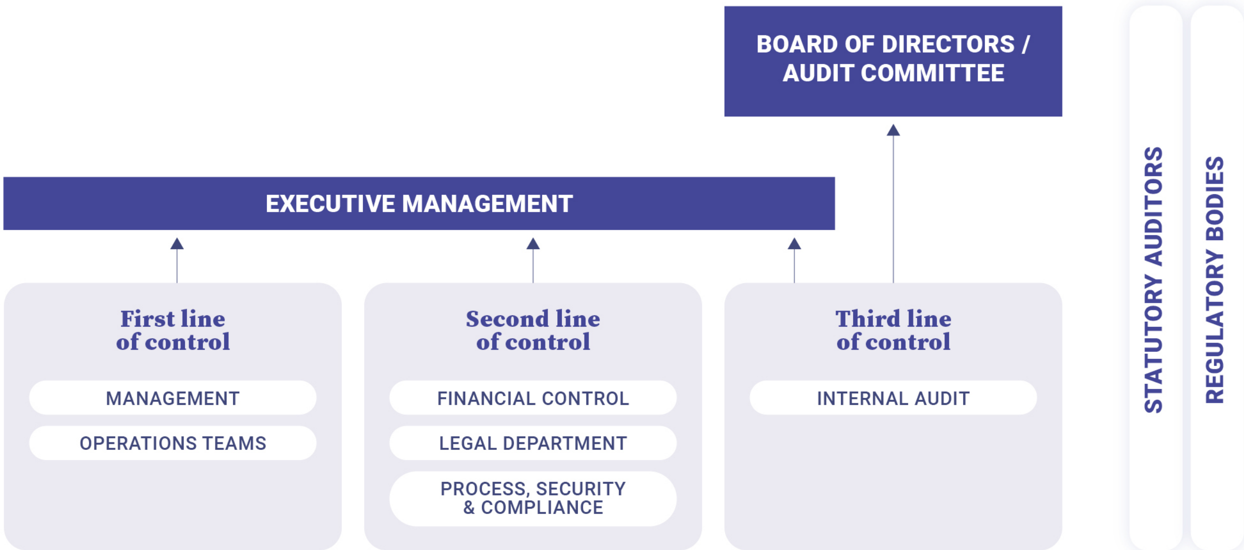
Standardised steering meetings taking place at all levels across all activities are an essential tool for the identification and management of risks. Operational issues associated with business activities – classified as "alerts" – are included

in the weekly review carried out at each level of the organisation with the aim of implementing an appropriate action plan as quickly as possible and ensuring escalation to management, if need be.

The main risk factors are listed in Chapter 2, Section 2.1 "Risk factors" of this document.

2.2.3 Key players in the internal control and risk management system

Everyone at 74Software has a part to play in risk management and internal control, from the governance bodies and senior management to each employee. Control activities take place throughout the Company, at all levels and in all functions. They are monitored both internally and externally and are subject to a continuous improvement process. In accordance with best practices, three lines of risk control can be identified and are described below.



2.2.3.1 Executive Management

The internal control and risk management system is approved and overseen by Executive Management. It monitors the system's ongoing effectiveness and takes any action required to remedy identified weaknesses. It ensures the risks remain within acceptable tolerance thresholds. Executive Management ensures that all appropriate information is communicated in a timely manner to the Board of Directors and the Audit Committee.

2.2.3.2 Board of Directors' Audit Committee

A detailed description of the Audit Committee's role and composition is available in Chapter 4, Section 4.1 "Composition and procedures of the management and supervisory bodies". The Audit Committee conducts the following assignments on behalf of the Board of Directors and reports to the Board on the following topics:

- internal control and risk management: the Audit Committee monitors the smooth running of the internal control and risk management system and the preparation and processing of accounting and financial information; it assesses the effectiveness of the processes set up by management to identify, evaluate, manage and verify financial and non-financial risks;
- financial reporting: the Audit Committee critically reviews management's decisions and assessments involving financial statements, performance analyses and half-yearly reports;
- internal audit: the Audit Committee ensures the smooth running of the internal audit function, validates the audit universe and risk mapping, approves the annual internal audit plan, and reviews assignment results as well as the implementation of recommendations;
- external audit: the Audit Committee ensures the quality of the Company's relations with the Statutory Auditors and monitors the performance of their engagement.

2.2.3.3 First line of control: operational teams

The first line of control for the internal control and risk management system is operational management, responsible for implementation in the area under its responsibility and ensuring that the procedures are respected. Operations teams in each of the main structures of the organisation define the processes and formally document the applicable procedures, in line with the delegation guidelines and rules communicated by Management. They equip themselves with the tools necessary for the Company to operate properly.

2.2.3.4 Second line of control: monitoring and control

Several control functions that report to the functional divisions play a specific role in risk management. They provide support and guidance to operational staff, using a preventive approach (contractual and expense commitments), or by performing controls on the application of procedures. 74Software has set up structured central functions such as Financial Control, the Legal Department, or the Process, Security & Compliance team.

a. Financial control

Financial Control reports to the Finance Department and has the main duties described below:

- verify Services and Subscription revenue as well as costs for all entities within the Company scope, prior to each monthly closing;
- produce a consolidated monthly report with analysis of the results from the internal management system and audit consistency with the monthly forecasts;
- control the application of rules and procedures linked to the production of financial information;
- produce financial analyses and reports to assist the operational managers and train those working with the management systems.

b. Legal Department

The Legal Department plays a key role in the management of 74Software's various contractual commitments. The procedures provide for the consultation of this department prior to the signing of contracts with third parties – whether they be customers, suppliers, or partners.

More generally, the Legal Department ensures that the Company complies with applicable laws and regulations in the countries where it operates. It also defines the management of the legal entity of the Company and of its subsidiaries. The Legal Department participates in numerous working groups, particularly with Middlenext, to discuss best practices and ensure its full compliance with prevailing regulations.

c. Process, Security & Compliance

The Process, Security & Compliance team is responsible for managing the QMS (Quality Management System). Headed by the CISO (Chief Information Security Officer), it is also responsible for the ISMS (Information Security Management System). It therefore ensures the documentation, development and enforcement of the relevant policies and procedures across the Company. This unit also manages Quality and Security certifications and responds to audit requests submitted by customers.

2.2.3.5 Third line of control: ongoing supervision by internal audit

Pursuant to the internal audit charter, this unit has the main duties described below:

- assess in an independent and objective way the functioning of the internal control system *via* a periodic audit of Company entities and activity domains;
- develop all recommendations to improve the Company's operations;
- monitor the implementation of corrective actions agreed upon following each audit;
- update the risk mapping (*Audit & Risk Universe*).

Audit assignments and associated recommendations aim to improve internal control and procedures, in order to reduce the risks identified and help achieve the Company's strategic objectives. The yearly internal audit plan is built upon the priorities identified by the risk mapping. It is submitted to the Chief Executive Officer and the Audit Committee for approval. All key areas and processes are covered within defined audit cycle. In conjunction with these transversal and thematic audits, the Internal Audit Department has developed internal control reviews carried out in all entities over the audit cycle. In addition, it may perform specific investigations related to fraud or corruption.

The Internal Audit Department is under the authority of the Chief Executive Officer and has direct access to the Chairman of the Board of Directors, if deemed necessary. Information on the audits performed, the findings identified, and the follow-up of recommendations is constantly shared with the Board of Directors' Audit Committee.

2.2.3.6 External supervision by the Statutory Auditors

During their procedures within the Company, the Statutory Auditors familiarise themselves with internal control systems relevant to the audit and assess the design and implementation of controls.

Furthermore, they conduct efficiency tests on identified key controls using sampling techniques. To gain a better understanding of the operations and the transactions in the financial statements, the Statutory Auditors hold regular meetings with Operational Managers, who are in the best position to explain the Company's business activities.

2.2.4 Assessment and continuous improvement process

Internal and external assessments of the internal control system make it possible to identify areas of improvement and give rise to action plans aimed at its enhancement. Through internal audits, internal control is continuously assessed in entities and business segments and corrective actions are implemented whenever necessary. The implementation of these actions is continuously controlled to ensure the risks identified are dealt with. No major failure of the internal control system has been identified to date.

2.2.4.1 Certifications

The continuous improvement programme headed by the Process, Security & Compliance team was continued and led to the renewal of certifications in 2024. External certification bodies are called on to conduct an impartial review of the quality and security management system.

These reviews enable 74Software to take stock of its processes and remediate any identified malfunctions. They result in a harmonisation of practices, by promoting a continuous improvement culture and contribute to perfecting the quality and security of the products and services provided:

- 74Software organises several annual independent third-party audits of a large part of its Cloud and Support activities. The resulting SSAE18/ISAE3204/ SOC1 Type II/SOC2 Type II reports state how the Company has implemented its main controls and objectives in compliance with these standards. These standards aim to reassure the users of these services on the reliability of the security and internal control system used to monitor services performed on their behalf.
- 74Software renewed its ISO 9001:2015, ISO/IEC 27001:2013 or ISO/IEC 27001:2022 certificates in 2024 for several services and teams.
- the Company remains compliant with many different specific regulations, notably HIPAA regulations published by the US Department of Health and Human Services.
- in terms of data protection, the Company complies with the General Data Protection Regulation (GDPR), the Australian Act, the LGPD in Brazil and the CCPA (California Consumer Privacy Act).

2.2.4.2 Customer audits and surveys

The security and quality management systems are regularly reviewed during customer audits. These are increasingly frequent, particularly due to the strict regulations in the banking, finance, and health sectors. Any comments made or watch-points identified are used to improve this system.

Furthermore, a team focuses on the customer experience, customers being pivotal to the Company's strategy. A customer and partner loyalty and satisfaction survey process has been implemented. Campaigns are regularly carried out, allowing us to measure customer satisfaction and customer perception of the quality of products and services, with the aim of constantly improving the offering. Customers are also surveyed on service quality during transactional studies at the closing of each case handled by the Support unit or at the end of Services projects. In addition, this Customer Experience team collects feedback from user groups.

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2.3 Preparation and processing of accounting and financial information

2.3.1 Coordination of the accounting and financial function

2.3.1.1 Organisation of the accounting and financial function

The responsibilities of the Finance Department mainly involve producing the separate financial statements of the Company's subsidiaries and preparing the consolidated financial statements, management control, tax issues, sales administration, financing, and cash accounting. The accounting and financial function is predominantly centralised within the Company. The Finance Department reports to the Company's Executive Management. Like all functions, it contributes to the aforementioned steering system. Executive Management is closely involved in the planning and supervision process as well as in preparing the financial statements.

The Board of Directors is responsible for the regular oversight of accounting and financial information. It reviews and approves the half-year and annual financial statements, taking account of the Statutory Auditors' opinion.

2.3.1.2 Organisation of the accounting information system

All companies prepare full quarterly accounts on which the Company bases its published quarterly sales figures and interim financial statements. Monthly financial statements that include operating profit are prepared for all companies. The application of rules is monitored continuously by the Finance Department, particularly regarding revenue recognition and project valuation rules. The accounting methods and principles used are those presented in the notes to the consolidated financial statements, as disclosed in Chapter 5, Section 5.6 of this document, "Notes to the consolidated financial statements". Any changes are presented to the Audit Committee.

2.3.2 Preparation of the reported accounting and financial information

2.3.2.1 Reconciliation of accounting data with the internal management system

All the Cost Centres prepare a monthly budget and forecast, and a detailed monthly operating statement. These actions are designed to present the reality of operations and provide a clear view of performance. The budget process offers the opportunity to apply the strategy approved by the Executive Committee, adapt the organisation to developments in business segments, market demand and competition, and assign quantitative and qualitative objectives to all entities. The revised operating statement prepared each month includes the results of the previous month and a revised forecast for the remaining months of the current year. The results derived from the analytical management system are verified and reconciled with the quarterly accounting results by the Finance Department.

2.3.2.2 Preparation and validation of the consolidated financial statements

Each 74Software company draws up monthly accounts and prepares a consolidation reporting package. The interim and annual consolidation reporting packages are reviewed by each company's external auditor. The consolidated financial statements are audited by the Statutory Auditors. For the 31 December closing, the Statutory Auditors audit the Company's financial statements, and, where necessary, those of its subsidiaries, for the purpose of their certification.

Tasked with monitoring the statutory audits, the Audit Committee reviews the work and conclusions of the Statutory Auditors pursuant to their reviews of the half-yearly and annual financial statements. The Audit Committee examines the financial statements, to ensure the consistent application and relevance of accounting policies, and to satisfy itself of the quality of financial reporting.
The financial statements are then submitted to the Board of Directors for approval.

2.3.2.3 Financial reporting

Financial reporting is supervised by the Chairman of the Board of Directors. 74Software distributes its financial information by different means and notably *via* press releases, the Universal Registration Document, and the presentation of half-yearly and annual results.

The Universal Registration Document is filed with the AMF after completion by the Statutory Auditors of their procedures. These consist in confirming the accuracy of the information on the financial position and accounts with historical financial information on which they have issued a report and reading the entire document to identify, among the other information, anything that is clearly inconsistent with their general knowledge of the Company.

All this information can be consulted on 74Software's Investor Relations website page.

2.4 Insurance and risk hedging policy

Insurance management is centralised by the Legal Department. The purpose of the insurance programme is to ensure a uniform and adapted coverage of risks for the Company and its employees, for all entities and under reasonable and optimised conditions. The scope and coverage of these various insurance programmes are reviewed annually with regard to changes in the Company's size, its activities, the insurance market and risk assessment. Of course, all insurance contracts have been renegotiated and modified to consider the acquisition of SBS.

All 74Software companies are insured with leading insurance firms for the risks that could impact their activity, results, or assets. However, it is not inconceivable that the Company may be required to pay compensation for losses not covered by the insurance programmes put in place.

The main insurance programmes are as follows:

Assurance	Description
Professional indemnity and operations insurance	This programme covers all 74Software companies. It covers the financial impacts arising from civil and professional indemnity claims in connection with their activities, due to material or immaterial physical damage or harm caused to third parties. This policy also covers the additional costs incurred to prevent accidents or reduce their impact. The overall contractual limit is €40 million per year of insurance. This programme is supplemented in France by an insurance for inexcusable conduct, the purpose of which is to guarantee the reimbursement of the financial losses incurred by the Company if they result from work-related accidents or occupational illness.
Cybersecurity insurance	This programme covers all 74Software companies. It covers all the direct or indirect financial impacts, material and immaterial damages and operating losses relating to cybersecurity risks. The overall contractual limit is €20 million per year of insurance.
Senior executives' and company officers' professional indemnity insurance	This programme covers all 74Software company officers, senior executives, and directors. The programme covers all the financial impacts of claims made against them for any professional negligence committed during the performance of their duties. The overall contractual limit is €30 million per year of insurance. Additional D&O insurance has been subscribed for Australia, India, Brazil and for the United States scope.
Assistance for employees on assignment	This programme covers all 74Software employees, company officers, senior executives, and directors. It covers accidents or illnesses arising on business trips.
Operating damage and loss insurance	Insurance programmes have been set up to cover losses and damages to property (sites, equipment, terminals, etc.) and operating losses.

3 Sustainability Statement

Introduction

This chapter presents, for the year 2024, the material issues of 74Software in terms of sustainability and the identified risks, in accordance with:

- The obligations of the new European Directive 2022/2464/EU, known as the Corporate Sustainability Reporting Directive (CSRD), which replaces and expands the requirements of Directive 2014/95/EU on the disclosure of non-financial information, and aims to harmonise and strengthen the non-financial reporting of companies;
- Article L. 225-102-1 of the French Commercial Code concerning the vigilance plan; and
- The European Regulation 2020/852 of June 18, 2020 (the "Taxonomy Regulation"), which establishes a framework to facilitate sustainable investments within the European Union.

74Software is also a signatory of the United Nations Global Compact, and as such discloses annually the progress achieved against the principles contained in the Global Compact.

In September 2024, Axway acquired SBS, a company slightly bigger than itself in terms of revenue and double the size of Axway in terms of headcount. This transformational event reshaped the company's size and future. In December 2024, the new group chose a new name, 74Software, which now consists of two brands: Axway and SBS. Due to the size and complexity of the SBS acquisition, 74Software has undertaken its best efforts to consolidate the information from both companies. However, the main policies, programs, and initiatives, as well as some indicators, will be aligned during 2025-2026. Unless otherwise indicated, the indicators are consolidated at the 74Software level. Partial information is sometimes provided for Axway or for SBS, with clear indications in each case.

This chapter forms an integral part of the French-language Rapport de Gestion (Management Report) and has been the subject of a certification by the statutory auditors authorised to verify the sustainability information in accordance with the requirements of the CSRD. Their report is presented in section X Limited Assurance Report on Sustainability and Taxonomy Information.

3.1 General Information (ESRS2) AFR SR

The European Sustainability Reporting Standards (ESRS) provide a comprehensive framework for sustainability disclosures, applicable across all sectors and sustainability topics. ESRS2 highlights the importance of transparency, materiality assessment, and stakeholder engagement. It requires 74Software to disclose its sustainability governance, strategy, and the management of impacts, risks, and opportunities. The standard also integrates minimum disclosure requirements for policies, actions, metrics, and targets.

However, the Group faces several uncertainties and limitations during this initial year of implementing the CSRD regulation. The interpretation of the regulatory text and the modifications in terms of data collection, reporting accuracy, and resource allocation mean that 74Software still has areas requiring improvement to meet all reporting requirements.

One of the main challenges of 2024 was the integration of SBS, following its acquisition by Axway on 2 September, leading to the formation of a new, larger Group. This acquisition introduced complexities in aligning sustainability reporting procedures and ensuring consistency across the newly expanded organisation. The four-month period together in 2024 did not permit the Group sufficient time to align all existing policies, processes, programmes, and indicators.

Consequently, this report explicitly identifies policies and programmes applicable only to Axway or SBS. When information is available for only one company, it is clearly stated in the report. By default, the published information relates to the entire Group's scope.

3.1.1 Basis for preparation

74Software's sustainability report is prepared in accordance with ESRS guidelines. It outlines the scope of the value chain, the estimation methods used, and any changes from previous reporting periods. This approach ensures sustainability disclosures that are consistent, comparable, and reliable.

3.1.1.1 Basis for preparation (ESRS2 BP-1)

The sustainability report of 74Software was prepared on a consolidated basis and, unless otherwise specifically mentioned, is aligned with the financial statements. The report complies with the European Sustainability Reporting Standards (ESRS), Article L. 233-28-4 of the Commercial Code, and the Taxonomy Regulation. The carbon footprint was calculated using the GHG Protocol methodology.

The data in this report was selected based on a double materiality analysis, involving stakeholders through surveys, interviews, and workshops. Further details regarding this process can be found in section 3.1.4.1 of this Chapter.

The sustainability report covers the Group's upstream and downstream value chain, focusing on stakeholders with whom 74Software has direct relationships and can therefore directly influence. This includes both procurement and sales aspects. For 74Software, the key elements are outlined in the Company's operations and value chain description in section 3.1.2.1 of this Chapter.

74Software has not used the options to omit specific information related to intellectual property, know-how, or the results of innovation, nor has it utilised the exemption from disclosure of impending developments or matters currently under negotiation.

3.1.1.2 Disclosures in relation to specific circumstances (ESRS2 BP-2)

74Software has not deviated from the time horizons defined by ESRS 1 Section 6.4, which include short-term (defined as the period adopted by 74Software as the reporting period in its financial statements, namely one calendar year), medium-term (extending from the end of the short-term reporting period up to five years), and long-term (periods extending beyond five years).

In terms of estimations, the only ones made relate to the carbon footprint assessment, as detailed in the environmental section. No social or governance data have been estimated. Any estimation, assumption, approximation, or judgment is clearly explained in the relevant section.

Changes in the preparation or presentation of sustainability information compared to the previous period result from the need to comply with the CSRD regulation and the inclusion of SBS in the consolidation scope, following the acquisition completed by Axway on 2 September 2024. The previous sustainability report for 2023 was based solely on the Axway perimeter, while this report is based on the newly formed 74Software perimeter and includes two companies: Axway and SBS. Therefore, the information published in 2023 is not comparable to the information published in the 2024 sustainability report.

This year, 74Software is publishing the environmental footprint of the Group's downstream activities for the first time, particularly the greenhouse gas emissions resulting from Axway's customers' use of its products. Given that there is currently no common methodology and there are limitations in available data, including cloud usage, the variability in customers' energy use and challenges in tracking introduce a moderate degree of uncertainty, potentially leading to deviations from actual values. Given the difficulty of obtaining detailed, client-specific information on the impact of using Axway products, the Company uses Axway's technical data to model the on-premises use of its software by clients.

74Software's sustainability strategy includes reducing the environmental impact of its products. While Axway's efforts prior to 2024 focused on impact measurement, SBS emphasised eco-friendly software development. Starting in 2025, the Group will harmonise its policies and objectives to cover 74Software as a whole. 74Software is investing in gathering more accurate data from its products, which is expected to improve downstream emissions reporting accuracy over the next three years.

Due to the first year of CSRD implementation, certain information is not available and is listed in 3.1.5 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement (ESRS2 IRO-2).

References have been incorporated into the following disclosure requirement: ESRS 2 SBM-1 paragraph 42b (Introduction, Business Model).

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3.1.2 Entity activities and business model

3.1.2.1 Entity activities and business model (ESRS2 SBM-1)

74Software, established in 2024, is a global software company headquartered in Annecy, France, with a workforce of 5,000 spanning 26 countries. The Company's strategy is centred on positioning itself as a leading independent enterprise software provider, fostering long-term stakeholders relationships, and delivering sustained value to clients, employees, and shareholders. 74Software offers a diverse portfolio of products and services, including managed file transfer, B2B integration, API management, integration platforms as a service, financial accounting hubs, and specialised banking and financial software. A key development during the reporting period was the expansion of its financial software solutions through the acquisition of SBS. The Company serves a broad range of markets, including large enterprises and financial institutions, with no products or services restricted in any region.

Region	Headcount	% of total headcount
Europe	3,090	65%
Americas	378	8%
Middle East - Africa	437	9%
Asia/Pacific	882	18%
TOTAL	**4,787**	**100%**

The headcount figures represent the number of employees as of December 31, 2024 (end of the reporting period).

Revenue is generated through software subscriptions, licences, on-site support, consulting, development, training, and related services. The Company provides segment reporting in compliance with IFRS 8, ensuring that revenue information aligns with IFRS 8 reconciliation requirements.

Business Line	Revenue (€m)	% of Revenue
Subscription	302.0	44%
Maintenance & Support	194.8	28%
Licenses	47.3	7%
Services	146.0	21%
TOTAL	**690.0**	**100%**

74Software does not operate in the fossil fuel, chemical production, controversial weapons, or tobacco industries. The Company's sustainability objectives are centred on maximising its social, societal, and minimizing its environmental impact while adhering to the principles of the UN Global Compact. To ensure accountability, 74Software undergoes regular independent assessments by third-party organisations, including CDP, EcoVadis, EthiFinance ESG Ratings, ISS ESG, and others.

74Software's business model is founded on its expertise in software development and secure data management, delivering significant value to large enterprises and institutions. Its value chain includes key suppliers, customers, distribution channels, and end-users, with a strong emphasis on maintaining ethical and sustainable relationships. At the heart of the Group's strategy is a commitment to creating value for all stakeholders. A comprehensive overview of the Company's business model is available in Chapter 1, Section 1.1.4.

74Software's primary inputs consist of skilled professionals and advanced technology infrastructure, both of which are essential for delivering high-quality software solutions and maintaining a competitive edge in the industry. Skilled professionals are acquired through a rigorous recruitment process that identifies and attracts top talent. The Company continuously invests in training and development programmes, ensuring that employees are equipped with cutting-edge expertise and aligned with emerging industry trends.

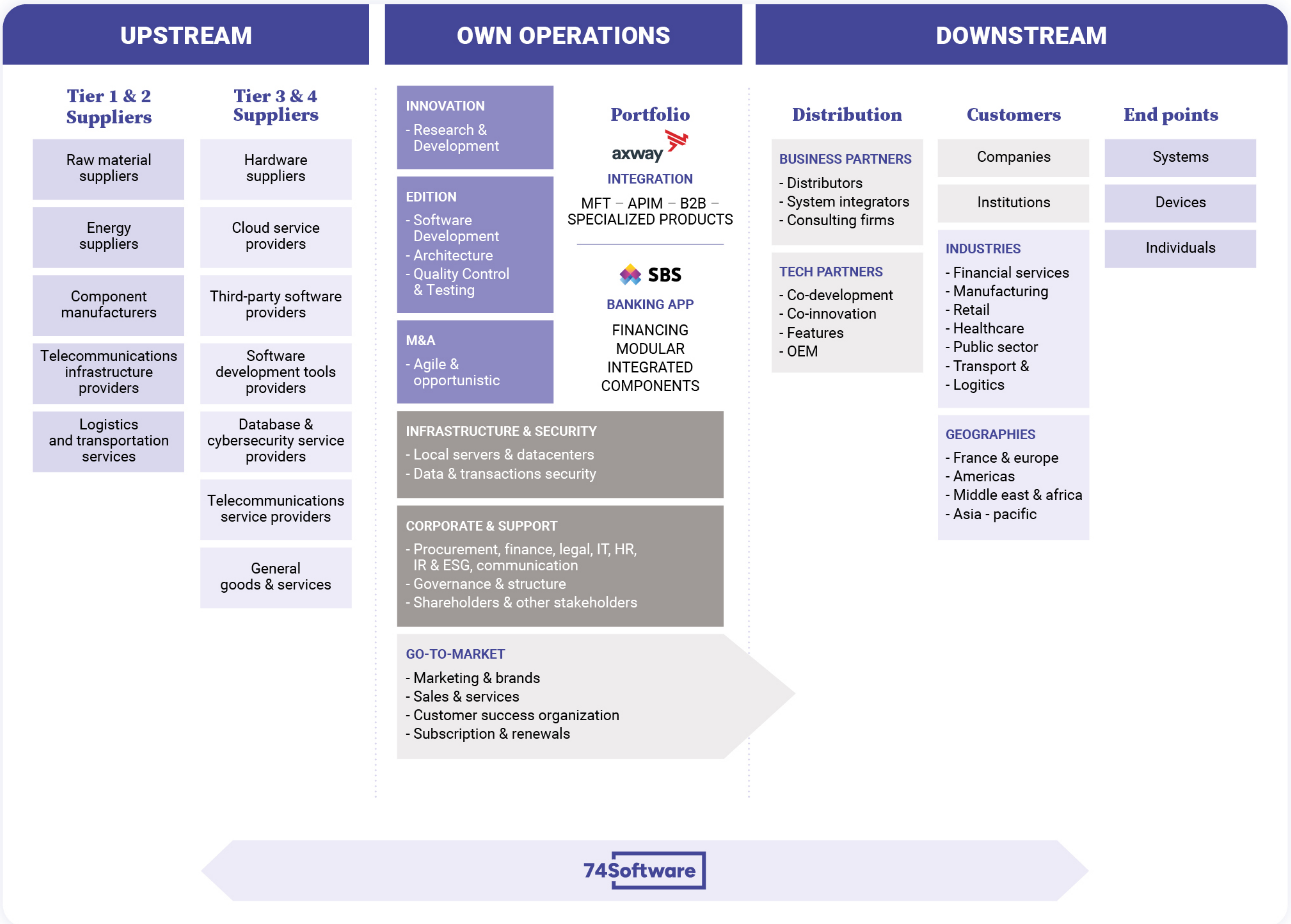
Advanced technology infrastructure and proprietary software development tools are sourced through strategic partnerships with technology providers and ongoing research and development efforts. The Company remains at the forefront of technological advancements by integrating cutting-edge tools and methodologies into its processes. With data security as a top priority, 74Software implements robust measures to safeguard sensitive information and maintain compliance with industry standards. In response to rapid technological evolution, the Company is committed to developing energy efficient software and actively seeks strategic partnerships to accelerate innovation. 74Software collaborates with a trusted network of suppliers and partners to source high-quality materials and services, fostering long-term relationships built on mutual trust and sustainability. The Company also takes proactive steps to minimise the environmental impact of its supply chain by adopting more sustainable practices, working with suppliers who utilise renewable energy sources, and ensuring adherence to stringent environmental and ethical standards.

74Software's products drive significant operational efficiencies and cost reductions for customers while actively supporting their sustainability objectives. Axway solutions contribute to sustainable IT practices by optimising resource usage and facilitating cloud migration, reducing the environmental impact of traditional infrastructure. Products such as Amplify and Managed File Transfer (MFT) enhance data transfers and system integration, minimising redundancy and reducing reliance on manual processes. By promoting cloud adoption, Axway enables companies to utilise data centres incorporating partially renewable energy sources and efficient cooling technologies, thereby helping to lower their overall carbon footprint.

Axway products are engineered for long-term use, reducing the need for frequent reinvestment and thereby minimising electronic waste. By aligning with modern IT practices, Axway promotes sustainability through process optimisation and automation, ensuring that business operations become more efficient and environmentally responsible.

SBS solutions are designed with sustainability at their core. The Company prioritises carbon footprint reduction, resource efficiency, and the integration of sustainable practices into product development. SBS ensures that its software solutions are energy-efficient and fully compliant with environmental regulations, enabling clients to meet evolving sustainability expectations while driving long-term, responsible growth. By championing digital sustainability, SBS empowers clients to minimise their environmental impact without compromising on performance or reliability.

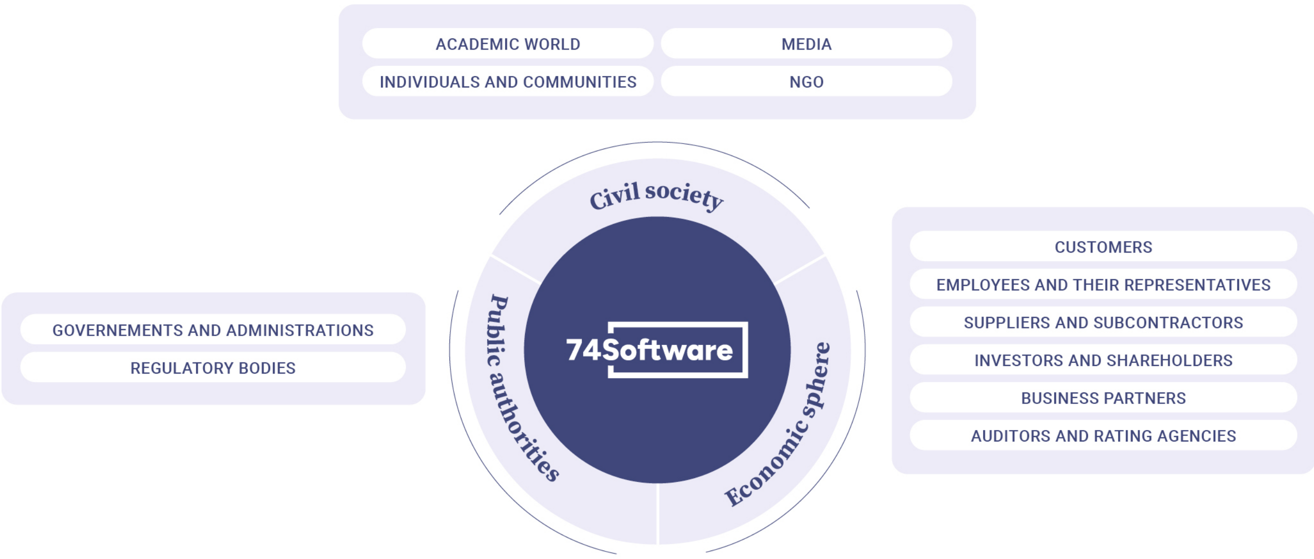
Both Axway and SBS uphold the highest security standards and maintain strict regulatory compliance, ensuring optimised business processes while enhancing operational efficiency. Their commitment to data protection and security reinforces sustainable business practices by safeguarding sensitive information and fostering trust with clients.



3.1.2.2 Interests and views of stakeholders (ESRS2 SBM-2)

74Software engages with a wide range of stakeholders, actively integrating their interests and views into its strategy and business model. Upstream stakeholders include key suppliers, providers, and partners, such as second-level suppliers of raw materials, energy providers, and service vendors. These stakeholders significantly influence the company's approach to sustainability and responsible sourcing. More directly, stakeholders include suppliers of hardware, software, cloud services, third-party applications, and cybersecurity providers. Downstream stakeholders comprise enterprise and institutional customers, distribution channels, technology innovation partners, original equipment manufacturers (OEMs), and endpoints such as systems, devices, and individual end-users. By maintaining collaborative and transparent relationships with these stakeholders, 74Software ensures that its sustainability practices are both relevant and impactful across the entire value chain.

Additionally, 74Software engages with civil society, including media, NGOs, academic institutions, individuals, and local communities. The Company also maintains active relationships within the economic sphere, collaborating with customers, suppliers, employees and their representatives, investors, shareholders, auditors, rating agencies, business partners, and public and regulatory authorities.



74Software engages with a wide range of stakeholders through proactive dialogue, actively incorporating their insights into its strategy and business model. Stakeholder engagement includes regular interaction and the integration of their interests into the company's ongoing strategic development. Stakeholder relationships are systematically managed, with interests monitored through various structured methods. For example, employee engagement is measured through an annual survey, the results of which inform specific action plans implemented throughout the year, while customer satisfaction is tracked through systematic NPS surveys with clients and partners.

In response to stakeholder interests and views, 74Software has significantly adapted its strategy and business model. The Group has integrated stakeholder feedback into its approach, leading to concrete enhancements in key areas. This includes adjustments based on insights from stakeholders, such as integrating feedback on sustainability priorities into strategic planning processes. As a result, the Group has committed to developing and implementing initiatives, including science-based targets for decarbonisation and enhancements to its social programmes. These initiatives are scheduled to be rolled out over the next two years, aiming to strengthen the Company's relationships with stakeholders by demonstrating a clear commitment to transparency, sustainability, and continuous improvement, ultimately fostering increased trust, collaboration, and mutual benefit.

The table below lists 74Software's main stakeholders:

Stakeholders	Engagement type	Details
Employees	■ Town hall meetings ■ Employee engagement surveys ■ Sustainability trainings and programs	The entire group's headcount is covered by the mentioned initiatives.
Customers	■ NPS ■ Feedback sessions ■ Customer satisfaction surveys	74Software primary customers include large enterprises and financial institution.
Suppliers & Partners	■ Contracts ■ ESG questionnaires ■ Suppliers & Partners Charter	First level suppliers for which 74Software is a direct customer, particularly those committed to sustainable practices.
Investors	■ Annual general meetings ■ Investor conferences & roadshows ■ Sustainability reporting	Institutional and individual investors with a growing interest in sustainable business practices.
Regulators	■ Compliance audits ■ Regular reporting	Government bodies and industry regulators focused on environmental and safety standards.
Local Communities	■ Community outreach programs ■ Academic engagement	Communities where our offices are located.

74Software is committed to meeting stakeholder expectations by participating in annual CSR evaluations and adhering to recognised standards. The Company actively engages with EcoVadis to assess its CSR performance and responsible purchasing practices, while also taking part in EthiFinance ESG Ratings to respond to our investors' evaluations.

Additionally, 74Software contributes to the Climate Disclosure Project (CDP) and submits Communication on Progress (COP) reports as part of its commitment to the UN Global Compact. The Company's adherence to the GHG Protocol ensures compliance with an internationally recognised framework for measuring and reducing greenhouse gas (GHG) emissions. Furthermore, the United Nations' Sustainable Development Goals (SDGs) serve as a guiding framework for 74Software's CSR initiatives.

74Software integrates stakeholder interests and perspectives into its strategy and business model through active engagement. The Company analyses these insights as part of its due diligence and materiality assessment processes, ensuring that its actions align with stakeholder expectations and sustainability objectives. The administrative, management, and supervisory bodies are regularly updated on stakeholder views regarding the Company's sustainability-related impacts. This is facilitated through structured reporting and discussions, as detailed in Section 3.1.3.1 The role of the administrative, management, and supervisory bodies (ESRS2 GOV-1).

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3.1.3 Sustainability governance

3.1.3.1 The role of the administrative, management, and supervisory bodies (ESRS2 GOV-1)

Sustainability governance at 74Software is structured around the Board of Directors and the Executive Committee, aligning with the Group's global governance framework, which has followed the recommendations of the Middlenext governance code since 2013. CSR objectives, programmes, and progress are overseen by the CEO in quarterly meetings and are presented to the Board at least twice a year, either within the Nomination, Governance, and Corporate Responsibility Committee or the Audit Committee. The CEO leads the CSR strategy, supported by the EVP of People and Culture and the Head of Corporate Social Responsibility.

The Board of Directors consists of a minimum of three and a maximum of eighteen members. Directors are appointed, reappointed, or removed by the Ordinary General Meeting, with all members eligible for re-election. Each director serves a four-year term. The Board elects a Chairman from among its members, who must be a neutral person, and retains the authority to revoke the Chairman at any time.

The organisation and functioning of the Board are governed by Articles L. 225-17 and subsequent provisions of the Commercial Code, as well as Articles 14 to 21 and 23 of the Company's bylaws and internal regulations. These bylaws and internal regulations are available on the Company's website: https://www.74software.com/bylaws-regulations-agreements.

In 2024, the Board comprises eleven non-executive members, including four women, representing 36.4% of the Board, and four independent members, also accounting for 36.4%. There are no employee representatives on the Board. The members bring expertise across software publishing, financial services, entrepreneurship, finance, risk management, corporate social responsibility, human resources, social relations, environmental and societal issues, as well as international experience. Diversity is a key focus in the composition of the Board, ensuring a balance between independent and non-independent members while striving for gender equality. The Board also promotes multicultural diversity and a broad range of competencies to strengthen its governance and decision-making.

Composition of the Board of Directors:

Name	Age	Nationality	Independent Director	Term Expiry Date (AGM)
Pierre Pasquier	89	French		2027
Kathleen Clark	57	American and French		2027
Pierre-Yves Commanay	59	French		2026
Nicole-Claude Duplessix	65	French		2025
Emma Fernandez	61	Spanish	x	2027
Michael Gollner	65	American and British		2025
Dominique Illien	71	French	x	2028
Yann Metz-Pasquier	36	American and French		2026
Olivier Placca	56	French	x	2025
Patrick Renouvin	65	French	x	2027
Marie-Hélène Rigal	54	French		2026

CSR Competencies Represented on the Board of Directors:

Name	CSR - HR and Social Relations	CSR - Environmental and Societal Issues
Pierre Pasquier	x	
Kathleen Clark		x
Pierre-Yves Commanay	x	
Nicole-Claude Duplessix	x	
Emma Fernandez	x	x
Michael Gollner		
Dominique Illien	x	
Yann Metz-Pasquier		
Olivier Placca	x	
Patrick Renouvin	x	x
Marie-Hélène Rigal	x	x

The Executive Committee consists of eight members, all men, reflecting 0% female representation and a need for greater gender diversity. Recognising this, 74Software is committed to fostering a more inclusive leadership structure and increasing female representation in executive roles. The Committee sets the organisation’s strategic direction, makes key decisions, and oversees policy and initiative implementation.

Their CSR expertise spans environmental, social, and governance (ESG) topics. They are committed to advancing initiatives that promote environmental responsibility and social equity within the organisation. This includes implementing sustainable policies, supporting diversity and inclusion efforts, and ensuring transparent and accountable governance.

CSR Competencies represented in Executive Committee:

Name	CSR - HR and Social Relations	CSR - Environmental and Societal Issues
Patrick Donovan	x	x
Eric Bierry	x	x
Tobias Unger	x	
Philippe Buisson	x	x
Yann Metz-Pasquier		
Paul French		x
Xavier Rebeuf		x
Roland Royer	x	x

The skills and expertise represented on the Board of Directors and the Executive Committee are essential in addressing 74Software's material impacts, risks, and opportunities. The diverse backgrounds of its members - including software publishing, financial services, entrepreneurship, finance, risk management, and corporate social responsibility - enable a comprehensive approach to sustainability challenges. Their expertise in human resources, social relations, environmental and societal issues, and international business ensures the Company can effectively identify and mitigate environmental impacts, anticipate regulatory changes, and develop products with a lower environmental footprint. This multidisciplinary knowledge underpins the development and implementation of robust policies and targets, driving the Company's sustainability strategy forward. By leveraging their collective experience, the Board and Executive Committee can navigate complex sustainability issues, capitalise on opportunities for innovation, and enhance the Company's long-term resilience and success.

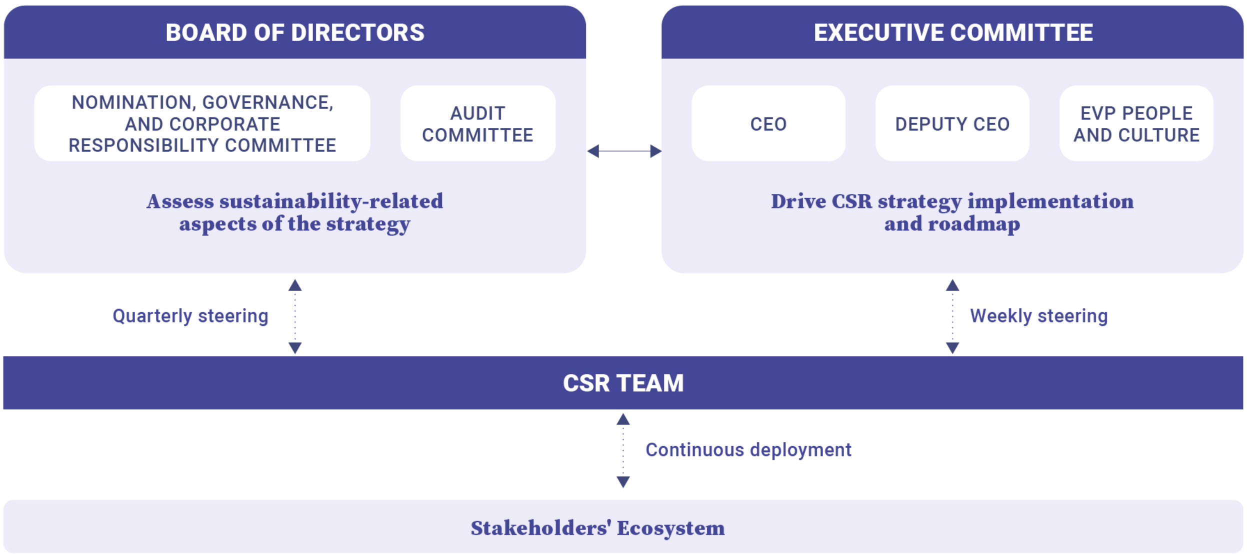
The Board of Directors and the Executive Committee play a pivotal role in overseeing sustainability impacts, risks, and opportunities. They continuously assess and refine sustainability-related aspects of the Company's strategy and business model, ensuring that material risks and opportunities are identified and addressed through well-defined policies and targets. At the operational level, the CEO, supported by the Deputy CEO, the EVP of People and Culture, and the Head of Corporate Social Responsibility, drives the implementation of sustainability initiatives. Together, they translate strategy into action, oversee the execution of key initiatives, and provide regular progress updates to the Board, reinforcing the Company's commitment to responsible and sustainable growth.

Progress on sustainability targets is regularly reviewed by the Nomination, Governance, and Corporate Responsibility Committee, along with senior management. The Committee meets quarterly to assess reports, track progress, and discuss key developments. The Board conducts an annual review of the sustainability strategy to ensure alignment with the Company's long-term objectives. Regular internal audits reinforce compliance with policies and procedures, while the Audit Committee oversees sustainability reporting, including matters related to audits and the sustainability report.

The Company has established dedicated controls and procedures to manage impacts, risks, and opportunities, integrating these mechanisms with other internal functions to ensure a cohesive and effective approach. The Nomination, Governance, and Corporate Responsibility Committee provides ongoing oversight, regularly reviewing progress and sustainability initiatives. To reinforce compliance and awareness, the Company conducts internal audits and training sessions, ensuring that all employees across the Group understand and adhere to the established policies and procedures.

The CSR department reports directly to the CEO on a weekly basis and delivers regular presentations to the Board or its committees. To ensure accuracy and accountability, CSR regulatory reporting is reviewed by independent third-party auditors.

All information related to the Board of Directors is presented in Chapter 4, Section 4.1.



3.1.3.2 Information provided to and sustainability matters addressed by the 74Software's administrative, management and supervisory bodies (ESRS2 GOV-2)

The administrative, management, and supervisory bodies, along with their respective committees, are typically updated on a quarterly basis by the CEO, who represents the Executive Committee. In addition, they receive a comprehensive presentation at least twice a year from both the CEO and the Head of CSR. Material topics are given particular focus in the implementation of the Company's strategy, with some of them incorporated into the variable remuneration framework for the CEO and certain operational managers. The Board of Directors ensures that all material IROs are integrated into strategic decision-making and the management of risks and opportunities, reinforcing the Company's commitment to sustainable and responsible growth.

All information related to the matters discussed by the Board of Directors is detailed in Chapter 4, Section 4.1.2.3.b. In 2024, key topics included professional and salary equality, social and environmental responsibility objectives, the strengthening of internal ethics and anti-corruption systems, and compliance with the CSRD directive, including the Double Materiality Assessment and all the material IROs.

3.1.3.3 Objectives and variable remuneration aligned with ESG (ESRS2 GOV-3)

The remuneration of the CEO and the Deputy CEO is partially based on qualitative and quantitative, social and/or environmental non-financial criteria. These criteria include:

- 5% based on the employee engagement indicator, which can be increased to 10% in case of notable over performance;
- 5% based on the customer satisfaction indicator (Net Promoter Score);
- 5% based on an environmental performance indicator.

The achievement of these quantitative and qualitative criteria is reviewed by the Board of Directors when approving the annual financial statements for the past fiscal year, based on the recommendation of the Remuneration Committee. By linking these incentives to CSR goals, the Company encourages its leaders to prioritise and achieve these targets, thereby promoting sustainable practices throughout the organisation.

3.1.3.4 Statement on due diligence (ESRS2 GOV-4)

The data provided in this report and their accuracy are subject to thorough verification by the sustainability auditors appointed by the General Meeting of Shareholders of 74Software. In 2024, 74Software entrusted the audit of its sustainability report to Mazars and Aca Nexia for a one-year mandate. Throughout the process of preparing this report, 74Software's teams collaborated closely with the appointed auditors to ensure full compliance with the CSRD requirements. The quantitative and qualitative data provided underwent several controls, tests, and verification processes.

Particular attention was given to the definition of material impacts, risks, and opportunities (IROs) and compliance with CSRD publication standards. During the audit, several top managers and key stakeholders were interviewed and/or surveyed to gather comprehensive insights and ensure the integrity of the information provided. The engagement letter for the sustainability auditors emanates from the CEO, underscoring the Company's commitment to transparency and accountability.

The audit work conducted by the sustainability auditors resulted in multiple presentations and in-depth discussions with the Board of Directors and its committees. These interactions facilitated a robust review process, ensuring that the sustainability report accurately reflects 74Software's due diligence practices and sustainability performance. The Company remains committed to continuously improving its sustainability reporting framework.

Core elements of Due Diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy and business model	ESRS 2 – GOV-2 : Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies ESRS 2 – GOV-3 : Integration of sustainability-related performance in incentive schemes ESRS 2 – SBM-3 : Material impacts, risks and opportunities and their interaction with strategy and business model
Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 – GOV-2 : Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies ESRS 2 – IRO-1 : Description of the processes to identify and assess material impacts, risks and opportunities ESRS 2 – MDR-P : Policies adopted to manage material sustainability matters ESRS 2 – SBM-2 : Interests and views of stakeholders Topical ESRS : ■ SBM-2 : Interests and views of stakeholders ■ MDR-P : How stakeholders' views are incorporated into policy
Identifying and assessing adverse impacts	ESRS 2 – IRO-1 : Description of the processes to identify and assess material impacts, risks and opportunities ESRS 2 – SBM-3 : Material impacts, risks and opportunities and their interaction with strategy and business model Topical ESRS : ■ SBM-3 : Material impacts, risks and opportunities and their interaction with strategy and business model
Taking actions to address those adverse impacts	ESRS 2 – MDR-A : Actions and resources in relation to material sustainability matters Topical ESRS : ■ The range of actions, including transition plans
Tracking the effectiveness of these efforts and communicating	ESRS 2 – MDR-M : Metrics in relation to material sustainability matters ESRS 2 – MDR-T : Tracking effectiveness of policies and actions through targets Topical ESRS : ■ Metrics and indicators section

3.1.3.5 Risk management and internal controls in terms of ESG reporting (ESRS2 GOV-5)

Effective risk management and internal controls are crucial for accurate and reliable ESG reporting at 74Software. The central team collects ESG data from all levels of the Company, including central operations, country offices, and suppliers. This data is extracted from various management tools and systems, such as HR systems and other internal tools, or directly submitted by subsidiaries. The central CSR team is responsible for collecting, analysing, and verifying the data through consistency checks. The information is verified, supporting documentation is requested, and the data is adjusted according to the reporting period before consolidating it into comprehensive reports. This meticulous process ensures that the ESG data reported is accurate and reliable, reflecting the Company's commitment to transparency and accountability.

Furthermore, the governance structure overseeing ESG reporting at 74Software plays a crucial role in managing risks and internal controls. The central CSR team conducts audits and ensures the accuracy of the collected data. The CEO and the Board of Directors oversee this process, providing strategic direction and ensuring that ESG reporting aligns with the Company's sustainability goals. Relevant committees, such as the Nomination, Governance, and Corporate Responsibility Committee, play a key role in monitoring and guiding ESG initiatives. This robust governance framework ensures that 74Software's ESG reporting is not only accurate but also aligned with the Company's broader strategic objectives. In 2024, there was no specific risk assessment for ESG reporting, as it was the first exercise.

3.1.4 Impacts, Risks, and Opportunities management (IRO)

3.1.4.1 Identification of the IROs and Double Materiality Analysis (ESRS2 IRO-1)

In 2024, 74Software conducted a Double Materiality Analysis (DMA) in line with the Corporate Sustainability Reporting Directive (CSRD), guided by European Sustainability Reporting Standards (ESRS) 1 & 2 and informed by the Company's due diligence activities. The process, overseen by the CSR team with support from an external consulting firm, followed a structured six-step methodology, engaging internal experts from various departments and validated by the executive leadership team.

The first phase focused on identifying material sustainability topics, considering the Company's business model, value chain, SASB standards, and peer benchmarks. This exercise resulted in the definition of twenty-eight key topics, each assessed for impacts, dependencies, risks, and opportunities across the value chain - spanning the Company's own operations, upstream suppliers, and downstream activities - as well as across short, medium, and long-term horizons. In total, 158 IROs were evaluated, with ongoing refinement expected as the Company further integrates SBS and enhances its understanding of the value chain.

A key outcome of this analysis was the identification of critical dependencies, highlighting reliance on technology suppliers, a skilled workforce, third-party partnerships, customer engagement, and regulatory compliance. To assess materiality, the methodology incorporated standardised rating scales, evaluating each factor based on its severity, likelihood, magnitude, and time horizon. These criteria ensured a consistent, data-driven approach to measuring both the financial impact of sustainability risks and their broader implications for stakeholders.

The DMA unfolded in two key stages. The first stage involved mapping the interconnections between impacts, dependencies, and potential risks and opportunities, ensuring a holistic understanding of their financial and operational significance. This was followed by an assessment of likelihood and magnitude, using both qualitative and quantitative thresholds in line with ESRS 1 Section 3.5: Financial Materiality. The evaluation accounted for direct business implications, including effects on financial performance, reputation, and operational resilience.

The broader risk assessment framework integrates sustainability-related risks alongside other business risks, leveraging a structured approach to prioritisation and mitigation. This process, supported by a range of risk assessment tools, ensures that the most critical sustainability risks are effectively addressed and aligned with the Company's long-term strategic objectives. By embedding sustainability considerations within its risk management framework, 74Software maintains continuous oversight of emerging risks and opportunities, reinforcing its commitment to responsible and adaptive business practices.

Stakeholder engagement was central to the refinement of the DMA, with internal subject matter experts and employees contributing insights through surveys, interviews, and workshops. Regular updates were provided to the Board of Directors and the Audit Committee, ensuring alignment with corporate governance and decision-making structures.

By adhering to ESRS principles, the DMA process emphasised transparency, materiality assessment, and stakeholder inclusion. The rigorous data collection approach, supported by structured evaluations of industry benchmarks, ensures that the Company's sustainability disclosures accurately reflect both actual and potential impacts. This commitment to robust and comparable reporting strengthens the reliability of the Company's sustainability strategy, ensuring informed decision-making and proactive risk management.

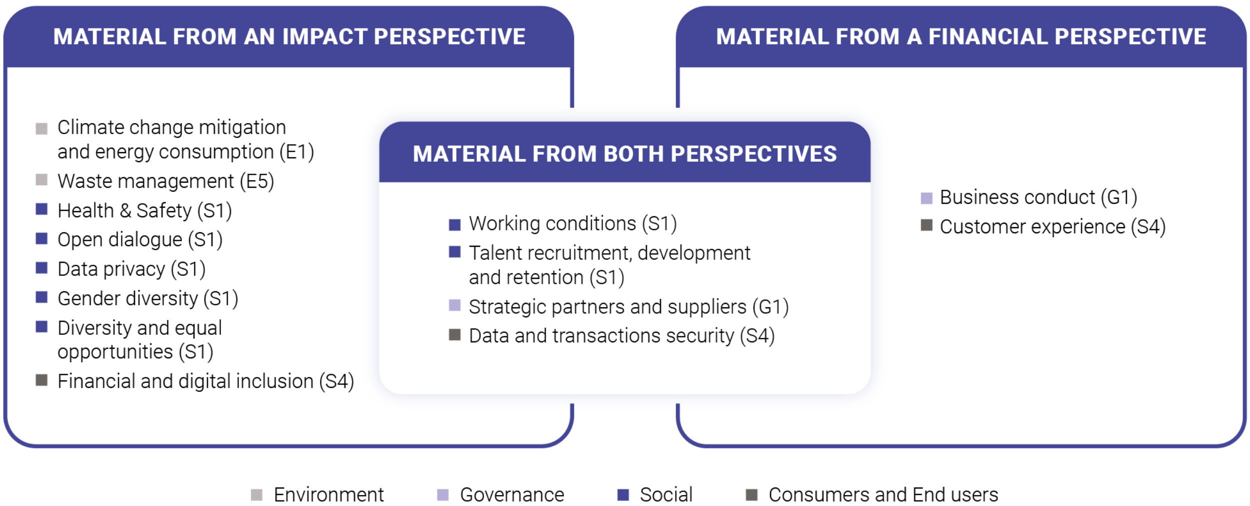
3.1.4.2 Material Impacts, Risks, and Opportunities and their interaction with strategy and business model (ESRS2 SBM-3)

Through its materiality assessment, 74Software has identified 37 key impacts, risks, and opportunities (IROs), categorised under environmental, social & societal, and governance aspects. These IROs are detailed in the subsequent sections of this report, specifically in ESRS E1, E5, S1, S4, and G1.

Material impacts, risks, and opportunities per ESRS standards:

Standard	Topic	Material IROs
ESRS E1	Climate Change Mitigation and Energy	I-
ESRS E5	Waste	I-
ESRS S1	Working Conditions	I-, I+, R, O
	Health & Safety	I-
	Talent Recruitment and Development	I-, I+, R, O
	Open Dialogue	I-
	Diversity and Equal Opportunities	I+
	Gender Diversity	I+
	Data privacy	I-
ESRS S4	Financial and Digital Inclusion	I+
	Data and Transaction Security	I-, R
	Customer Experience	R, O
ESRS G1	Business Conduct	R, O
	Strategic Partners and Suppliers	I+

I-: negative impact(s); I+: positive impact(s); R: risk(s); O: opportunitie(s)



The Sustainability Report outlines how 74Software identifies and assesses environmental and social risks within its supply chain. It details the evaluation procedures, including supplier assessments, to ensure compliance with sustainability standards. The report also maps out the actions taken to mitigate identified risks, such as the implementation of corrective action plans. Additionally, it explains how the Company monitors and reports on its due diligence activities, highlighting key performance indicators (KPIs) and providing regular updates to stakeholders.

The Due Diligence and Materiality Assessment (DMA) process identifies and assesses material Impacts, Risks, and Opportunities (IROs), which are further detailed under each relevant topic in the sustainability statements. These material IROs are closely linked to 74Software's core business activities, primarily concentrated within its own operations. They relate to the Company's ability to develop and deliver software solutions, products, and projects, influencing and being influenced by key stakeholders such as clients, end-users, employees, data centre operations, and hardware management. Given their integration with the business model, most IROs are managed through ongoing operational processes, enabling direct intervention when necessary.

For environmental IROs within the upstream and downstream value chain, 74Software exerts direct influence by setting science-based targets to reduce greenhouse gas (GHG) emissions, implementing a low-carbon trajectory at the Group level, and strengthening procurement and waste management policies. However, the Company recognises that negative environmental impacts extend beyond its operational footprint, as climate change and electronic waste present global challenges.

The material environmental impacts identified are both actual and negative, primarily arising from the operational strain on the environment, particularly in relation to carbon emissions, energy consumption, and electronic waste generation. The social impacts identified are predominantly potential and negative, reflecting inherent challenges in the software sector, such as privacy concerns, high workload, and gaps in diversity and inclusion. However, mitigation measures, including policies and initiatives, are either already in place or scheduled for implementation in the coming years. Without such actions, these negative impacts could affect both employees and end-users.

Beyond risk mitigation, 74Software also generates positive impacts. The Company creates value for employees through training and skills development while supporting digitalisation for citizens, businesses, and public institutions. The anticipated timeframes for these impacts are classified into short-term, medium-term, and long-term categories.

Efforts to enhance opportunities and mitigate risks are embedded within the Company's governance structures, ensuring an integrated and proactive approach. As a result, 74Software demonstrates high resilience across the time horizons defined in the 2024 Due Diligence and Materiality Assessment. This resilience analysis relies on qualitative insights from internal subject-matter experts, providing a comprehensive evaluation of mitigating factors across all IROs.

At present, 74Software is unable to quantify the financial effects of its material risks and opportunities. However, ongoing assessments and enhancements to the DMA process will continue to refine the Company's understanding of these financial implications over time.

3.1.5 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement (ESRS2 IRO-2)

74Software has structured its sustainability report to comply with the relevant ESRS Disclosure Requirements, as outlined by the Corporate Sustainability Reporting Directive (CSRD). Below is a list of the Disclosure Requirements that have been addressed in this report, alongside references to the relevant sections.

The material information to be disclosed was determined based on the sustainability matters in relation to the impacts, risks and opportunities that were assessed to be material in the double materiality analysis process described previously.

ESRS Standard	Disclosure requirement	Paragraph DR's	Materiality Status
ESRS E1 - Climate Change	Disclosure Requirement E1-2 – Policies related to climate change mitigation and adaptation	3.2.3 Disclosure Requirement E1-2 Policies related to climate change mitigation and adaptation	Material
	Disclosure Requirement E1-3 – Actions and resources in relation to climate change policies	3.2.4 Disclosure Requirement E1–3 Actions and resources in relation to climate change policies	Material
	Disclosure Requirement E1-4 – Targets related to climate change mitigation and adaptation	3.2.5 Disclosure Requirement E1–4 Target related to climate change mitigation and adaption	Not published this year
	Disclosure Requirement E1-5 – Energy consumption and mix	3.2.6 Disclosure Requirement E1-5 Energy consumption and mix	Not published this year
	Disclosure Requirement E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	3.2.7 Disclosure Requirement E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Material
	Disclosure Requirement E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	3.2.8 Disclosure Requirement E1-7 – GHG removals and GHG mitigation projects financed through carbon credits	Not material
	Disclosure Requirement E1-8 – Internal carbon pricing	3.2.9 Disclosure Requirement E1-8 – Internal carbon pricing	Not material
	Disclosure Requirement E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		Not material
ESRS E5 - Resource use and circular economy	Disclosure Requirement E5-1 – Policies related to resource use and circular economy	3.3.2 Disclosure Requirement E5-1 – Policies related to resource use and circular economy	Material
	Disclosure Requirement E5-2 – Actions and resources related to resource use and circular economy	3.3.3 Disclosure Requirement E5-2 – Actions and resources related to resource use and circular economy	Material
	Disclosure Requirement E5-3 – Targets related to resource use and circular economy	3.3.4 Disclosure Requirement E5-3 – Targets related to resource use and circular economy	Not published this year
	Disclosure Requirement E5-4 – Resource inflows	3.3.5 Disclosure Requirement E5-4 and E5-5 – Resource inflows and outflows	Not material
	Disclosure Requirement E5-5 – Resource outflows	3.3.5 Disclosure Requirement E5-4 and E5-5 – Resource inflows and outflows	Not material
	Disclosure Requirement E5-6 – Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	3.3.6 Disclosure Requirement E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Not published this year

ESRS Standard	Disclosure requirement	Paragraph DR's	Materiality Status
ESRS S1 - Own Workforce	Disclosure Requirement S1-1 – Policies related to own workforce	3.5.2 Disclosure Requirement S1-1 – Policies related to own workforce	Material
	Disclosure Requirement S1-2 – Processes for engaging with own workforce and workers' representatives about impacts	3.5.3 Disclosure Requirement S1-2 – Processes for engaging with own workforce and workers' representatives about impacts	Material
	Disclosure Requirement S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns	3.5.4 Disclosure Requirement S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns	Material
	Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	3.5.5 Disclosure Requirement S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Material
	Disclosure Requirement S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.5.6 Disclosure Requirement S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Material
	Disclosure Requirement S1-6 – Characteristics of the undertaking's employees	3.5.7 Disclosure Requirement S1-6 – Characteristics of the undertaking's employees	Material
	Disclosure Requirement S1-7 – Characteristics of non-employees in the undertaking's own workforce	3.5.8 Disclosure Requirement S1-7 – Characteristics of non-employees in the undertaking's own workforce	Material
	Disclosure Requirement S1-8 – Collective bargaining coverage and social dialogue	3.5.9 Disclosure Requirement S1-8 – Collective bargaining coverage and social dialogue	Material
	Disclosure Requirement S1-9 – Diversity metrics	3.5.10 Disclosure Requirement S1-9 – Diversity metrics	Material
	Disclosure Requirement S1-10 – Adequate wages	3.5.11 Disclosure Requirement S1-10 – Adequate wages	Material
	Disclosure Requirement S1-11 – Social protection	3.5.12 Disclosure Requirement S1-11 – Social protection	Material
	Disclosure Requirement S1-12 – Persons with disabilities	3.5.13 Disclosure Requirement S1-12 – Persons with disabilities	Not material
	Disclosure Requirement S1-13 – Training and skills development metrics	3.5.14 Disclosure Requirement S1-13 – Training and skills development metrics	Material
	Disclosure Requirement S1-14 – Health and safety metrics	3.5.15 Disclosure Requirement S1-14 – Health and safety metrics	Material
	Disclosure Requirement S1-15 – Work-life balance metrics	3.5.16 Disclosure Requirement S1-15 – Work-life balance metrics	Material
	Disclosure Requirement S1-16 – Remuneration metrics (pay gap and total remuneration)	3.5.17 Disclosure Requirement S1-16 – Remuneration metrics (pay gap and total remuneration)	Pay gap not published this year
	Disclosure Requirement S1-17 – Incidents, complaints and severe human rights impacts	3.5.18 Disclosure Requirement S1-17 – Incidents, complaints and severe human rights impacts	Not published this year

ESRS Standard	Disclosure requirement	Paragraph DR's	Materiality Status
ESRS S4 - consumers and end-users	Disclosure Requirement S4-1 – Policies related to consumers and end-users	3.6.2 Disclosure Requirement S4-1 – Policies related to consumers and end-users	Material
	Disclosure Requirement S4-2 – Processes for engaging with consumers and end-users about impacts	3.6.3.1 Disclosure Requirement S4-2 – Processes for engaging with consumers and end-users about impacts	Material
		3.6.4.1 Disclosure Requirement S4-2 – Processes for engaging with consumers and end-users about impacts	
		3.6.5.1 Disclosure Requirement S4-2 – Processes for engaging with consumers and end-users about impacts	
		3.6.6.1 Disclosure Requirement S4-2 – Processes for engaging with consumers and end-users about impacts	
	Disclosure Requirement S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	3.6.3.2 Disclosure Requirement S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Material
		3.6.4.2 Disclosure Requirement S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	
		3.6.5.2 Disclosure Requirement S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	
		3.6.6.2 Disclosure Requirement S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	
	Disclosure Requirement S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	3.6.3.3 Disclosure Requirement S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Material
		3.6.4.3 Disclosure Requirement S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	
		3.6.5.3 Disclosure Requirement S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	
		3.6.6.3 Disclosure Requirement S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	
	Disclosure Requirement S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.6.3.4 Disclosure Requirement S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Material
		3.6.4.4 Disclosure Requirement S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
		3.6.5.4 Disclosure Requirement S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
		3.6.6.4 Disclosure Requirement S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	

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ESRS Standard	Disclosure requirement	Paragraph DR's	Materiality Status
ESRS G1 - Business conduct	Disclosure Requirement G1-1– Business conduct policies and corporate culture	3.7.1 Disclosure Requirement G1-1– Business conduct policies and corporate culture	Material
	Disclosure Requirement G1-2 – Management of relationships with suppliers	3.7.2 Disclosure Requirement G1-2 – Management of relationships with suppliers	Material
	Disclosure Requirement G1-3 – Prevention and detection of corruption and bribery	3.7.3 Disclosure Requirement G1-3 – Prevention and detection of corruption and bribery	Material
	Disclosure Requirement G1-4 – Incidents of corruption or bribery	3.7.4 Disclosure Requirement G1-4 – Incidents of corruption or bribery	Not published this year
	Disclosure Requirement G1-5 – Political influence and lobbying activities	3.7.5 Disclosure Requirement G1-5 – Political influence and lobbying activities	Not material
	Disclosure Requirement G1-6 – Payment practices	3.7.6 Disclosure Requirement G1-6 – Payment practices	Material

Compliance with EU Legislative Data points

In addition to complying with the European Sustainability Reporting Standards (ESRS), 74Software has incorporated specific data points required by EU legislation, as outlined in Appendix B of the ESRS framework. These include mandatory disclosures under the Non-Financial Reporting Directive (NFRD), the EU Taxonomy, and other relevant regulations.

List of data points in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR (23) refer	Pillar 3 (24) refer	Benchmark Regulation (25) refer	EU Climate Law (26) refer	Materiality Status	Section
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 (27), Annex II		Material	Section 3.1.3.1
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	Section 3.1.3.1
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	Section 3.1.3.4
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Not published this year	Section 3.2.2
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Not material	

Disclosure Requirement and related datapoint	SFDR (23) refer	Pillar 3 (24) refer	Benchmark Regulation (25) refer	EU Climate Law (26) refer	Materiality Status	Section
ESRS E1-4 GHG emission reduction targets, paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	Section 3.2.5
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Not material	
ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator number 5 Table #1 of Annex 1				Not published this year	Section 3.2.6
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material	
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	Section 3.2.7
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	Section 3.2.7
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not material	

Disclosure Requirement and related datapoint	SFDR (23) refer	Pillar 3 (24) refer	Benchmark Regulation (25) refer	EU Climate Law (26) refer	Materiality Status	Section
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Not material	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Not material	
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not material	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	
ESRS E3-1 Water and marine resources, paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material	
ESRS E3-1 Dedicated policy, paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material	
ESRS E3-4 Total water consumption in m 3 per net revenue on own operations, paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material	
ESRS 2- SBM 3 - E4, paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material	

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Disclosure Requirement and related datapoint	SFDR (23) refer	Pillar 3 (24) refer	Benchmark Regulation (25) refer	EU Climate Law (26) refer	Materiality Status	Section
ESRS 2- SBM 3 - E4, paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material	
ESRS 2- SBM 3 - E4, paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material	
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material	
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material	
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material	Section 3.5.2.5
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	Section 3.5.2.5
ESRS S1-1 processes and measures for preventing trafficking in human beings, paragraph 22	Indicator number 11 Table #3 of Annex I				Not material	
ESRS S1-1 workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex I				Material	Section 3.5.2.6
ESRS S1-3 grievance/complaints handling mechanisms, paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material	Section 3.5.4.1

Disclosure Requirement and related datapoint	SFDR (23) refer	Pillar 3 (24) refer	Benchmark Regulation (25) refer	EU Climate Law (26) refer	Materiality Status	Section
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Not material	
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not published this year	Section 3.5.17.1
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Material	Section 3.5.17.2
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Not published this year	Section 3.5.18
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines, paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Not material	
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material	
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material	
ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material	
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	

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Disclosure Requirement and related datapoint	SFDR (23) refer	Pillar 3 (24) refer	Benchmark Regulation (25) refer	EU Climate Law (26) refer	Materiality Status	Section
ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Material	Section 3.7.1
ESRS G1-1 Protection of whistle-blowers, paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Not material	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Material	Section 3.7.4
ESRS G1-4 Standards of anti- corruption and anti- bribery, paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material	Section 3.7.3

3.2 Climate Change (ESRS E1)

Climate change represents a major challenge for 74Software, and our company is actively committed to reducing its environmental impact. The remuneration of the CEO and Deputy CEO is partially linked to environmental criteria, with 5% tied to the reduction of 74Software's carbon footprint.

The achievement of these quantitative and qualitative criteria is assessed by the Board of Directors during the approval of the annual financial statements for the past fiscal year, based on the recommendation of the Remuneration Committee. By integrating CSR objectives into executive remuneration, the Company reinforces its commitment to sustainability, encouraging its leaders to prioritise and achieve these targets while promoting sustainable practices throughout the organisation.

3.2.1 Climate change IROs (E1)

As a leading player in the software industry, 74Software recognises its responsibility in the global fight against climate change. The Company acknowledges that software firms are both significant energy consumers and key enablers of climate solutions. 74Software is committed to minimising its environmental impact by optimising data centre operations and digital infrastructure, leveraging its technological expertise to develop more efficient solutions that reduce the industry's environmental footprint. This commitment includes reducing the carbon footprint of its software solutions and driving overall emissions reductions.

This agenda outlines the Group's comprehensive strategy for addressing its most material environmental impacts, with a focus on climate change mitigation and energy management. A key element of this approach is ensuring that the Group's partners and suppliers align with 74Software's social, societal, and environmental commitments, thereby extending sustainability efforts across the entire value chain.

For this reason, 74Software is committed to transforming its operations and supporting its clients on their sustainability journeys through the implementation of a digital sustainability strategy for its products. This strategy focuses on minimising the environmental impact of digital technology while harnessing its potential to mitigate the social and environmental footprint of other processes.

The Impact, Risk, and Opportunities (IRO) analysis was conducted with a comprehensive scope, considering 74Software's business activities and geographical footprint. The analytical process involved engagement with key stakeholders through interviews and surveys, as well as collaboration with an external consulting firm to define and validate 74Software's double materiality assessment. As part of this process, a high-level evaluation of physical and transition risks and opportunities was carried out. This assessment concluded that adaptation to climate change is not considered a material matter, as detailed in Section ESRS 2 : 3.1.4 Impacts, Risks, and Opportunities management (IRO). A more detailed analysis, including scenario-based evaluations and transition event assessments, is planned to further examine exposure and impacts along the value chain.

		Value Chain Location			Time Horizon		
IROs		Upstream	Own operations	Downstream	Short term	Medium term	Long Term
Climate change mitigation: The Company's activities contribute to greenhouse gas emissions, which intensify the greenhouse effect, raise global temperatures, and exacerbate climate change impacts like extreme weather, rising sea levels, and ecosystem disruptions.	Impact -	✓	✓	✓	✓	✓	✓
Climate change mitigation: Digital technologies are responsible for 4% of global greenhouse gas emissions, significantly contributing to global warming. Most of these emissions stem from digital infrastructure, such as data centres, cloud services, and electronic devices.	Impact -	✓	✓	✓	✓	✓	✓
Energy: Given 74Software's activity as a software publisher, it requires substantial and continuous energy consumption, which contributes to climate change.	Impact -		✓	✓	✓	✓	✓

3.2.2 Transition plan for climate change mitigation (E1-1)

Given the recent acquisition of SBS by Axway in September 2024, the new Group 74Software has a long way to go to align all practices and build a new common sustainability strategy with ambitious targets and a roadmap. However, both SBS and Axway have a strong track record of monitoring greenhouse gas (GHG) emissions and remain committed to reducing their carbon footprint through the implementation of targeted emissions reduction initiatives.

Although 74Software does not yet have a formal transition plan for climate change mitigation, it is actively working to align with the transition to a sustainable economy and the goal of limiting global warming to 1.5°C, in accordance with the Paris Agreement. The Company is also committed to supporting the objective of achieving climate neutrality by 2050, with no or limited overshoot, as established in Regulation (EU) 2021/1119 (European Climate Law). To achieve this, 74Software is focusing on:

- improving the measurement of the Company's carbon footprint, particularly the carbon footprint of the Group's products;
- defining the SBTi targets and a low-carbon trajectory;
- implementing initiatives to reduce carbon emissions;
- elevating the industry in terms of environmental standards by working with our partners, suppliers, and clients and promoting the best standards in low-carbon solutions.

Our objective is to have a climate change mitigation transition plan approved by our administrative, management, and supervisory bodies by the end of 2026. This plan will be fully integrated into and aligned with 74Software's overall business strategy and financial planning.

3.2.3 Policies related to climate change mitigation (E1-2)

74Software is committed to addressing the challenges posed by climate change while actively managing environmental risks and opportunities. The Impact, Risk and Opportunities analysis was conducted on the complete business and geographical scope of 74Software.

The following table address each impact, risk, and opportunity separately under its respective topic.

IROs
Climate change mitigation: The Company's activities contribute to greenhouse gas emissions, which intensify the greenhouse effect, raise global temperatures, and exacerbate climate change impacts like extreme weather, rising sea levels, and ecosystem disruptions.
Impact -
Policy
Although 74Software does not have a formal environmental policy, its actions are guided by its commitment to the Global Compact. Through Axway, 74Software is a signatory of the Global Compact, demonstrating its dedication to sustainable and responsible business practices. Historically, SBS was also a signatory via Sopra Steria Group. In 2025, this commitment will be made at the 74Software level. Regarding climate change, the Global Compact encourages companies to support the transition to a low-carbon economy, reduce greenhouse gas emissions, and promote sustainable environmental practices. Supplier and Partner Charter: 74Software has established a Supplier and Partner Charter, incorporating its commitments to suppliers. These include reducing the environmental impact of their activities, sites, products, and services, measuring and reducing greenhouse gas emissions, and preserving natural resources by controlling energy consumption.
Programmes
74Software has implemented several initiatives to address climate change. The Group conducts an annual greenhouse gas (GHG) emissions assessment, covering Scopes 1, 2, and 3. It organises Cyber Clean-Up Days to reduce digital storage and optimise IT resource use. The Company has adopted agile working methods, enabling employees to work 60% remotely and 40% on-site, reducing commuting-related emissions and office energy consumption. Some teams have been relocated to modern, environmentally friendly co-working spaces, while office space has been optimised by eliminating underutilised areas. Through its Supplier & Partner Charter, 74Software engages suppliers and partners to measure and reduce their environmental impact. The Company has also updated its travel policy to encourage sustainable transportation and is in the process of replacing its fleet with hybrid and electric vehicles.

IROs
Climate change mitigation: Digital technologies are responsible for 4% of global greenhouse gas emissions, significantly contributing to global warming. Most of these emissions stem from digital infrastructure, such as data centers, cloud services, and electronic devices.
Impact -
Policy
74Software's SBS division has developed a comprehensive digital sustainability strategy aimed at reducing the environmental impact of digital technology while leveraging its potential to mitigate the social and environmental footprint of other processes. The digital strategy is sponsored by Executive Committee member Xavier Rebeuf, in his role as Head of Research and Development Operations. It is driven by the Digital Sustainability Officer, who is part of the CSR team, and overseen by the Executive Committee. As of September 2024, this agenda has been extended to Axway and is being adapted for 74Software. This policy includes using the French eco-design referential (RGESN) to assess the global maturity score of services and conducting Life Cycle Analyses (LCA) of flagship products hosted on AWS Cloud. The Company is committed to training employees in eco-design and impact measurement, establishing a network of digital sustainability referents, and holding monthly steering committee meetings. The CSR team, particularly the Digital Sustainability Officer, leads regular communication campaigns to promote awareness of this policy. Each business unit has a digital sustainability referent responsible for disseminating relevant information within their teams. Dedicated intranet pages on SBS provide employees with updates on the deployment of the Digital Sustainability Strategy. From 2025, this approach will be extended to Axway. Key objectives include training 30% of programming teams in eco-design and incorporating SBS products into the calculation of GHG emissions from the use of sold products by the end of 2025. In developing this policy, 74Software actively considered the interests of key stakeholders through multiple channels. Customer feedback, gathered through surveys and direct engagement, highlighted the growing importance of sustainable digital solutions. Employee feedback, obtained through internal surveys and discussions, underscored the need for training and resources to implement eco-design practices. Input from investors and partners, collected through sustainability-focused dialogues, reinforced the importance of transparent reporting and measurable impact. These insights were integrated into the policy development to ensure alignment with stakeholder expectations and priorities. 74Software remains committed to reducing its environmental impact through key initiatives and policies. As a signatory of the Global Compact via its Axway division, and with SBS having been a signatory under Sopra Steria Group in 2024, the Company demonstrates its commitment to sustainable and responsible business practices. Additionally, 74Software has established a Supplier and Partner Charter, incorporating its commitments to suppliers. These include reducing the environmental impact of their activities, sites, products, and services, measuring and reducing greenhouse gas emissions, and preserving natural resources by controlling energy consumption.
Programmes
74Software has allocated both financial and human resources to drive progress and ensure the effective implementation of its digital sustainability roadmap. The strategy is overseen by a Sustainability Steering Committee, which provides governance and direction. To support the implementation of this strategy, 74Software prioritises several key actions. These include enhancing the measurement of the Company's carbon footprint, with a particular focus on the carbon impact of its products, and implementing initiatives to reduce emissions. The Company collaborates with industry peers and engages with key suppliers to share best practices and promote collective action. Additionally, 74Software continues to invest in innovation and R&D to develop sustainable and climate-resilient solutions.

IROs
Energy Given 74Software's activity as a software publisher, it requires substantial and continuous energy consumption, which contributes to climate change.
Impact -
Policy
The digital sustainability strategy, participation in the Global Compact, and commitment to the Supplier and Partner Charter demonstrate 74Software's dedication to sustainability and its proactive approach to mitigating environmental impact, particularly in energy consumption. By implementing these frameworks, the Company aims to reduce energy usage, enhance efficiency, and promote the adoption of renewable energy sources across its operations and supply chain.
Programmes
74Software's Axway division has adopted agile working methods, enabling employees to work 60% remotely and 40% on-site. This approach significantly reduces the environmental impact of commuting and office energy consumption. By relocating some teams to modern, environmentally friendly co-working spaces, the Company benefits from energy-efficient buildings. Additionally, optimising office space by reducing unused areas helps minimise energy consumption for heating, cooling, and lighting.

3.2.3.1 Focus on Digital sustainability strategy

74Software's digital sustainability strategy aims to reduce the environmental footprint of our software products and digital infrastructure while supporting the sustainability efforts of our clients and partners. To evaluate the overall maturity of our services, we use the French eco-design framework RGESN, focusing on services hosted on AWS Cloud by conducting a life cycle analysis of our flagship products.

Key actions to support this strategy include:

- implementing an impact measurement tool to assess the environmental impact of our software;
- conducting annual eco-design audits and environmental impact assessments;
- defining non-functional requirements in eco-design;
- training employees in eco-design and impact measurement;
- creating a network of digital sustainability referents for our flagship products.

3.2.4 Actions and resources in relation to climate change policies (E1-3)

In 2024, 74Software implemented a series of initiatives aimed at reducing emissions and energy consumption across Axway’s operations. One of the most impactful measures has been the continued adoption of agile working methods, originally introduced several years earlier, which enable employees to work 60% remotely and 40% on-site. This approach has significantly reduced commuting-related emissions while lowering office energy consumption. In parallel, the Group has optimised its office space by implementing flexible work arrangements, minimising the energy required for heating, cooling, and lighting by reducing unused office areas. Throughout 2024, several offices successfully downsized, further contributing to energy savings.

As a direct result of these workspace optimisations and the transition to flexible office arrangements, scope 1 and 2 CO_2 emissions from Axway’s offices in France and Germany decreased by 179.8 tCO_2, representing a 51.7% reduction in these locations. The Paris headquarters and Berlin office played a pivotal role in this reduction, demonstrating the effectiveness of space rationalisation and energy efficiency measures.

In addition to optimising office energy use, 74Software has begun the transition of its vehicle fleet to hybrid and electric models, starting with Axway’s fleet. This shift forms part of the Group’s broader efforts to reduce greenhouse gas emissions and advance sustainable mobility solutions. By adopting cleaner transportation options, the Company reinforces its commitment to environmental responsibility and contributes to reducing its operational carbon footprint. As a result, GHG emissions from Axway’s company vehicles - reported under scope 1 - have decreased by 28.7 tCO_2, representing a 24.5% reduction in 2024.

Another key pillar of 74Software’s sustainability strategy is its engagement with suppliers through the Suppliers and Ethics Charter. This charter encourages suppliers and partners to measure and reduce their environmental impact, fostering the adoption of sustainable practices across the supply chain.

As a newly formed Group at the end of 2024, 74Software remains firmly committed to decarbonisation. However, at this stage, it has not yet been possible to quantify the emissions reductions associated with future initiatives. Additionally, the Company is currently unable to calculate the financial impact of these measures in terms of capital expenditures (CapEx) and operational expenditures (OpEx). Future reporting will provide further clarity on these aspects as sustainability efforts continue to evolve.

3.2.4.1 Focus on Digital sustainability strategy deployment

In 2024, 74Software focused on reducing the environmental footprint of its software products and digital infrastructure while supporting the sustainability efforts of its clients and partners. The Group evaluated the maturity of its core services using the French eco-design framework Référentiel Général d'Éco-Conception des Services Numériques (RGESN), with a particular focus on services hosted on AWS Cloud. This assessment included life cycle analyses of flagship products within the 74Software SBS division. In 2024, 74Software did not finance any greenhouse gas (GHG) removal or mitigation projects through carbon credits.

One of 74Software's key achievements was the development of an impact measurement tool to assess the environmental impact of its software. This tool will enable the Group to identify areas for improvement and enhance the sustainability of its products. In addition, 74Software conducted annual eco-design audits and environmental impact assessments to track its progress and ensure that sustainability goals were met. As of 2024, these audits and measurements have only been done on a part of the SBS portfolio, in 2025 we aim to expand this initiative to the Axway portfolio as well.

In 2024, the Group established non-functional eco-design requirements by defining criteria related to energy efficiency, resource optimisation, and carbon footprint reduction. 74Software also provided eco-design and impact measurement training to employees across both SBS and Axway, equipping teams with the knowledge to make informed decisions aligned with the Group's sustainability objectives.

Additionally, 74Software has established a network of digital sustainability representatives for its flagship products. This network plays a crucial role in maintaining the Group's focus on sustainability and ensuring that its products continue to meet high environmental standards.

2024 Key Results of 74Software's Digital Sustainability Deployment:

- 220 developers trained in eco-design, enhancing our teams' ability to create sustainable software solutions;
- 10 best practices added to our software architecture guidelines, embedding sustainability into the core of our development processes;
- 5 eco-design audits conducted, ensuring our products align with environmental standards and identifying areas for continuous improvement;
- 4 environmental impact assessments completed, providing valuable insights into the carbon footprint of our software and guiding our sustainability efforts;
- emissions related to the use of sold Axway products calculated for the first time, marking a significant step in measuring and reducing our overall environmental impact.

Currently, the CAPEX and OPEX associated with the digital sustainability strategy are integrated within our existing operational budgets, and due to our recent formation in 2024, we are unable to provide specific, isolated figures at this time. However, we are committed to establishing a clear breakdown of CAPEX and OPEX related to digital sustainability initiatives, enabling us to provide transparent financial reporting on these crucial investments in future disclosures.

Disclosure of Key Action	Description	Scope of Action (2024)	Time Horizon	Remedy Actions	Progress Updates
Implement environmental impact measurement tool.	Develop and deploy a tool to quantify the environmental footprint (e.g., carbon emissions, energy consumption) of our software products across their lifecycle. This includes defining relevant metrics, data collection methods, and reporting mechanisms. Focus on cloud services, and desktop applications.	Axway + SBS	12 months (implementation) Ongoing (monitoring)	Develop and implement mitigation strategies (e.g., code optimisation, infrastructure changes).	Report on tool deployment progress and initial impact assessments in annual sustainability report. Followed during Steering Committee
Conduct annual eco-design audits and environmental impact assessments.	Perform yearly reviews of software development processes and product designs to identify and address environmental impact hotspots. This includes assessing code efficiency, resource utilisation, and end-of-life considerations.	SBS	Annually, starting next fiscal year. 3 components reviews where performed in 2024.	Correct identified design flaws and implement improvements to reduce environmental impact.	Report on audit findings and implemented improvements in annual sustainability report.
Define eco-design non-functional requirements.	Integrate environmental sustainability criteria into the software development lifecycle by defining specific non-functional requirements(NFRs) related to energy efficiency, resource consumption, and waste reduction.	SBS	First half 2025 for remaining NFRs. Ongoing integration into all new product development.	If requirements are not met during development, implement corrective actions to ensure compliance.	Report on the integration of eco-design requirements into development processes in annual sustainability report.
Train employees in eco-design and impact measurement.	Develop and deliver training programs to educate employees on eco-design principles and the use of impact measurement tools. This includes developers, designers, product managers, and other relevant staff.	Axway + SBS	In 2024, 200 SBS employees participated in a 30-minute webinar and completed a one-day eco-design training. At Axway, 20 employees undertook eco-design awareness training.	N/A (Training is preventative)	Report on training completion rates and employee feedback in annual sustainability report.
Establish a network of digital sustainability referents.	Form a network of designated employees responsible for promoting and implementing digital sustainability practices within their respective product teams. This includes sharing best practices, providing guidance, and monitoring progress.	Axway + SBS	Ongoing coordination. A referent per product line (3 in 2024, with the ambition to cover key product lines) and a transversal digital sustainability officer to coordinate.	N/A (Network is proactive)	Report on network activities and impact in annual sustainability report.
Reduce the environmental impact of the company's fleet	Transition the company's vehicle fleet to electric models, reducing carbon emissions from business travel.	Axway	Completed in 2024 (increase in electric vehicles in the fleet achieved)	N/A (Action completed)	Fleet electrification completed in 2024; emissions impact to be assessed in annual sustainability reporting.
Optimise office space by strengthening flexible work	Optimise office space usage by consolidating locations and promoting flexible work arrangements. This includes transitioning from Tour W to Trinity for Axway and consolidating SBS offices at Trinity to reduce overall office footprint and energy consumption.	Axway + SBS	2024 office space reduction completed. Ongoing monitoring of flexible work impact	If space optimisation does not lead to expected efficiencies, reassess usage and explore other options.	Office consolidation completed in 2024; monitoring flexible work adoption and energy savings as part of ongoing sustainability efforts.

* *Please note that due to the ongoing harmonisation between Axway and SBS, certain financial indicators are not yet available. We will make our best efforts to provide this information in the 2025-2026 reporting cycle.*

3.2.5 Target related to climate change mitigation and adaption (E1-4)

Following the recent acquisition of SBS by Axway, 74Software has had the opportunity to collaborate closely over the past four months. Initial efforts have focused on calculating the carbon footprint across the entire scope of 74Software. Looking ahead to 2025, the next step will be to engage in the Science-Based Targets (SBT) initiative, setting ambitious, science-driven goals to align with the transition to a sustainable economy. 74Software is committed to reducing greenhouse gas (GHG) emissions to contribute to the global effort of limiting warming to 1.5°C in accordance with the Paris Agreement.

Despite the absence of defined GHG emission reduction targets for the Group, we have the following digital sustainability objectives for 2028:

- train 30% of our development workforce in eco-design;
- perform yearly audits and environmental impact assessments for each of our flagship solutions;
- deploy best practices in the full life-cycle management of our products, from the definition of the need to the sunsetting of our solutions.

Regarding our digital sustainability strategy, progress will be measured by:

- the total number of trained employees;
- the total number of audits;
- the number of non-functional requirements included in the product definition framework;
- the architectural principles included in our software architectural guidelines;
- the improvement of the product life-cycle process;
- INR (*Institut national de la recherche*) Certification.

To ensure the successful implementation of this initiative, we have allocated 2 full-time employees to oversee the progress and ensure the execution of the roadmap.

3.2.6 Energy consumption and mix (E1-5)

While 74Software has successfully finalised its overall carbon footprint for the inaugural year following its 2024 creation through the Axway acquisition of SBS, time constraints related to the merger and the ongoing update of our data collection processes have prevented the comprehensive reporting of detailed energy consumption and mix data for this initial period. This information will be incorporated into future reports as data collection systems are further refined and standardised.

3.2.7 Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

☒ Sources of emissions for which 74Software is not eligible.

The greenhouse gas (GHG) emissions assessment follows the GHG Protocol framework, providing a comprehensive analysis of all three emission scopes. Scope 1 emissions data for this report covers the twelve-month period from Q4 2023 to Q3 2024, representing the most complete and verifiable dataset available within reporting deadlines. As a result, Q4 2024 emissions were estimated based on Q4 2023 data. All other data points in this Universal Registration Document (URD) adhere to the standard calendar year (January to December 2024). The timing discrepancy arises because Q4 2024 data was not fully available at the time of this assessment's compilation.

Methodology by scope:

Scope 1: Direct emissions from stationary combustion sources are calculated using energy consumption data per site and fuel type. Where possible, this data was collected directly from the sites. When unavailable, estimates were made using 2023 data (e.g., Tower Trinity data was extrapolated from Tower W) and market benchmarks, particularly for fugitive emissions. Emission factors are sourced from Base Carbone databases, with specific factors applied for natural gas, fuel oil, biofuel, and biomass (wood plaquettes). The methodology involves converting lower heating values (LHV) to higher heating values (HHV) using energy-specific ratios. For sites without specific emission factors, extrapolations or assumptions were applied, such as using European emission factors for non-European gas consumption. Direct emissions from mobile combustion sources are calculated based on fuel volume data from company car fuel cards, consolidated for Axway and SBS by 74Software. Emission factors are derived from Base Carbone, with distinct factors for different fuel types and electricity consumption. Fugitive direct emissions are calculated using total or recharged refrigerant weight data per site, obtained from a data collection table. Emission factors are sourced from Base Carbone for specific refrigerants, including R-13a, R-410a, and R-32. For sites with recharged weight data, no assumptions were applied. For sites reporting total weight, a leakage rate of 2.5% of the total weight was assumed, based on EPA guidelines. For sites using R-410a, extrapolations were applied based on surface area, excluding data from partially occupied buildings.

Scope 2: Indirect emissions from electricity consumption were primarily calculated using electricity bills, with consumption measured in kilowatt-hours (kWh) and aggregated by country. Where billing data was unavailable, consumption was extrapolated based on surface area, using a total perimeter mean consumption of 124 kWh/m². Tower W was excluded from this extrapolation due to partial occupancy during the reporting period. For specific sites, including W Tower, Weber Tower, and Bulgaria, available billing data was used. Heating consumption for Trinity Tower was extrapolated from W Tower, considering surface area and full-year 2023 consumption. All emission factors were sourced from the Ademe database. Indirect emissions from steam, heat, or refrigeration were calculated using heating consumption data measured in kilowatt-hours (kWh). For W Tower, Kleber Tower, and Bulgaria, billing data was available. For Trinity Tower, consumption was extrapolated from W Tower, using the same operator (IDEX), surface area, and full-year 2023 data. As there is no specific emission factor for district heating in Bulgaria, the French national emission factor for district heating was applied. All emission factors were sourced from the Ademe database.

Scope 3: Calculations were based on various data sources and methodologies, depending on the emissions category. Fuel and energy-related emissions not included in Scope 1 or 2 were computed using the Ademe calculator tool, based on energy consumption data. Emissions from purchased goods and services were estimated using monetary data from company reporting tools, excluding categories such as rents, donations, and Dell purchases. For Dell purchases, specific Dell emission factors were applied. For waste generation, data from recycling certificates and national averages were used. Axway's e-waste reports from Hewlett Packard Enterprise were incorporated, with extrapolations applied where site-specific data was unavailable. Business travel emissions were calculated using CO_2 data estimates and distance data provided by SBS and Axway's travel agencies. Base Carbone and Ademe factors were applied for train and flight distances where needed, with extrapolations for missing data. Commuting emissions were derived from employee survey reports, based on a 2023 survey for Axway and a 2024 survey for SBS. Base Carbone factors and Ademe tools were used to calculate emissions based on kilometres travelled by car. Upstream leased asset emissions were calculated based on Axway's external data centre consumption data and Base Carbone emission factors. Axway computed external data centre consumption in kilowatts (kW), assuming 24/7 usage for Noida and Phoenix.

For the Paris data centre, energy consumption was extrapolated from 9.5 months to a full 12-month period.

For emissions related to the use of sold products, only Axway products were considered in 2024. Emissions were estimated based on IT architecture requirements and extrapolated to product line emissions using Annual Recurring Revenue (ARR) data. This data reflects contracts signed as of December 31, 2024, and is therefore overestimated compared to actual annual revenue.

In terms of methodology: To estimate the energy consumption of customer-managed Axway products (APIM, FAH, ST, and B2Bi), a standardised approach was developed based on general assumptions. Customers were categorised into size buckets according to their entitled purchase metrics (transactions, records, or transfers), with actual product usage assumed to align with these entitlements. For Secure Transport (ST) and B2Bi, reference architectures were defined for each customer bucket, specifying server type, number, and characteristics. For FAH and APIM, cloud architecture data from Axway Managed products was used, with estimations made for equivalent physical server specifications. Production environments served as the basis for B2Bi and FAH architecture, with a 30% adjustment to account for non-production environments. For Secure Transport and APIM, non-production server consumption was estimated separately. Load assumptions were standardised, with 40% load applied for production environments and 7% for non-production environments, adjusted for customer size.

Product-specific adjustments were applied to refine energy consumption estimations. For Financial Accounting Hub (FAH), customers were segmented into four size categories based on entitled records, with standard architectures defined for each. Enterprise customers with unlimited entitlements were aligned with equivalent large-scale customer architectures. For APIM, a three-tiered customer size model was used, leveraging Axway Managed reference architectures for smaller customers and adjusting configurations for larger clients. A dedicated test was conducted for Automator, where a test virtual machine (VM) ran a representative workload to calculate energy consumption per point. The primary assumption was that the test VM accurately reflected the energy usage of customer VMs.

Server consumption was calculated using Datavizta, which estimates mean electrical consumption at 100% load based on CPU, TDP, and RAM specifications. For physical servers, Datavizta's "server impact" tab was used, with CPU and RAM values derived from the established assumptions. TDP values were sourced from Datavizta's CPU database, with specific processor TDPs applied for B2Bi. For cloud servers, Datavizta's "cloud impact" tab was utilised, using AWS instance types and load data as inputs. A "load parameter" was applied to adjust full-load Datavizta outputs to reflect partial-load consumption. Customer location was determined by billing country, and location-based emission factors from the ADEME database were applied. The use of sold products for Axway Managed was extrapolated based on revenue from customer-managed products.

Other Scope 3 categories, such as downstream transport and distribution, end-of-life of sold products, and investments were deemed not applicable due to the nature of the company's business.

It is important to note that calculations for the use of sold products in 2024 were conducted for Axway only. As of 2025, we will extend this methodology to include SBS.

Total GHG emissions disaggregated by scopes 1 and 2 and significant scope 3

	Axway	SBS	Total 74Software (Axway & SBS)
Gross Scope 1 GHG emissions *(tCO_2eq)*	381	947	1,328
Percentage of Scope 1 GHG emissions from regulated emission trading schemes *(%)*	–	–	–
Gross location-based scope 2 GHG emissions *(tCO_2eq)*	1,079	2,769	3,848
Gross market-based scope 2 GHG emissions *(tCO_2eq)*	NA	NA	NA
Total Gross indirect (scope 3) GHG emissions *(tCO_2eq)*	39,034	22,409	61,443
1. Purchased goods and services	16,100	18,953	35,054
[Optional sub-category: Cloud computing and data centre services]	–	–	–
2. Capital goods	–	–	–
3. Fuel and energy-related activities (not included in scope1 or scope 2)	185	529	715
4. Upstream transportation and distribution	–	–	–
5. Waste generated in operations	107	323	431
6. Business travel	1,112	775	1,888
7. Employee commuting	481	1,826	2,307
8. Upstream leased assets	–	–	–
9. Downstream transportation	–	–	–
10. Processing of sold products	–	–	–
11. Use of sold products	20,641	NA	20,641
12. End-of-life treatment of sold products	–	–	–
13. Downstream leased ass	–	–	–
14. Franchises	–	–	–
15. Investments	–	–	–
16. Other upstream indirect emissions	406	–	406
TOTAL GHG EMISSIONS (LOCATION-BASED) *(tCO_2eq)*	**40,494**	**26,124**	**66,619**
TOTAL GHG EMISSIONS (MARKET-BASED) *(tCO_2eq)*	**NA**	**NA**	**NA**

74Software does not have any capital goods, upstream or downstream leased assets, franchises, or investments. As a result, these categories are not applicable to the Company. Given 74Software's business model and operations, these types of assets are not required, and the emissions associated with them are therefore non-existent. Additionally, since 74Software does not produce physical products, categories such as upstream transportation and distribution, downstream transportation, processing of sold products, and end-of-life treatment of sold products are also not applicable.

In 2024, only the emissions associated with the use of sold products from Axway were calculated. The emissions for SBS sold products will be assessed in 2025.

GHG intensity per net revenue	2024
Net Revenue *(in k€)*	690,000*
Total GHG Emissions (location-based) per Net Revenue *(in $tCO_2eq/k€$)*	0.1

* *Despite the fact that SBS joined the group in September 2024, it was decided to calculate the carbon footprint over a 12-month period for both companies, Axway and SBS. Therefore, to calculate the carbon intensity, the pro forma revenue (Chapter 5 Note 3 : 3.1 Revenue by business line) was used instead of the actual group revenue, which would consist of 12 months for Axway and 4 months for SBS.*

74Software is not subject to regulated emission trading schemes.

3.2.8 GHG removals and GHG mitigation projects financed through carbon credits (E1-7)

In 2024, 74Software did not finance any GHG removal or GHG mitigation projects through carbon credits.

3.2.9 Internal carbon pricing (E1-8)

74Software did not implement an internal carbon pricing mechanism.

3.3 Resource Use and Circular Economy (ESRS E5)

3.3.1 Resource use and circular economy IROs (E5)

At 74Software, essential hardware is crucial for developing solutions for clients. Modern hardware in offices and data centres is fundamental to ensuring operational efficiency. However, the environmental impact of these components is linked to resource depletion due to the non-renewable nature of raw materials and the growing global e-waste problem.

To address these challenges, resource consumption is assessed, and circular economy practices are implemented, such as reducing e-waste generation within digital sustainability projects. 74Software is committed to transitioning towards a more circular business model, focusing on extending product lifespans, minimising e-waste through responsible end-of-life management, and increasing the use of recycled or renewable materials.

At this stage, a comprehensive screening of all assets and activities to analyse resource use and circular economy impacts in detail has not yet been conducted. Additionally, no specific consultations with potentially affected communities have taken place regarding these issues. However, these steps are recognised as important and will be integrated into future sustainability initiatives.

		Value Chain Location			Time Horizon		
IROs		Upstream	Own operations	Downstream	Short term	Medium term	Long term
The contribution of electronic waste to environmental degradation	Impact -	✓	✓	✓	✓	✓	✓

3.3.2 Policies related to resource use and circular economy (E5-1)

IROs		Policy	Programs
The contribution of electronic waste to environmental degradation.	Impact -	74Software is committed to responsible e-waste management, aiming to minimise environmental impact through regulatory compliance and employee awareness. While no formal global waste management policy is in place, objectives focus on reducing e-waste through reuse, refurbishment, and increased recycling. Axway prioritises donating equipment to employees or charitable organisations. The Group also promotes the circular economy, limits waste production, and optimises recycling through its supply chain via the Supplier and Partner Charter.	All electronic waste at 74Software is collected and recycled through certified e-waste recycling partners, ensuring responsible processing. Obsolete equipment is sent to certified facilities to support the circular economy by enabling reuse, refurbishment, and recycling. Additionally, Axway donates equipment to employees and charitable organisations.

Focus on Digital Sustainability strategy

74Software is strongly committed to minimising environmental impact, particularly in relation to e-waste. The Digital Sustainability Strategy addresses several key areas and was initially developed by SBS in 2024. It is now being extended to Axway, with the objective of establishing an aligned strategy by early 2026. Further details on this policy can be found in Section E1 of this Chapter.

In line with the Supplier & Partner Charter, components are sourced from suppliers committed to reducing environmental impact. This includes lowering greenhouse gas emissions, managing water and energy consumption, promoting the circular economy, and limiting waste production. Supplier selection prioritises those who incorporate recycled materials, minimise the use of critical and scarce minerals (such as those in IT hardware), and comply with international standards for conflict minerals. The Charter also underscores the importance of fair labour practices, safe working conditions, and respect for human rights throughout the supply chain.

E-waste reduction is a key responsibility for 74Software in the technology sector. Software and hardware are designed for durability, repairability, and up gradability, extending product lifespans and minimising the need for premature hardware replacements by ensuring compatibility with older equipment whenever possible. Additionally, partnerships with responsible e-waste recyclers are being developed to ensure the proper disposal and recovery of valuable materials from end-of-life devices. Employees are also being educated on responsible e-waste disposal and the environmental impact of their technology choices.

By implementing these strategies, 74Software aims to minimise its environmental footprint, support a more circular economy, and reinforce its commitment to sustainable business practices.

3.3.3 Actions and resources related to resource use and circular economy (E5-2)

74Software collaborates with recycling companies to ensure the responsible processing and recycling of electronic equipment. This partnership extends the lifecycle of IT assets, maximises the recovery of valuable materials, reduces the environmental impact of electronic waste, and promotes sustainable practices within the industry.

In 2024, 74Software partnered with Hewlett Packard Enterprise to collect IT equipment while optimising data centres in Paris and Bucharest. This initiative resulted in an avoided environmental impact of 42,245.56 kg CO_2 emissions compared to landfill disposal, based on the Consequential Life Cycle Analysis Method. This partnership significantly contributes to sustainability efforts and reduces the carbon footprint associated with IT equipment disposal.

Beyond recycling initiatives, 74Software donates obsolete IT equipment to various partners through a structured process. Equipment release requests are initiated by relevant stakeholders, and the Accounting Department verifies the purchase date to ensure compliance with tax regulations. The IT Department assesses the equipment's condition and determines if repairs are required. Once all personal data has been securely erased, final compliance checks are conducted before equipment is donated either to solidarity partners for educational purposes or to eco-organisations for responsible recycling.

In July 2024, the Lebanese team successfully donated over 200 obsolete IT items, including desktops, servers, screens, printers, and scanners, to Live Love Recycle, a non-profit organisation dedicated to environmental preservation in Beirut. Specialising in IT equipment collection and recycling, the organisation plays a key role in promoting sustainable e-waste management.

Currently, capital expenditures (CAPEX) and operational expenditures (OPEX) associated with these resource-use and circular economy initiatives are integrated into the Company's broader operational budgets. As 74Software was only recently established in 2024, specific financial figures are not yet available. However, as part of ongoing efforts to enhance transparency, the Company is committed to developing a structured financial tracking approach in 2025 to provide a clear breakdown of CAPEX and OPEX related to these initiatives in future disclosures.

Key topic	Action description	Scope of Action (2024)	Time Horizon	Remedy Actions	Progress Updates
End of life of own operations hardware	Managing the end-of-life process for PCs, mobile phones, and other work tools to ensure responsible disposal and recycling. This includes partnerships with recycling companies, such as Hewlett Packard Enterprise for data centre equipment recycling.	Axway + SBS	Objective is to have a common policy by the end of 2025, and a yearly follow-up	In countries where e-waste practices haven't been documented, we can organise specific actions to remediate the situation like in the example of Lebanon	Hewlett Packard Enterprise's solution for IT equipment waste resulted in an avoided environmental impact of 42,245.56 kg CO_2 emissions. Additionally, a review of further improvements is planned yearly.
	Donation of obsolete IT equipment to employees and charitable organisations, including the donation of 200 obsolete IT assets in Lebanon to Live Love Recycle to promote sustainable e-waste management.	Axway + SBS	Ongoing initiative with periodic reviews of donation processes and impact	In countries where e-waste practices haven't been documented, we can organise specific actions to remediate the situation like in the example of Lebanon	Yearly assessments of donation impact and environmental benefits
Maintainability of Software	Ensuring that our software being designed for durability, repairability, and up gradability	Axway + SBS	Objective set yearly	NA	Reviewed yearly as part of the Digital Sustainability strategy

* *Please note that due to the ongoing harmonisation between Axway and SBS, certain financial indicators are not yet available. We will make our best efforts to provide this information in the 2025-2026 reporting cycle.*

3.3.4 Targets related to resource use and circular economy (E5-3)

74Software has not developed specific targets related to e-waste.

3.3.5 Resource inflows and outflows (E5-4 and E5-5)

As a software company, electronic waste (e-waste) is the most significant waste stream for 74Software. Hazardous and non-hazardous waste are not considered material to the Group. Due to the SBS acquisition in Q3 2024, comprehensive e-waste reporting across all 74Software Group sites was not possible. The only available data is presented in the table below. Additionally, information on incineration and landfill disposal could not be obtained.

Category	Total Collected *(kg)*	Recycled *(kg)*	Recycled *(%)*
E-waste*	1573.3	992.3	63

* *Covers Axway's headquarters in Paris and the e-waste collected during the relocation of Axway's data centres in France and Romania in 2024.*

Resource inflows and outflows are not material topics for 74Software.

3.3.6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities (E5-6)

74Software has not been able to calculate the financial effects of the negative impacts related to e-waste for the year 2024.

3.4 EU Taxonomy

Regulatory context

In order to promote transparency and a long-term vision of economic activities while directing capital flows to sustainable investments, the European Union established a common classification system for Company activities enabling the identification of economic activities considered sustainable. This system is defined in European Regulation (EU) 2020/852 of 18 June 2020, known as the "One to Watch Taxonomy Regulation". This regulation was supplemented by the delegated act of 13 June 2023 which defines new climate-related activities and completes the new targets.

Companies must publish the proportion of revenue, capital expenditure and operating expenditure associated with economic activities that are:

- "eligible", *i.e.* classified in the European Taxonomy;
- "aligned" or "sustainable", *i.e.* comply with the technical criteria related to each of the eligible activities: make a substantial contribution to one of the six environmental objectives, do no harm to the other five environmental objectives and comply with minimum social safeguards.

For 2024, companies must again report on three full taxonomy indicators (eligibility and alignment) relating to six climate-related objectives (climate change mitigation, climate change adaption, water and marine resources, pollution, circular economy and biodiversity) and climate-related activities according to detailed tables published in June 2023.

The data is comparative to 2023 regarding the alignment of climate-related objectives (mitigation and adaptation).

The Company conducted an in-depth analysis of all its activities in its various consolidated entities. This analysis was performed jointly by the CSR Department, the Finance Department and Operating Departments.

Scope

On 1 September 2024, Axway completed the acquisition of SBS Group and adopted a new corporate name : 74Software.

However, due to the recent nature of this acquisition, the 2024 green taxonomy reporting is conducted on a constant scope basis, excluding SBS's activities from the analysis. The assessment is therefore based solely on **Axway's historical activities.**

Revenue, capital expenditure and operating expenditure for all Company activities corresponding to the scope of companies under its control was considered.

The financial data was taken from the 31 December 2024 accounts. Revenue and capital expenditure figures can be reconciled with the financial statements after exclusion of SBS portion.

Financial indicator calculation methodology

The financial ratio denominators were defined in accordance with the definitions set out in the Delegated Act of 6 July 2021 on Article 8 of the Taxonomy Regulation.

For the numerators, there are no definitions of the expected information for eligibility. The Company therefore reasoned by analogy with the alignment ratios to determine the portion of ratios eligible under the taxonomy.

Revenue by activity

At this stage of its deployment, the Taxonomy Regulation prioritises activities that have the most significant impact on climate change and that offer the greatest potential for reducing greenhouse gas emissions. To date, the Taxonomy has listed more than 100 activities accounting for 90% of greenhouse gas emissions and that therefore must make the greatest efforts to attain the EU commitment of reducing emissions by 55% by 2030 and being carbon neutral by 2050.

The regulation also sets out enabling activities, *i.e.* activities that contribute to adapting other activities by proposing products or solutions that enable the negative effects of current or future climate change to be avoided and/or limited.

Axway activities concerned

Axway is a software publisher and a major digital transformation player. The services provided as part of its Software activities comprise software user rights (licenses), maintenance, related services and Software As a Service type subscriptions.

To better meet its customers' expectations, Axway transformed its historical Software business model (License, Maintenance and Services), moving towards a "Software as a Service" Subscription-based business model enabling the use of remote servers.

Axway's Subscription activity groups together two Software as a Service offerings:

- the "Axway Managed" offering, which includes the use of licenses, maintenance services and the hosting of all these services. In this offering, hosting is sub-contracted by Axway to a third-party hosting provider; and
- the "Customer Managed" offering, which is a hybrid offering as the "on-premise" components (licenses) are hosted on the customer's premises or sub-contracted by the customer to a third party hosting provider, and the other Software as a Service components are sub-contracted by Axway to a third-party hosting provider.

Axway's core business is software publishing. This transformation of Axway's business model does not make it a traditional hosting provider. In practice, hosting services are entirely sub-contacted by Axway to leading hosting providers on the market, such as Amazon Web Services and Microsoft Azure.

This Cloud offering can provide our customers with the means to achieve their own climate targets.

In addition, the Company selects leading hosting providers that have defined a low-carbon trajectory (approach aimed at reducing greenhouse gas emissions by 2025).

As a next step, following Axway's acquisition of SBS in September 2024, the newly formed Group 74Software will focus on aligning all practices and building a new common sustainability strategy with ambitious targets and a roadmap. However, both SBS and Axway have a proven record of tracking their GHG emissions, and are committed to reducing their carbon footprint, and implementing emissions reduction initiatives.

Despite not having a formal transition plan for climate change mitigation, to ensure compatibility with the transition to a sustainable economy and the limitation of global warming to 1.5°C in line with the Paris Agreement and the objective of achieving climate neutrality by 2050 with no or limited overshoot as established in Regulation (EU) 2021/1119 (European Climate Law), 74Software is working on:

- improving the measurement of the Company's carbon footprint, particularly the carbon footprint of the Group's products;
- defining the SBTi targets and a low-carbon trajectory;
- implementing initiatives to reduce carbon emissions;
- elevating the industry in terms of environmental standards by working with our partners, suppliers, and clients and promoting the best standards in low-carbon solutions.

Our objective is to have a transition plan for climate change mitigation approved by our administrative, management and supervisory bodies by the end of 2026 that is be embedded in and aligned with 74Software overall business strategy and financial planning.

Axway identified its eligible activities with respect to six "Climate objectives".

With respect to the "climate change mitigation" environmental objective, Axway analysed the following activities:

- Activity 8.1 "Data processing, hosting and related activities": To analyse its eligibility with regard to the climate change mitigation objective, Axway has drawn on the survey conducted by the trade union for digital companies in France, Numeum. In 2022, Numeum analysed the activities defined in Annex 1 of the climate delegated act, "Climate change mitigation", and compared them with those performed by its members. In its position paper, Numeum presented its interpretation to identify the activities it considered to be eligible under Annex 1: https://numeum.fr/note-danalyse/note-de-position-sur-la-taxonomie-verte-premiere-partie.

The following are eligible:

- data storage and processing activities are performed in the Company's own infrastructure. When leasing or co-leasing a data centre room owned by a service provider, the Company controls the specifications for the equipment and rooms;
- the specific revenue relating to data storage and processing activities can be broken down by Company;
- this revenue is generated as a principal and not as an agent (the Company does not limit itself to a purchase to sell the hosting service).

Axway sub-contracts all its hosting services in its "Axway Managed" and "Customer Managed" (Software as a Service) offerings and the Company does not control the specifications on third party infrastructures. Furthermore, the Company does not distinguish between data storage and processing activities. Axway's related activities are not currently eligible under activity 8.1.

- Activity 8.2 "Data-driven solutions for GHG emissions reductions": the nature of Axway's offering would not appear to directly meet the definition of this article. However, as Axway is a digital transformation player, certain projects could be eligible provided they are supported by specific analyses demonstrating substantial greenhouse gas emission savings. At this stage, the Company has not recognised the eligibility of its revenue under activity 8.2.

With regard to the **"climate change adaptation**" environmental objective, Axway analysed activity 8.1 "Data processing, hosting and related activities" and activity 8.2 "Computer programming, consultancy and related activities".

At this stage of the regulation, these activities 8.1 and 8.2 do not constitute enabling activities within the meaning of Regulation (EU) 2020/852.

With regard to the environmental objectives "**Water and marine resources**" and "**Circular economy**", the Company respectively analysed the activities 4.1 "Provision of IT/OT data-driven solutions for leakage reduction" and 4.1 "Provision of IT/OT data-driven solutions". The nature of the Axway offering does not appear to directly comply with the definition of these articles.

At this stage, Axway has not recognised the eligibility of its revenue under activities 4.1.

Finally, the Company considers that the environmental objectives "**Pollution**" and "**Biodiversity and ecosystems**" have no connection with its activities.

Axway has not therefore recognised its revenue as eligible with regard to all the environmental objectives.

Axway's analysis leads us to conclude that Axway's activities do not fall within the highest greenhouse gas emitting activities targeted by the Taxonomy. At the same time, Axway's activities are not considered enabling activities. Nonetheless, the Company is implementing progress actions in favour of the climate, the results of which are measured through performance indicators published in the Non-Financial Performance Statement (or this document).

To conclude, Axway's economic activities do not substantially contribute to the six environmental objectives. The proportion of revenue associated with eligible and aligned sales is therefore nil in fiscal year 2024. The proportion of revenue associated with eligible sales was nil in fiscal year 2023.

The regulatory model for 2024 revenue is presented below:

(in thousands of euros)	2024			Substantial contribution criteria						DNSH criteria (Do No Significant Harm)									
Economic activities	**Code(s)**	**Absolute revenue** *(in thousands of euros)*	**Proportion of revenue year Y**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Minimum safeguards**	**Proportion of Taxonomy aligned (A.1) or eligible (A.2) revenue, year Y-1**	**Category (enabling activity)**	**Category (transitional activity)**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Revenue of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**—**	**—%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**—%**		
Of which Enabling		*—*	*—%*	*—%*	*—%*	*—%*	*—%*	*—%*	*—%*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*—%*	*N/A*	
Of which Transitional		*—*	*—%*	*—%*	*—%*					*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*—%*		*N/A*
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL										
Data processing, hosting and related activities	8.1	—	—%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
Data-driven solutions for GHG emissions reductions	8.2	—	—%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
Provision of IT/OT data-driven solutions for leakage reduction	4.1	—	—%	N/A	N/A	N/EL	N/A	N/A	N/A								—%		
Provision of IT/OT data-driven solutions	4.1	—	—%	N/A	N/A	N/A	N/A	N/EL	N/A								—%		
Revenue of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**—**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**	**—%**								**—%**		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
License	**10,240**	**3%**
Subscription	**215,300**	**65%**
Maintenance	**68,404**	**21%**
Services	**35,818**	**11%**
TOTAL (A + B)	**329,763**	**100%**

Non-eligible activities refer to Note 3.1 to the Consolidated Financial Statements. 74Software Consolidated Revenue was amounted to €461,9 million of which €329,8 million for Axway and €132,7 million for SBS.

Capital Expenditure – CapEx

Capital expenditure corresponds to capitalised costs in respect of intangible assets and property, plant and equipment, including IFRS 16 right-of-use assets.

Axway eligible capital expenditure mainly concerns private cars, IT servers and the right to use leased buildings.

Axway eligible CapEx in 2024 accounted for 63,5% of total CapEx of €6.5 million (see Notes 8.4 and 9.1 to the Consolidated Financial Statements which include respectively €1,5 million and €0,3 million for SBS). In 2023, eligible CapEx accounted for 86.4% of total CapEx of €12.0 million.

In 2023, the Company assessed whether its investments complied with the technical screening criteria and concluded that certain 2023 CapEx contributed substantially to the achievement of one of the two climate change “adaptation” and climate change “mitigation” objectives. Axway therefore conducted additional investigations concerning the Do No Significant Harm (DNSH) criteria and compliance with minimum social safeguards.

With regard to the vehicle fleet, sustainable capex involves hybrid and electric vehicles for which the leased asset rights of use were accounted for in 2024 in the amount of €0.2 million as in 2023.

In terms of buildings, the Company did not invest in significant office in 2024.

Last year the Company decided to install its headquarters in Paris La Défense in offices with a dual environmental certification (HQE “Exceptional” and BREEAM “Excellent”) and respecting RT 2012 Thermal Regulations. A memo published by the Department for Development, Housing and Nature (DGALN) states that “With regard to the energy assessment of the current housing stock by the ministry’s statistics department, reporting to the General Commission for Sustainable Development Durable (CGDD), based on the new energy performance analysis that is mandatory since 1 July 2021, the top 15% most efficient housing can be considered as housing with a standard primary energy consumption of less than 135 kWh/m²/year”.

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Eligible activity	Technical screening criteria for the climate change mitigation objective
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	a. for vehicles of category M1 and N1, both falling under the scope of Regulation (EC) No 715/2007: i. until 31 December 2025, specific emissions of CO_2, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631, are lower than 50gCO2/km (low- and zero-emission light-duty vehicles), ii. from 1 January 2026, specific emissions of CO_2, as defined in Article 3(1), point (h), of Regulation (EU) 2019/631, are zero; b. for vehicles of category L, the tailpipe emissions equal to 0g CO2eq./km calculated in accordance with the emission test laid down in Regulation (EU) 168/2013.
7.7 Acquisition and ownership of buildings	For buildings built before 31 December 2020, the building has at least an Energy Performance Certificate (EPC) class A. As an alternative, the building is within the top 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED) and demonstrated by adequate evidence, which at least compares the performance of the relevant asset to the performance of the national or regional stock built before 31 December 2020 and at least distinguishes between residential and non-residential buildings. For buildings built after 31 December 2020, the building meets the criteria specified in Section 7.1 of this Annex that are relevant at the time of the acquisition. Where the building is a large non-residential building (with an effective rated output for heating systems, systems for combined space heating and ventilation, air-conditioning systems or systems for combined air-conditioning and ventilation of over 290 kW) it is efficiently operated through energy performance monitoring and assessment.
8.1 Data processing, hosting and related activities	The activity has implemented all relevant practices listed as: expected practices in the most recent version of the European Code of Conduct on Data Centre Energy Efficiency, or in CEN-CENELEC document CLC TR50600-99-1 “Data centre facilities and infrastructures – Part 99-1: Recommended practices for energy management”. The implementation of those practices is verified by an independent third-party and audited at least every three years. The global warming potential (GWP) of refrigerants used in the data centre cooling system does not exceed 675.

The regulatory model for 2024 CapEx is presented below:

—%		2024		Substantial contribution criteria						DNSH criteria (Do No Significant Harm)									
Economic activities	**Code(s)**	**Absolute CapEx** *(in thousands of euros)*	**Proportion of CapEx year Y**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Minimum safeguards**	**Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year Y-1**	**Category (enabling activity)**	**Category (transitional activity)**
				Y; N; N/EL	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*H*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
				Y; N; N/EL	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*										
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	227	3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	N/A	N/A	N/A	N/A	N/A	Y	—%		
Acquisition and ownership of buildings	7.7	—	—%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	N/A	N/A	N/A	N/A	N/A	Y	—%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**227**	**3%**	**3%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**Y**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**Y**	**—%**		
Of which Enabling		—	—%	—%	—%	—%	—%	—%	—%	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	—%	*N/A*	
Of which Transitional		—	—%	—%	—%					*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	—%		*N/A*
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				Y; N; N/EL	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*										
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	283	4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
Acquisition and ownership of buildings	7.7	1,654	25%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
Data processing, hosting and related activities	8.1	219	3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								—%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**2,156**	**33%**	**33%**	**—%**	**—%**	**—%**	**—%**	**—%**								**—%**		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
CapEx of Taxonomy-non-eligible activities (B)	4,146	64%
TOTAL (A + B)	**6,530**	**100%**

Operating Expenditure – OpEx

Operating expenditure is defined as direct costs that cannot be capitalised and includes research and development expenditure, building renovation costs, maintenance and repair costs, lease payments expensed in the income statement and all other expenditure relating to the everyday maintenance of assets. It represents the denominator for the OpEx KPI calculation for a total of €79.9 million in 2024, compared to €74.9 million in 2023.

Research and Development expenditure totalled €57.5 million in 2024 and is not eligible as the revenue to which it relates is not eligible.

Eligible Axway operating expenditure mainly concerns short-term leases of private cars.

The proportion of eligible Axway operating expenditure in 2024 was 0% as in 2023.

The regulatory model for 2024 OpEx is presented below:

DNSH criteria

—%	2024			Substantial contribution criteria						DNSH criteria (Do No Significant Harm)									
Economic activities	**Code(s)**	**Absolute OpEx** *(in thousands of euros)*	**Proportion of OpEx year Y**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Minimum safeguards**	**Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, year Y-1**	**Category (enabling activity)**	**Category (transitional activity)**
				Y; N; N/EL	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*Y/N*	*%*	*H*	*T*
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**–**	**–%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**–%**		
Of which Enabling		–	–%	–%	–%	–%	–%	–%	–%	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	–%	*N/A*	
Of which Transitional		–	–%	–%	–%					*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	*N/A*	–%		*N/A*
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				Y; N; N/EL	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*	*Y; N; N/EL*										
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	–	–%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								–%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**–**	**–%**	**–%**	**–%**	**–%**	**–%**	**–%**	**–%**								**–%**		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
OpEx of Taxonomy-non-eligible activities (B)		**79,906**	100%
TOTAL (A + B)		**79,906**	**100%**

3.5 Own Workforce (ESRS S1)

3.5.1 Own workforce IROs (S1)

Employees are the foundation of 74Software's success. The Company is committed to fostering an inclusive and supportive work environment that promotes both professional development and long-term engagement. By prioritising diversity, equity, and inclusion, 74Software ensures that career opportunities are accessible to all individuals, irrespective of gender, age, ethnicity, nationality, sexual orientation, or location. As part of its operational framework, the Company recognises that both permanent employees and contractors may be affected by various business activities. These impacts are outlined in the IRO table, ensuring transparency and accountability in workforce management.

While the software industry presents unique challenges, 74Software is committed to implementing positive initiatives that benefit the entire workforce. The Company's double materiality analysis addresses key topics such as data privacy, working hours, and work-life balance, recognising their significant impact on employees. Diversity, gender equality, equal pay, and the inclusion of individuals from diverse backgrounds remain central priorities. The Company acknowledges the importance of these issues, particularly for underrepresented groups, and actively promotes a culture of inclusivity. As part of this commitment, 74Software has implemented strict measures to prevent violence and harassment, ensuring a safe, respectful, and supportive working environment.

Social dialogue, freedom of association, workers' rights, and collective bargaining play a crucial role in ensuring that diverse perspectives are represented and valued. 74Software places significant emphasis on training and skills development, recognising their importance not only for employee growth but also for broader societal impact. Health and safety remain a top priority, with a strong commitment to maintaining a secure and compliant working environment. In addition, the Company actively promotes a balanced work-life culture, fostering employee well-being and enhancing overall productivity.

74Software's strategy and business model have a direct impact on its workforce, particularly in areas such as well-being, diversity, and work-life balance. These factors are critical to talent retention and employee engagement. The IRO analysis has identified several key workforce segments that are significantly affected by material impacts, ensuring that targeted measures are in place to address their specific needs:

Employees on short-term contracts or in roles with limited long-term stability: These employees are significantly affected by insecure employment, leading to concerns about job security and long-term career prospects.

Employees in roles with high turnover and team instability: These employees face challenges related to business continuity and workforce engagement, as frequent changes may disrupt team cohesion and productivity.

Employees in roles with demanding workloads and long working hours: These employees are at risk of experiencing detrimental effects on their well-being and productivity, including stress-related illnesses and burnout.

Following the integration of Axway and SBS in September 2024, 74Software is actively developing a fully aligned workforce strategy. In 2025, efforts will be directed towards further merging teams across business functions to establish a unified approach to workforce policies and disclosures. As part of this transition, specific workforce stability and development targets will be set to mitigate identified risks, ensuring alignment with the Company's broader strategy and IRO findings. These initiatives will ensure that all employees and non-employees materially impacted by the Company's operations are fully included. Additionally, material risks, such as employment stability and workload intensity, will be systematically addressed through targeted workforce initiatives.

Furthermore, while non-employees, such as contractors and subcontractors, are recognised as part of the extended workforce, the primary material impacts identified in the IRO pertain to direct employees. Further analysis will be conducted in 2025 to assess the material impacts on non-employees and incorporate them into the overall workforce strategy.

See table below:

		Value Chain Location			Time Horizon		
IROs		**Upstream**	**Own operations**	**Downstream**	**Short term**	**Medium term**	**Long Term**
Working conditions – Secure Employment Insecure employment due to a lack of contracts, protection, and stability harms physical and mental health, leading to stress, anxiety, and burnout. It also destabilises the economy by reducing consumer spending and increasing turnover	Impact -		✓		✓		
Working conditions – Secure Employment Insecure employment fosters high turnover, team instability, and skill gaps, hindering skill development. It damages Company reputation and results in higher costs for retraining, compensating, or recruiting staff.	Risk		✓			✓	
Working conditions – Working time Long working hours cause physical health issues such as fatigue, heart disease, and sleep disorders. They also contribute to mental health challenges like stress, anxiety, and burnout, disrupting work-life balance and straining relationships	Impact -		✓		✓		
Working conditions – Working time Long working hours decrease productivity, increase workplace errors, and lead to higher absenteeism and turnover. Health issues and burnout raise medical costs and harm employee engagement, impacting financial performance	Risk		✓			✓	
Working conditions – Work life balance Poor work-life balance negatively affects employees' physical and mental well-being, leading to stress, fatigue, and burnout. Insufficient personal time strains relationships and lowers overall quality of life.	Impact -		✓			✓	
Working conditions – Work life balance Poor work-life balance results in decreased productivity, increased staff turnover, and lower job satisfaction. It weakens employee engagement and damages 74Software's long-term financial stability	Risk		✓				✓
Working conditions – Adequate wages Adequate wages improve employees' living standards, reduce poverty, and enhance social stability. They contribute to a healthier workforce and stronger communities.	Impact +		✓	✓		✓	
Working conditions – Adequate wages Adequate wages attract and retain skilled employees, fostering motivation and job satisfaction. They enhance the Company's reputation as a responsible employer, ensuring long-term success.	Opportunity		✓		✓		
Open Dialogue – Social dialogue Poor social dialogue weakens trust and communication between employees and employers, leading to workplace conflicts, increased tension, and decreased morale	Impact -		✓			✓	
Open Dialogue – Freedom of association and collective bargaining Lack of freedom of association and collective bargaining limits workers' rights, making them vulnerable to unfair treatment. This increases stress, reduces job satisfaction, and negatively affects workplace relations	Impact -		✓			✓	
Health and Safety Poor health and safety conditions raise injury risks, increase absenteeism, and cause stress-related illnesses, ultimately lowering productivity and employee morale.	Impact -		✓		✓		
Data and Privacy Failure to protect employee data privacy results in loss of trust, identity theft risks, and psychological distress, leading to reduced morale and productivity.	Impact -		✓			✓	

IROs		Value Chain Location			Time Horizon		
		Upstream	Own operations	Downstream	Short term	Medium term	Long Term
Diversity and Equal opportunities – Gender diversity Gender diversity fosters equal opportunities, reduces gender gaps, and promotes work-life balance, contributing to an inclusive workplace	Impact +		✓			✓	
Diversity and Equal opportunities – Diversity Workforce diversity improves social inclusion and provides opportunities for underrepresented groups. It reduces discrimination and enhances overall well-being and self-esteem.	Impact +		✓			✓	
Diversity and Equal opportunities – Measures against violence and harassment Implementing anti-violence and harassment measures creates a safer work environment, reduces stress, and fosters a culture of respect and dignity, improving employee well-being.	Impact +		✓		✓		
Talent recruitment, development and retention – Talent attraction Strong talent recruitment and retention strategies support workplace diversity, enhance employee satisfaction, and promote equal opportunities, creating a positive and engaged workforce.	Impact +		✓		✓		
Talent recruitment, development, and retention – Talent attraction Inefficient recruitment processes make it difficult to attract qualified candidates, leading to skill mismatches, increased hiring costs, and reduced innovation	Risk		✓		✓		
Talent recruitment, development, and retention – Talent attraction A strong employer brand through effective recruitment attracts top talent and secures a competitive edge, fostering a skilled and motivated workforce.	Opportunity		✓		✓		
Talent recruitment, development, and retention – Training and skills development Lack of training and personal review results in skill stagnation, decreased motivation, and limited career progression, negatively impacting employees' professional and personal growth.	Impact -		✓			✓	
Talent recruitment, development, and retention – Training and skills development Training and development programs enhance employees' knowledge, boost confidence, and foster social mobility, leading to a more empowered workforce.	Impact +		✓			✓	
Talent recruitment, development, and retention – Training and skills development Failure to invest in training decreases productivity, raises turnover rates, and damages 74Software's reputation as an employer that supports growth.	Risk		✓				✓
Talent recruitment, development, and retention – Training and skills Strategic investment in training strengthens employee retention, drives innovation, and enhances 74Software's competitiveness in the market.	Opportunity		✓			✓	

3.5.2 Policies related to own workforce (S1-1)

74Software has established comprehensive policies to manage the material impacts, risks, and opportunities related to its workforce, in accordance with ESRS 2 MDR-P. These policies are designed to promote fair working conditions, enhance employee well-being, and support professional development across the Group's entities, including SBS and Axway. By proactively addressing workforce-related risks such as retention, productivity, and compliance, these policies also contribute to the long-term resilience and sustainability of the business.

3.5.2.1 Workforce management policies

Following the acquisition of SBS by Axway in September 2024, 74Software began standardising the Group's social policies at the end of 2024. At this stage, the following policies are applicable to the companies' own workforces worldwide:

- Code of Ethics - Covers the handling of personal and organisational data. It outlines the processes for collecting, storing, and protecting this data in compliance with applicable laws and the rules established by the Group;
- Whistleblowing Procedure - Establishes a confidential mechanism for employees of the portfolio companies to report ethical concerns, misconduct, and workplace risks.

3.5.2.2 Integration of workforce policies at SBS and Axway

Although no single policy currently addresses all aspects of workforce management at a unified Group level, SBS and Axway implement policies and guidelines aligned with national labour regulations and corporate sustainability goals wherever they operate. These include:

- Social Protection & Working Conditions - National labour laws in all European countries provide comprehensive protections, including minimum wage policies, parental leave, and health benefits;
- Work-Life Balance & Working Time - Axway has implemented its 'Future of Work' policy, allowing all employees to work remotely for 60% of the time in a fully flexible manner. Employees can choose their in-office days. Additionally, a portion of the workforce works entirely remotely. Meanwhile, SBS applies flexible working arrangements in countries such as Belgium, Spain, France, and the UK to enhance employee well-being and significantly reduce burnout risks;
- Health & Safety Standards - Compliance with local occupational health and safety regulations ensures a safe working environment in all countries of operation;
- Diversity & Inclusion Commitments - Programmes supporting gender diversity, equal pay, and workplace anti-discrimination policies are embedded within local HR strategies.

3.5.2.3 Risk and Opportunity management

Workforce-related risks, including job insecurity, long working hours, lack of work-life balance, and inadequate wages, are actively managed through established policies. In parallel, initiatives focused on training, skills development, and social protection help strengthen talent retention, employee engagement, and employer attractiveness. Positive results from employee engagement surveys indicate ongoing improvements in job satisfaction and leadership effectiveness. To maintain resilience and compliance, the Company continuously assesses emerging workforce risks, particularly those arising from evolving work models and regulatory changes.

3.5.2.4 Future commitments & continuous Improvement

To further enhance alignment with ESRS S1 requirements, 74Software is assessing opportunities to harmonise workforce policies across its portfolio companies over the next three years. As part of this effort, the Company will strengthen its workforce governance framework, enhance policy transparency, and ensure the equitable application of sustainability principles across all subsidiaries and geographies.

3.5.2.5 Human Rights policy commitments and compliance with international standards

74Software is fully committed to upholding and promoting human rights across all its operations and throughout its value chain. This commitment is demonstrated through the Group's adherence to the United Nations Global Compact, which is founded on ten universal principles covering human rights, labour standards, environmental protection, and anti-corruption.

As a signatory of the UN Global Compact, 74Software is committed to aligning its practices with the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the fundamental conventions of the International Labour Organisation (ILO). The Company ensures the prevention of human rights violations, promotes ethical and fair working conditions, and upholds responsible and transparent governance.

74Software's commitment to human rights extends to all employees, partners, and suppliers. The Company requires its partners and suppliers to uphold the same standards by signing the Partner and Supplier Charter and embedding practices that respect fundamental rights. Regular progress reports are published to ensure transparency, and the Company remains dedicated to continuously enhancing its practices through ongoing dialogue with stakeholders.

74Software is committed to upholding the fundamental rights of all employees, ensuring fair working conditions, and preventing adverse human rights impacts. To support this commitment, the Whistle-Blowing Procedure provides a secure and confidential mechanism for employees to report potential human rights violations, discrimination, or unethical behaviour without fear of retaliation. These policies apply to all employees across the Company's operations and are reinforced by country-specific labour protections, collective agreements, and HR policies tailored to local regulations.

74Software actively engages with employees to monitor and enhance workplace conditions. Employee engagement surveys are conducted across SBS and Axway to assess satisfaction, workplace well-being, and leadership effectiveness. These insights help identify areas for improvement, enabling the Company to take proactive measures to enhance the employee experience. HR teams and the Ethics Committee provide ongoing oversight to ensure compliance with labour rights, maintaining alignment with international human rights standards.

Where adverse human rights impacts are identified, 74Software ensures the provision of effective remedies. The Company's whistleblowing system and grievance mechanisms facilitate the early identification and resolution of workplace concerns. SBS and Axway implement a range of measures to uphold human rights commitments, including initiatives focused on diversity and inclusion, gender pay equity, collective bargaining, and workplace safety. These efforts translate into tangible protections for the workforce. Regular reporting on these commitments, including submissions to the UN Global Compact, is publicly accessible on the UN Global Compact website.

3.5.2.6 Health and safety

74Software prioritises a safe and healthy working environment for all employees across SBS and Axway. While the Company does not have a centralised workplace accident prevention policy, SBS and Axway adhere to country-specific health and safety regulations, ensuring the implementation of workplace accident prevention measures in compliance with local legal requirements.

Ensuring employee health and safety is a core commitment for 74Software. In France, Axway and SBS comply with stringent occupational health and safety regulations, including mandatory risk assessments and employee safety training. The Document Unique d'Évaluation des Risques Professionnels (DUERP) is updated annually to identify and assess workplace risks. It is continuously reviewed to reflect changes in working conditions and is shared with employee representatives to ensure transparency and foster collaboration in improving workplace health and safety. This process enables the identification of necessary preventive measures and the implementation of targeted action plans to safeguard employees from potential hazards.

Similarly, in India, SBS and Axway adhere to the Occupational Safety, Health, and Working Conditions Code, ensuring the implementation of preventive safety measures, emergency preparedness, and workplace accident reporting protocols. In Germany, as in France, occupational health doctors conduct regular employee check-ups to support workplace well-being, reinforcing the Company's commitment to maintaining a safe and healthy work environment.

Each entity adheres to national occupational health and safety laws to mitigate risks, prevent workplace accidents, and ensure compliance with local labour standards. In addition to regulatory compliance, workplace well-being and safety are reinforced through local HR policies, employee engagement initiatives, and risk management processes. The implementation of occupational health and safety policies is the responsibility of local HR teams, facility managers, and operational management, with ultimate oversight at the highest level by the EVP of People & Culture, a member of the Executive Committee.

As part of its continuous improvement efforts, 74Software is exploring ways to further harmonise health and safety policies across all operations to strengthen its accident prevention framework. To support this initiative, the Company is conducting a comprehensive assessment of health and safety practices across SBS and Axway, with initial findings expected by Q1 2026. The review focuses on aligning risk prevention measures, compliance structures, and accident monitoring processes across all operational entities. Where applicable, workplace accident rates and additional employee data will be analysed to enhance decision-making and drive targeted improvements.

3.5.2.7 Commitment to non-discrimination, equal opportunity, and diversity & inclusion

74Software does not currently have a centralised policy on non-discrimination, equal opportunity, and diversity & inclusion. Instead, these commitments are implemented at the portfolio company level through their respective HR frameworks and policies. Diversity and inclusion are embedded within local HR strategies, ensuring compliance with national labour laws while aligning with corporate commitments to workplace equality. To uphold these principles, the Company's Whistle-Blowing Procedure provides employees with a secure and confidential mechanism to report any concerns related to discrimination or harassment.

Additionally, local policies within SBS and Axway include targeted inclusion measures and positive action initiatives for underrepresented groups. Responsibility for implementing these policies rests with the local HR teams of each entity, under the oversight of the EVP of People & Culture, ensuring alignment with corporate values and commitments to workplace diversity and inclusion.

Over the past three years, Axway has prioritised increasing female representation in its workforce, with a target of reaching 33%. Efforts have focused on raising awareness and providing targeted training, enhancing workplace flexibility, mentoring female employees through the Professional Women's Network, and forging partnerships with universities and professional networks to encourage women to pursue careers in the digital sector.

SBS promotes diversity and inclusion through mandatory training, workshops, and mentoring programmes, with initiatives tailored to each country. For example, SBS Belgium has implemented a Diversity Plan that addresses gender, disability, age, nationality, and cultural background. Additionally, employees over the age of 45 benefit from career transition support and medical check-ups, reinforcing the Company's commitment to age inclusivity.

74Software is establishing a structured approach to measuring progress on diversity and inclusion initiatives. From 2025 onwards, key performance indicators, such as female representation in leadership and promotion rates of diverse talent, will be tracked annually. Oversight will be led by the Head of HR, with regular progress reviews reported to the Executive Committee.

3.5.3 Processes for engaging with own workforce and workers' representatives about impacts (S1-2)

3.5.3.1 Engagement with employees and workers' representatives

74Software actively engages with the workforce and workers' representatives across its portfolio companies to ensure that employee perspectives are incorporated into decision-making processes related to actual and potential workplace impacts. While the Company does not have a centralised global framework agreement, its portfolio companies adhere to national labour laws and collective bargaining agreements where applicable.

Employee engagement is facilitated through direct communication and structured representation. In countries such as France, Belgium, and Germany, Axway and SBS employees are represented by works councils and employee representatives, who regularly meet with management to discuss workplace conditions, employment terms, and other concerns. To gather direct workforce feedback, SBS and Axway conduct regular employee engagement surveys to assess workplace well-being, job satisfaction, and inclusion. Insights from these surveys inform policy improvements, work-life balance initiatives, and diversity efforts, reinforcing the Company's commitment to fostering an inclusive and supportive work environment.

Axway's 2025 Engagement Survey results underscore the Company's commitment to fostering a positive and motivating workplace. With an impressive 85% participation rate, the survey recorded an all-time high engagement score of 70%, reflecting the strong sense of connection employees have with Axway and its strategic vision. The feedback highlighted notable improvements in key areas, including resource allocation, career development opportunities, and leadership communication. Employees also expressed high levels of satisfaction with their roles and managers, reinforcing alignment with Axway's core values. The overall results mark a successful year and set a strong foundation for continued progress in employee engagement from 2025 onwards.

For many years, SBS conducted its annual employee survey through the Great Place to Work (GPTW) framework, complemented by Peakon for real-time feedback. These tools provided valuable insights into employee sentiment and highlighted key areas for improvement. In 2024, SBS chose to pause the GPTW survey to prepare for the launch of a new engagement survey in March 2025, fully aligned with Axway's approach. This new survey aims to harmonise engagement efforts across 74Software, creating a unified process that builds on the strengths of previous methodologies while fostering a more cohesive and consistent employee experience.

Axway and SBS HR central teams, in collaboration with local HR teams, are responsible for ensuring the effective implementation of employee engagement processes and integrating employee feedback into decision-making. Where concerns arise, grievance mechanisms such as the whistleblowing system provide employees with a secure and confidential channel to report issues.

To further strengthen workforce engagement, 74Software is exploring enhanced feedback channels across its portfolio companies, ensuring that all employees have a voice in shaping the Company's culture and working environment.

As part of this commitment, SBS will launch its women's network in March 2025 to foster community, representation, and support for women within the organisation. Prior to joining 74Software, SBS employees had access to employee resource groups, and this new initiative builds on that foundation to provide even more targeted and impactful support for employees.

3.5.3.2 Engagement with vulnerable and marginalised employees

74Software is committed to fostering an inclusive workplace where all employees across its portfolio companies, including those from vulnerable or marginalised groups, feel heard and valued. To gain deeper insight into the experiences of potentially vulnerable employees, 74Software conducts annual employee engagement surveys across its entities. These surveys assess job satisfaction, workplace inclusion, and overall well-being, generating valuable insights that inform policies and drive targeted action plans.

Given the specific context of an ownership change, no employee engagement survey was conducted for SBS in 2024. However, the Company continued to gather feedback through direct interactions and issue-specific discussions with its workforce, ensuring that employee perspectives remained central to decision-making.

Additionally, SBS and Axway comply with country-specific labour protections designed to safeguard the rights of vulnerable employees. In France, gender pay gap reporting is mandatory, ensuring transparency and promoting equal treatment. In Belgium, SBS adheres to the Diversity Plan, which establishes clear diversity and inclusion requirements to foster equitable workplace practices.

To ensure that all employees have accessible channels to voice their concerns, 74Software has established multiple engagement mechanisms. These include direct interactions with HR business partners and works councils, a whistleblowing system, and personal annual review dialogues. These channels provide employees with safe and confidential ways to raise concerns, suggest improvements, and engage in meaningful discussions with managers, human resources, or the Ethics Committee.

74Software remains committed to monitoring and addressing potential disparities in employee experiences. Insights gained from employee surveys and direct feedback mechanisms enable the Group to identify areas for improvement and implement targeted inclusion initiatives. These efforts include strengthening internal diversity programmes, enhancing leadership training, and expanding mentorship opportunities to ensure that employees from all backgrounds have equitable access to career growth and professional development.

Recognising the importance of structured workforce engagement, 74Software aims to develop a more formalised approach to collecting and integrating employee feedback across the organisation. Throughout 2025, the Company will reassess the potential for implementing a centralised engagement framework across all Group entities.

74Software ensures that employees receive clear and accessible information through multiple communication channels tailored to workforce needs. Updates on policies, engagement initiatives, and workplace matters are disseminated via the Company intranet and internal newsletters, ensuring broad accessibility. Additionally, HR business partners and managers play a crucial role in delivering key messages, providing explanations during team meetings and one-on-one discussions. In countries where work councils and employee representatives are in place, these bodies serve as an additional channel for sharing and clarifying important updates for employees covered by collective agreements.

To enhance direct employee engagement, 74Software conducts regular employee surveys and feedback sessions, creating opportunities for employees to share their perspectives while receiving structured communication from leadership and HR teams. The Company also ensures that grievance mechanisms, including the whistleblowing system, provide employees with a secure and confidential way to report concerns, with clear guidance on the reporting process.

3.5.4 Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

3.5.4.1 Processes for remediating negative impacts and employee grievance channels

74Software is committed to maintaining a fair, ethical, and transparent workplace where employees can safely report concerns and seek remediation for any negative impacts they experience. To uphold this commitment, the Group has established formal grievance mechanisms and confidential reporting channels, enabling employees to raise concerns related to fraud, misconduct, discrimination, harassment, unethical behaviour, or privacy violations without fear of retaliation.

Employees are encouraged to seek assistance if they encounter bias or mistreatment, while managers are required to report any incidents they witness or are informed of. 74Software and its portfolio companies provide multiple channels for employees to report concerns, ensuring accessibility and confidentiality:

- HR Business Partners - Employees can directly raise concerns with their local HR representatives;
- Whistleblowing System - A dedicated, secured and confidential email reporting system (74software.ethics.notification@74software.com) is accessible to all employees and managed exclusively by the Ethics Committee. This allows employees to anonymously report potential violations related to fraud, corruption, harassment, discrimination, and other ethical concerns;
- Ethics Committee - The EVP, People & Culture, the VP, Global Legal, and the Head of Internal Audit oversee the whistleblowing system, compliance processes, and employee grievance mechanisms;
- Work Councils and Employee Representatives - In countries where applicable, employees can escalate concerns through formal employee representation structures;
- Data Protection Office - Employees across the companies within the Group have access to an internal ticketing system, enabling them to report any concerns or issues related to data and/or privacy.

All reports submitted through the whistleblowing system are acknowledged within seven working days. The Ethics Committee ensures that employees receive updates on any follow-up actions within three months of the initial report. If an issue is substantiated, corrective measures may include:

- internal investigations and appropriate disciplinary actions in line with 74Software's policies;
- engagement with relevant stakeholders to remediate the impact;
- escalation to legal authorities if required.

74Software ensures that all grievance reports remain confidential, with personal details disclosed only when legally required or with the whistleblower's consent. The Ethics Committee tracks and monitors all reported concerns to ensure timely and effective resolution.

To address data and privacy concerns, the IT department has established dedicated reporting channels, accessible via the intranet and detailed in employee handbooks and the security policy. Reported issues are tracked through an internal ticketing system, with regular audits and incident reports conducted to maintain oversight. The Data Protection Officer (DPO) and IT support teams oversee investigations, implement corrective actions, and ensure compliance with privacy policies.

74Software has also implemented a structured monitoring framework for grievance and remediation processes. Beginning in Q4 2026, all reported cases, resolution timelines, and remediation actions will be systematically tracked at both the Group and entity levels. The Ethics Committee will compile annual reports to assess the effectiveness of these measures and drive continuous improvement.

Training programmes are conducted to educate employees on data protection laws and privacy policies, fostering awareness and trust in these systems. Measures are in place to safeguard individuals using these channels, ensuring confidentiality and protection against retaliation.

Beyond providing access to grievance mechanisms, 74Software is committed to fostering an environment where employees feel safe, confident, and supported in raising concerns. To reinforce this, the Group promotes open dialogue, with leadership actively engaging with employees, listening to concerns, and integrating feedback into workplace policies.

One key initiative in this regard is the CEO Office Hours for Axway employees. Launched in 2022, these digital meetings are open to all employees and provide a direct platform for interaction with the Chief Executive Officer and members of the Executive Committee. Discussions during these sessions focus on Axway's strategy, operational challenges, and Company developments.

Additionally, All Hands meetings are regularly facilitated by various members of the Executive Committee. These Company-wide presentations, which continued throughout 2024, support employee engagement and transparency. Alongside updates on economic performance and strategic developments, new topics were introduced during the year, particularly concerning Axway's CSR commitments.

SBS organises CEO Catch-ups, providing employees with direct opportunities to engage with leadership. These sessions are designed to foster transparency and open communication, enabling employees to gain insights into Company strategy, decision-making processes, key challenges, and upcoming transformations aimed at achieving corporate goals.

As part of its ongoing consolidation efforts, 74Software will continue to evaluate and enhance its grievance mechanisms and follow-up processes to maintain a transparent and accountable work environment. At present, the Company does not have a formal process to assess whether employees are fully aware of and trust the grievance mechanisms available to them. However, 74Software acknowledges the importance of not only providing access to these mechanisms but also ensuring that employees understand and have confidence in using them. Looking ahead, the Group will explore initiatives to further raise awareness, ensuring that all employees are informed about their rights and equipped with the knowledge to utilise grievance mechanisms effectively.

3.5.5 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness (S1-4)

The Impact, Risk, and Opportunity (IRO) indicators described below do not currently have measurable, outcome-oriented targets. 74Software recognises the importance of transparently disclosing the reasons for this. As the Company was established in September 2024, uniting the SBS and Axway brands under a single entity, the harmonisation of policies, data collection processes, and governance structures remains an ongoing process. As outlined further in this report, a collaborative target-setting initiative will be launched in 2025. Until measurable targets are established, progress will be tracked through qualitative assessments, employee feedback, and existing governance frameworks.

74Software remains committed to fostering a secure, fair, and empowering work environment while actively managing workforce-related risks and opportunities. The following tables present each impact, risk, and opportunity separately under its respective topic.

IROs		Policy	Programmes
Working conditions – Secure Employment Insecure employment due to a lack of contracts, protection, and stability harms physical and mental health, leading to stress, anxiety, and burnout. It also destabilises the economy by reducing consumer spending and increasing turnover.	Impact -	74Software aligns with local labour laws and collective agreements to provide social protection benefits and mitigate job insecurity risks. In France, Belgium, and Spain, employment regulations ensure that all workers receive fair treatment and legal protections, while in other regions, social security benefits help reduce financial instability. These provisions apply to all employees within 74Software. Responsibility for implementation rests with the local HR teams within each entity, under the leadership of the Heads of HR for Axway and SBS.	To strengthen job security, the 74Software offers internal mobility programs and career development initiatives, including Pluralsight and University-led training that enhance long-term employability. Workforce stability is monitored through turnover analysis (HRIS & PowerBI) to identify trends and reduce reliance on short-term contracts. Additionally, structured workforce planning and succession strategies help mitigate employment risks and ensure long-term job security. The effectiveness of these initiatives is assessed through workforce metrics, including turnover rates, employee retention rates, and promotion rates. These indicators are reviewed periodically by HR teams at Axway and SBS to identify trends and adjust workforce planning if necessary. To ensure that 74Software's own employment practices do not cause or contribute to material negative impacts, the Company adheres to national labour laws and collective agreements and engages with employee representatives and works councils.
Working conditions – Secure Employment Insecure employment fosters high turnover, team instability, and skill gaps, hindering skill development. It damages the Company's reputation and results in higher costs for retraining, compensating, or recruiting staff.	Risk	74Software aligns with local labour laws and collective agreements to provide social protection benefits and mitigate job insecurity risks. In France, Belgium, and Spain, employment regulations ensure that all workers receive fair treatment and protections, while in other regions, social security benefits help reduce financial instability. This applies to all employees employed by 74Software. Responsibility for implementing lies with the local HR teams within each entity, under the leadership of the Heads of HR for Axway and SBS.	To strengthen job security, 74Software offers internal mobility programs and career development initiatives, including Pluralsight and University-led training that enhance long-term employability. Workforce stability is monitored through turnover analysis (HRIS & PowerBI) to identify trends and reduce reliance on short-term contracts. Additionally, structured workforce planning and succession strategies help mitigate employment risks and ensure long-term job security. The effectiveness of these initiatives is assessed through workforce metrics, including turnover rates, employee retention rates, and promotion rates. These indicators are reviewed periodically by HR teams at Axway and SBS to identify trends and adjust workforce planning if necessary. To ensure that 74Software's own employment practices do not cause or contribute to material negative impacts, the Company adheres to national labour laws and collective agreements and engages with employee representatives and works councils.

IROs		Policy	Programmes
Working conditions – Working time Long working hours cause physical health issues such as fatigue, heart disease, and sleep disorders. They also contribute to mental health challenges like stress, anxiety, and burnout, disrupting work-life balance and straining relationships.	Impact -	74Software ensures compliance with local working time regulations in all its subsidiaries, adapting work schedules according to country-specific labour laws. Some local HR teams (France & Benelux) enforce a right-to-disconnect policy, safeguarding employees' rest periods. Additionally, on-call procedures are locally defined by the entities and are available on the Company's internal networks. Responsibility for implementing this policy lies with the local HR teams within each entity, under the leadership of the Heads of HR for Axway and SBS.	To support work-life balance, 74Software encourages flexible work arrangements and remote working. The Company actively monitors employee well-being through surveys assessing workload stress, using the insights gained to drive improvements in workplace policies. HR teams at Axway and SBS periodically review key workforce indicators, including employee feedback, to identify trends and refine HR policies accordingly. 74Software is committed to fostering a workplace where employee well-being is prioritised, ensuring that its employment practices evolve in response to employee needs and industry best practices. Beyond meeting national labour law requirements, the Company actively engages with employee representatives to identify and mitigate potential risks, implements robust working time policies aligned with collective agreements, and continuously works to enhance its employment practices. Work-life balance initiatives are reviewed annually, with adjustments made based on employee feedback and regulatory developments, ensuring a sustainable and supportive work environment.
Working conditions – Working time Long working hours decrease productivity, increase workplace errors, and lead to higher absenteeism and turnover. Health issues and burnout raise medical costs and harm employee engagement, impacting financial performance.	Risk	74Software ensures full compliance with local working time regulations across all its subsidiaries, adapting work schedules in accordance with country-specific labour laws. In certain regions, such as France and Benelux, local HR teams enforce a right-to-disconnect policy, safeguarding employees' rest periods and promoting work-life balance. Additionally, on-call procedures are locally defined by each entity and are accessible through the Company's internal networks, ensuring transparency and clarity for employees. Responsibility for implementing these policies lies with the local HR teams within each entity, operating under the leadership of the Heads of HR for Axway and SBS. This decentralised approach ensures that policies are effectively adapted to local regulations while remaining aligned with the Company's broader commitment to employee well-being and compliance.	To support work-life balance, 74Software encourages flexible work arrangements and remote working, ensuring employees have the flexibility to manage their professional and personal commitments effectively. The Company actively monitors employee well-being through surveys assessing workload stress, using the insights gained to enhance workplace policies and promote a healthier work environment. HR teams at Axway and SBS periodically review key workforce indicators, incorporating employee feedback to identify trends and refine HR policies. 74Software is committed to fostering a workplace where employee well-being is prioritised and continuously evolves its employment practices in response to employee needs and industry best practices. Beyond compliance with national labour law requirements, 74Software actively engages with employee representatives to identify and mitigate potential risks, implements robust working time policies aligned with collective agreements, and promotes a culture of continuous improvement. Work-life balance initiatives are reviewed annually, with adjustments made based on employee feedback and regulatory developments, ensuring a sustainable and supportive work environment.

IROs		Policy	Programmes
Working conditions – Work life balance Poor work-life balance negatively affects employees' physical and mental well-being, leading to stress, fatigue, and burnout. Insufficient personal time strains relationships and lowers overall quality of life.	Impact -	74Software promotes work-life balance by offering flexible work arrangements, allowing all employees the option to work entirely remotely or up to 60% of their time remotely. Under the Future of Work policy, employees have the flexibility to work remotely from a private location for several consecutive days, ensuring greater autonomy in managing their professional and personal commitments. In France and Benelux, the right-to-disconnect policy safeguards employees' ability to disconnect from work outside of contracted hours, reinforcing healthy boundaries between work and personal time. In other regions, maximum working hour regulations are in place to prevent overwork, ensuring compliance with local labour laws. Additionally, family-related leave policies support employees in balancing personal and professional responsibilities, promoting a more inclusive and adaptable workplace. This policy applies to all employees directly employed by 74Software; however, its implementation may vary depending on local labour laws and contractual agreements in different regions. Responsibility for implementing this policy lies with the local HR teams within each entity, operating under the leadership of the Heads of HR for Axway and SBS. This localised approach ensures that the policy is effectively adapted to regional regulations while remaining aligned with the Company's broader commitment to employee well-being and flexibility.	Employee well-being is a key priority for 74Software. The Company conducts annual surveys, including Axway Voice, Peakon, and Great Place to Work, which reach all employees across all geographies and both brands. These surveys assess stress levels and work-life balance satisfaction, providing valuable insights that inform initiatives aimed at reducing burnout and enhancing overall well-being. The effectiveness of these initiatives is measured through survey participation rates and key workforce indicators, including survey results and employee feedback. HR teams at Axway and SBS regularly review this data to identify trends and adjust policies accordingly. To ensure ethical employment practices, 74Software goes beyond legal compliance, implementing right-to-disconnect policies and actively monitoring workload concerns through ongoing employee feedback mechanisms. Work-life balance policies and initiatives are reviewed annually, with adjustments made based on employee feedback and organisational priorities, ensuring a continuous commitment to employee well-being.
Working conditions – Work life balance Poor work-life balance results in decreased productivity, increased staff turnover, and lower job satisfaction. It weakens employee engagement and damages 74Software's long-term financial stability.	Risk	74Software actively promotes work-life balance by offering flexible work arrangements, allowing all employees the option to work entirely remotely or up to 60% of their time remotely. Under the Future of Work policy, employees have the freedom to work remotely from a private location for several consecutive days, ensuring greater flexibility in managing their professional and personal commitments. In France and Benelux, the right-to-disconnect policy ensures that employees can disconnect from work outside of contracted hours, fostering a healthier work-life balance. In other regions, maximum working hour regulations are enforced to prevent overwork and ensure compliance with local labour laws. Additionally, family-related leave policies provide further support for employees in balancing personal and professional responsibilities, reinforcing 74Software's commitment to employee well-being and inclusivity. This policy applies to all employees directly employed by 74Software. However, its implementation may vary depending on local labour laws and contractual agreements in different regions. Responsibility for implementing this policy lies with the local HR teams within each entity, under the leadership of the Heads of HR for Axway and SBS. This localised approach ensures that the policy is effectively adapted to regional regulations while remaining aligned with the Company's broader commitment to flexibility and employee well-being.	Employee well-being is a key priority for 74Software. The Company conducts annual surveys, including Axway Voice, Peakon, and Great Place to Work, which reach all employees across all geographies and both brands. These surveys assess stress levels and work-life balance satisfaction, providing valuable insights that inform initiatives aimed at reducing burnout and enhancing overall well-being. The effectiveness of these initiatives is measured through survey participation rates and key workforce indicators, including survey results and employee feedback. HR teams at Axway and SBS regularly review this data to identify trends and adjust policies accordingly. To ensure ethical employment practices, 74Software goes beyond legal compliance, implementing right-to-disconnect policies and actively monitoring workload concerns through ongoing employee feedback mechanisms. Work-life balance policies and initiatives are reviewed annually, with adjustments made based on employee feedback and organisational priorities, ensuring a continuous commitment to employee well-being.

IROs		Policy	Programmes
Working conditions – Adequate wages Adequate wages improve employees' living standards, reduce poverty, and enhance social stability. They contribute to a healthier workforce and stronger communities.	Impact +	74Software is committed to providing fair and competitive wages to all employees, ensuring alignment with relevant legal frameworks and industry benchmarks. In the European Economic Area (EEA), salaries are structured in compliance with Directive (EU) 2022/2041 on adequate minimum wages. Outside the EEA, 74Software references benchmark data from reputable sources, such as the Anker Research Institute, to establish appropriate wage levels in each market. Annual salary reviews are conducted to ensure wage equity, taking into account market trends, job responsibilities, and individual performance. In France, collective agreements define specific salary equity indicators, which are rigorously applied to maintain fair and transparent pay structures. Through this policy, 74Software seeks to promote a living wage and uphold equitable compensation practices across all operations. This policy applies to all employees directly employed by 74Software, regardless of location. However, it does not extend to contractors or subcontractors, whose compensation is determined by their respective contractual agreements and applicable local labour regulations. The implementation and oversight of this policy are managed by local Human Resources (HR) teams within each 74Software entity, operating under the strategic guidance and supervision of the Heads of HR for Axway and SBS. The Global Compensation and Benefits team provides overarching guidance and ensures consistency in the policy's application across all regions.	74Software implements a comprehensive compensation programme designed to ensure fair and competitive remuneration for all employees. This programme includes annual salary increases, ensuring that employee compensation remains aligned with market standards while also reflecting individual performance and contributions. In addition, the Company offers robust career development programmes and training initiatives, enabling employees to enhance their skills and progress into higher-paying roles within the organisation. The effectiveness of these initiatives is closely monitored through multiple assessment methods. Regular salary benchmarking is conducted against industry standards and competitor compensation data to ensure competitiveness. Internal pay equity analyses are performed to identify and address any disparities, reinforcing fair pay practices. Annual compensation reviews assess performance-based salary adjustments and ensure alignment with market conditions. Employee participation and advancement within career development programmes are actively tracked, along with employee retention rates, particularly in relation to compensation and career progression. To proactively prevent material negative impacts, 74Software maintains strict compliance with national labour laws and regulations, conducting regular and thorough internal wage equity analyses. The Company ensures adherence to all relevant collective bargaining agreements and implements transparent compensation policies with clear communication practices. Employees have access to confidential mechanisms to report concerns or grievances related to compensation, ensuring they can do so without fear of retaliation. Salary policies and wage adjustments are reviewed annually, with market benchmarking conducted at least every two years to maintain ongoing competitiveness. Career development programmes and training initiatives are continuously evaluated and updated, ensuring they remain aligned with evolving business needs and employee development goals.

IROs		Policy	Programmes
Working conditions – Adequate wages Adequate wages attract and retain skilled employees, fostering motivation and job satisfaction. They enhance the Company's reputation as a responsible employer, ensuring long-term success.	Opportunity	74Software is committed to providing fair and competitive wages to all employees, ensuring alignment with relevant legal frameworks and industry benchmarks. In the European Economic Area (EEA), salaries are structured in compliance with Directive (EU) 2022/2041 on adequate minimum wages. Outside the EEA, 74Software references benchmark data from reputable sources, such as the Anker Research Institute, to establish appropriate wage levels in each market. Annual salary reviews are conducted to ensure wage equity, taking into account market trends, job responsibilities, and individual performance. In France, collective agreements define specific salary equity indicators, which are rigorously applied to maintain fair and transparent pay structures. Through this policy, 74Software seeks to promote a living wage and uphold equitable compensation practices across all operations. This policy applies to all employees directly employed by 74Software, regardless of location. However, it does not extend to contractors or subcontractors, whose compensation is determined by their respective contractual agreements and applicable local labour regulations. The implementation and oversight of this policy are managed by local Human Resources (HR) teams within each 74Software entity, operating under the strategic guidance and supervision of the Heads of HR for Axway and SBS. The Global Compensation and Benefits team provides overarching guidance and ensures consistency in the policy's application across all regions.	74Software implements a comprehensive compensation programme designed to ensure fair and competitive remuneration for all employees. This programme includes annual salary increases, ensuring that employee compensation remains aligned with market standards while also reflecting individual performance and contributions. In addition, the Company offers robust career development programmes and training initiatives, enabling employees to enhance their skills and progress into higher-paying roles within the organisation. The effectiveness of these initiatives is closely monitored through multiple assessment methods. Regular salary benchmarking is conducted against industry standards and competitor compensation data to ensure competitiveness. Internal pay equity analyses are performed to identify and address any disparities, reinforcing fair pay practices. Annual compensation reviews assess performance-based salary adjustments and ensure alignment with market conditions. Employee participation and advancement within career development programmes are actively tracked, along with employee retention rates, particularly in relation to compensation and career progression. To proactively prevent material negative impacts, 74Software maintains strict compliance with national labour laws and regulations, conducting regular and thorough internal wage equity analyses. The Company ensures adherence to all relevant collective bargaining agreements and implements transparent compensation policies with clear communication practices. Employees have access to confidential mechanisms to report concerns or grievances related to compensation, ensuring they can do so without fear of retaliation. Salary policies and wage adjustments are reviewed annually, with market benchmarking conducted at least every two years to maintain ongoing competitiveness. Career development programmes and training initiatives are continuously evaluated and updated, ensuring they remain aligned with evolving business needs and employee development goals.

IROs		Policy	Programmes
Open Dialogue – Social dialogue Poor social dialogue weakens trust and communication between employees and employers, leading to workplace conflicts, increased tension, and decreased morale.	Impact -	74Software is committed to fostering open dialogue and ensuring robust employee representation across its global operations. This commitment is upheld through established mechanisms, including collective bargaining agreements and workers' councils, in countries where they are legally mandated or culturally prevalent, such as France, Germany, and Belgium. These platforms enable meaningful social dialogue, allowing employees to actively participate in decision-making processes concerning working conditions, compensation, and organisational changes. 74Software encourages constructive engagement between management and employee representatives, fostering a culture of transparency, collaboration, and mutual respect. While the policy is primarily focused on formal representation structures, the Company is also committed to promoting open communication and feedback channels across all its global operations, ensuring that employees can express concerns and contribute to workplace discussions, even in regions without formal representation mechanisms. This policy applies to all employees in countries where collective bargaining agreements, workers' councils, or other legally recognised forms of employee representation exist. The implementation and maintenance of this policy are managed by local Human Resources (HR) teams within each 74Software entity, under the strategic guidance and oversight of the Heads of HR for Axway and SBS. The Global Employee Relations team provides overall direction, ensuring consistent application of the policy and supporting local HR teams in facilitating effective social dialogue across the organisation.	74Software implements a comprehensive range of employee engagement initiatives designed to foster open dialogue and establish strong communication channels across its global operations. These initiatives are tailored to local contexts and legal requirements, ensuring that employees across different regions have accessible platforms for meaningful engagement. In countries where legally mandated representation exists, such as France, Germany, and Belgium, collective bargaining agreements and workers' councils serve as primary platforms for social dialogue, facilitating discussions on workplace policies, conditions, and organisational developments. Inregions where such representation is not legally required, engagement is ensured through regular employee meetings, including monthly town halls, engagement sessions, and after-work events, led by HR Business Partners. In countries such as Spain, where formal worker representation is not a legal requirement, monthly management meetings provide employees with direct access to leadership, fostering transparency and open communication. The effectiveness of these engagement initiatives is monitored through multiple indicators, including participation rates in engagement meetings, town halls, and after-work sessions, employee feedback scores from regular surveys, analysis of sentiment and insights gathered through dialogue platforms, tracking of employee concerns and suggestions, and employee retention and satisfaction rates. To prevent material negative impacts and ensure fair and equitable employee representation, 74Software maintains strict adherence to national labour laws and regulations regarding employee representation and social dialogue. The Company actively promotes inclusive and diverse participation, ensuring that all voices are heard in legally mandated forums. Additionally, confidential feedback mechanisms encourage employees to express concerns openly, without fear of reprisal. Managers receive regular training on effective communication and dialogue practices, equipping them to facilitate productive and transparent discussions with employees. Social dialogue mechanisms and employee engagement strategies are reviewed annually, with updates made based on employee feedback, evolving regulatory requirements, and best practices in employee relations. The effectiveness of these initiatives is continuously monitored and adjusted to ensure they remain relevant, impactful, and aligned with the needs of employees.

IROs		Policy	Programmes
Open Dialogue – Freedom of association and collective bargaining Lack of freedom of association and collective bargaining limits workers' rights, making them vulnerable to unfair treatment. This increases stress, reduces job satisfaction, and negatively affects workplace relations.	Impact -	74Software is committed to fostering open dialogue and ensuring robust employee representation across its operations. This commitment is realized through established mechanisms, including collective bargaining agreements and workers' councils, in countries where they are legally mandated or culturally prevalent, such as France, Germany, and Belgium. These platforms facilitate meaningful social dialogue, enabling employees to participate in decision-making processes related to working conditions, compensation, and organizational changes. 74Software actively encourages constructive engagement between management and employee representatives, promoting a culture of transparency and mutual respect. This policy applies to all employees in countries where collective bargaining agreements, workers' councils, or other legally recognized forms of employee representation are established. While the policy focuses on formal mechanisms, 74Software also strives to promote open communication and feedback channels across all its global operations, regardless of formal representation structures. The implementation and maintenance of this policy are the responsibility of the local Human Resources (HR) teams within each 74Software entity, under the strategic guidance and oversight of the Heads of HR for Axway and SBS. The Global Employee Relations team provides overall guidance, ensures consistency in application, and supports local HR teams in fostering effective social dialogue.	74Software implements a comprehensive range of employee engagement initiatives designed to foster open dialogue and establish strong communication channels across its global operations. These initiatives are tailored to local contexts and legal requirements, ensuring that employees across different regions have accessible platforms for meaningful engagement. In countries where legally mandated representation exists, such as France, Germany, and Belgium, collective bargaining agreements and workers' councils serve as primary platforms for social dialogue, facilitating discussions on workplace policies, conditions, and organisational developments. In regions where such representation is not legally required, engagement is ensured through regular employee meetings, including monthly town halls, engagement sessions, and after-work events, led by HR Business Partners. In countries such as Spain, where formal worker representation is not a legal requirement, monthly management meetings provide employees with direct access to leadership, fostering transparency and open communication. The effectiveness of these engagement initiatives is monitored through multiple indicators, including participation rates in engagement meetings, town halls, and after-work sessions, employee feedback scores from regular surveys, analysis of sentiment and insights gathered through dialogue platforms, tracking of employee concerns and suggestions, and employee retention and satisfaction rates. To prevent material negative impacts and ensure fair and equitable employee representation, 74Software maintains strict adherence to national labour laws and regulations regarding employee representation and social dialogue. The Company actively promotes inclusive and diverse participation, ensuring that all voices are heard in legally mandated forums. Additionally, confidential feedback mechanisms encourage employees to express concerns openly, without fear of reprisal. Managers receive regular training on effective communication and dialogue practices, equipping them to facilitate productive and transparent discussions with employees. Social dialogue mechanisms and employee engagement strategies are reviewed annually, with updates made based on employee feedback, evolving regulatory requirements, and best practices in employee relations. The effectiveness of these initiatives is continuously monitored and adjusted to ensure they remain relevant, impactful, and aligned with the needs of employees.

IROs		Policy	Programmes
Health and Safety Poor health and safety conditions raise injury risks, increase absenteeism, and cause stress-related illnesses, ultimately lowering productivity and employee morale.	Impact -	74Software is committed to ensuring a safe and healthy working environment for all employees, recognising that robust occupational health and safety practices are fundamental to employee well-being and organisational sustainability. This commitment extends beyond compliance with local regulations and collective agreements, as the Company proactively identifies and mitigates potential health and safety risks, fostering a culture of prevention and continuous improvement. 74Software implements comprehensive health and safety policies that address physical, psychological, and ergonomic well-being, aiming to minimise injury risks, reduce absenteeism, and prevent stress-related illnesses. The Company acknowledges that poor health and safety conditions can significantly impact employee morale and productivity, and therefore prioritises proactive measures to safeguard its workforce. This policy applies to all employees directly employed by 74Software, regardless of location or role. While the implementation of specific health and safety measures may vary by country based on local regulations and risk assessments, the core principles of this policy apply universally. 74Software also encourages contractors and subcontractors to adhere to similar health and safety standards within their respective work environments. The implementation and oversight of this policy area shared responsibility. Local Human Resources (HR) teams, prevention advisors, and Facility Managers within each 74Software entity are responsible for day-to-day implementation and monitoring. The Heads of HR for Axway and SBS provide strategic guidance, ensuring consistent application across all entities. The Global Health and Safety team offers expert support, develops global standards, and facilitates knowledge sharing. The Company actively fosters employee participation in health and safety initiatives, encouraging employees to report hazards and contribute to a safe working environment.	74Software implements a comprehensive suite of occupational health and safety initiatives to proactively mitigate risks and promote employee well-being across its global operations. These initiatives are tailored to local contexts and legal requirements, ensuring a safe and supportive working environment across all entities. Axway monitors workplace accidents and absenteeism trends, operating a Health and Safety Committee in France and providing occupational health check-ups in France and Germany. SBS delivers mandatory health and safety training, conducts thorough risk assessments, and provides dedicated support resources for employees in the UK. In France, the Care Program promotes holistic workplace well-being through structured safety measures and support services. Across all entities, 74Software fosters a culture of prevention through regular safety meetings, hazard reporting systems, and employee participation in health and safety initiatives. The effectiveness of these initiatives is tracked through the monitoring of workplace accident rates and severity to identify risk trends, tracking absenteeism trends, particularly those linked to health and safety concerns, and conducting regular audits of health and safety practices to ensure compliance with local regulations. Employee participation rates in health and safety training and committee meetings are reviewed, alongside feedback gathered from surveys and reporting mechanisms to address concerns. The effectiveness of risk mitigation measures is assessed through incident investigations and trend analysis. To proactively prevent material negative impacts, 74Software ensures strict adherence to national and international health and safety regulations, conducts comprehensive risk assessments to identify and mitigate potential hazards, and actively engages with employees through Health and Safety Committees and consultation mechanisms. The Company maintains robust incident reporting and investigation procedures to prevent recurrence, provides personal protective equipment (PPE) and ergonomic assessments where necessary, and implements ongoing training and awareness programmes to promote a culture of safety. Additionally, mental health support programmes are in place to enhance overall employee well-being. Occupational health and safety initiatives are subject to continuous monitoring and improvement. Regular reviews are conducted, with monthly assessments in some countries through Health and Safety Committees and annual reviews at a global level. Adjustments are made based on regulatory changes, employee feedback, incident investigations, and evolving best practices in occupational health and safety.

IROs		Policy	Programmes
Data and Privacy Failure to protect employee data privacy results in loss of trust, identity theft risks, and psychological distress, leading to reduced morale and productivity.	Impact -	74Software is committed to safeguarding the privacy and security of all employee personal data, recognising the critical importance of data protection in maintaining employee trust and preventing potential risks. The Company enforces strict data privacy policies through its comprehensive Privacy Statement, ensuring compliance with the General Data Protection Regulation (GDPR), the EU-U.S. Data Privacy Framework, and other relevant international and regional regulations. This policy establishes clear guidelines for the lawful and transparent collection, storage, processing, and secure disposal of employee personal data. It also defines employees' rights regarding their data, including access, rectification, erasure, and portability, and provides accessible mechanisms for exercising these rights. By prioritising data privacy and security, 74Software seeks to prevent data breaches, identity theft risks, and psychological distress, thereby fostering a secure and trustworthy work environment that supports employee morale and productivity. This policy applies to all employee personal data processed by 74Software across its global operations, regardless of the employee's location or role. While the core principles of data privacy remain consistent, the implementation of specific measures may vary based on regional regulatory requirements and local data protection practices. The implementation and oversight of this policy are the responsibility of the Data Protection Officers (DPOs) for Axway and SBS, who operate under the strategic guidance and supervision of the Legal and Compliance teams. The Global Information Security team provides technical expertise and supports the implementation of security measures. Local HR teams play a crucial role in ensuring employee awareness of data privacy policies and procedures, reinforcing the Company's commitment to a comprehensive and transparent approach to data protection.	74Software implements a comprehensive suite of data privacy and security programmes to safeguard employee information and maintain compliance with evolving regulatory requirements. These programmes employ a multi-layered approach, incorporating data encryption, security monitoring, and restricted access protocols across all services. SBS has established a comprehensive data protection framework that enforces regular risk assessments, Data Protection Impact Assessments (DPIAs), and breach response protocols to mitigate potential risks. Axway maintains dedicated compliance programmes to ensure adherence to GDPR and other relevant privacy laws, supported by ongoing employee training on data protection best practices. Across 74Software, continuous efforts are made to enhance data security measures, raise employee awareness through targeted communication campaigns, and provide regular training on data privacy and cybersecurity in response to emerging threats and regulatory developments. The effectiveness of these initiatives is measured through the number of reported data breaches and security incidents involving employee data, completion rates and effectiveness of data protection and cybersecurity training programmes, results of DPIAs and vulnerability scans, and employee feedback from surveys and reporting mechanisms regarding data privacy concerns. Additionally, audit results assessing compliance with GDPR and other regulations, as well as the time taken to detect, respond to, and resolve data security incidents, are key indicators of programme success. To prevent material negative impacts, 74Software enforces strict data encryption, access controls, and security monitoring protocols, conducts regular DPIAs to identify and mitigate privacy risks, and implements robust incident response and breach notification procedures. The Company provides clear and accessible channels for employees to report data privacy concerns, including whistleblowing mechanisms, and ensures ongoing training and awareness programmes on data privacy and security best practices. Regular audits and compliance assessments are conducted, alongside the enforcement of a data minimisation policy to limit the collection and retention of personal data to what is strictly necessary. Data privacy policies and security initiatives are subject to continuous monitoring and improvement. Regular reviews are conducted, with updates made in response to regulatory changes, emerging cybersecurity threats, and employee feedback. The effectiveness of these programmes is continuously evaluated and adjusted to ensure they remain relevant, effective, and aligned with best practices.

IROs		Policy	Programmes
Diversity and Equal opportunities – Gender diversity Gender diversity fosters equal opportunities, reduces gender gaps, and promotes work-life balance, contributing to an inclusive workplace.	Impact +	74Software is committed to fostering a workplace culture where gender diversity and equal opportunities are actively promoted and embedded in all aspects of employment. Recognising that gender diversity is essential for innovation, creativity, and organisational success, the Company implements comprehensive initiatives across its entities to ensure fair and equitable treatment for all employees, regardless of gender. This commitment extends beyond compliance with local laws and ethical rules on non-discrimination, as 74Software actively promotes gender equality through initiatives focused on recruitment, promotions, pay equity, leadership development, and work-life balance. As a signatory to the UN Global Compact, 74Software reaffirms its dedication to advancing gender equality and diversity in the workplace, contributing to Sustainable Development Goal 5. This commitment applies to all employees of 74Software, covering all stages of employment, including recruitment, onboarding, performance management, career development, compensation, and promotions. While the core principles of gender diversity and equal opportunities apply globally, the implementation of specific measures and programmes may vary based on local labour laws, cultural contexts, and the specific needs of each entity. The implementation and oversight of this policy are a shared responsibility. Local Human Resources (HR) teams, Diversity and Inclusion (D&I) committees or referents, and, in some cases, local CSR referents within each entity are responsible for implementing and monitoring gender diversity initiatives. The Heads of HR and Heads of CSR for Axway and SBS provide strategic guidance and ensure consistent application across all entities. The Company actively encourages employee participation in gender diversity initiatives, fostering an inclusive and supportive work environment where all employees can thrive.	Within 74Software, Axway has set a target of achieving 33% female representation across its workforce and continues to implement programmes aimed at promoting gender balance in recruitment and career advancement. In 2024, SBS launched a feminisation programme to increase female representation in management roles, reinforcing the Company's commitment to gender diversity. Both SBS and Axway actively track progress on diversity and inclusion through internal assessments, engagement surveys, and governance reviews to ensure continued improvement in gender balance. The effectiveness of these initiatives is measured through key diversity metrics, including female representation rates at different job levels, promotion rates of women, gender pay gap analyses, and employee perceptions recorded in engagement surveys. These indicators, along with insights from internal assessments and governance reviews, are regularly presented to the managing entities of Axway and SBS to monitor progress and refine diversity strategies as needed. To ensure that 74Software's gender diversity practices do not cause or contribute to material negative impacts, the Company implements gender pay gap monitoring, provides leadership development programmes to support career progression for women, and upholds the standards outlined in the 74Software Ethics Charter and Whistleblowing Policy, which provide mechanisms for reporting and addressing discrimination or bias. Gender diversity policies and initiatives are reviewed annually, with progress reported as part of the internal HR reporting framework to maintain transparency, accountability, and continuous improvement in achieving diversity objectives.
Diversity and Equal opportunities - Diversity Workforce diversity improves social inclusion and provides opportunities for underrepresented groups. It reduces discrimination and enhances overall well-being and self-esteem.	Impact +	74Software is committed to fostering diversity and inclusion across its workforce, ensuring strict adherence to ethical principles on non-discrimination. The Company actively implements diversity programmes across the 26 countries in which it operates, reinforcing its commitment to equitable workplace practices. By embedding diversity and inclusion initiatives into its organisational framework, 74Software promotes a culture of fairness, respect, and equal opportunity, ensuring that all employees, regardless of background, have the support and opportunities needed to thrive.	Several SBS entities have implemented affirmative action measures at the local level, including mentoring programmes, diversity awareness initiatives, and internal events highlighting female talent. Similarly, various 74Software entities have introduced targeted initiatives to promote gender diversity and inclusion within their respective regions. Across the entire 74Software Group, employees receive training and awareness programmes on anti-discrimination, ethics, and diversity, reinforcing the Company's commitment to fair and inclusive workplace practices. These initiatives ensure that diversity principles are actively promoted and embedded within the organisational culture, supporting equal opportunities and professional development for all employees.

IROs		Policy	Programmes
Diversity and Equal opportunities – Measures against violence and harassment Implementing anti-violence and harassment measures creates a safer work environment, reduces stress, and fosters a culture of respect and dignity, improving employee well-being.	Impact +	74Software is committed to maintaining a safe, respectful, and inclusive work environment, ensuring that all employees are protected from violence and harassment of any kind. The Company enforces a zero-tolerance policy against all forms of violence, harassment, and discrimination, including but not limited to physical, verbal, psychological, and sexual harassment. Employees have access to a confidential whistleblowing procedure, which guarantees protection against retaliation for reporting incidents, reinforcing a workplace culture where concerns can be raised safely and without fear of reprisal. This policy applies to all employees across 74Software, irrespective of location or role, and extends to all work-related settings, including virtual and off-site interactions. While the core principles of this policy apply globally, specific measures and protections may vary by country, depending on national labour laws and legal frameworks. Responsibility for implementing and enforcing this policy lies with the local HR teams within each entity, operating under the leadership of the Heads of HR for Axway and SBS and the Head of Legal. These teams are responsible for ensuring that all employees are fully aware of the policy, that incidents are promptly and thoroughly investigated, and that appropriate corrective actions are taken to maintain a safe and respectful workplace for all.	SBS and Axway have implemented local-level workplace conduct measures, including the designation of persons of trust in Belgium and the enforcement of a Bullying & Harassment policy in the UK, which includes clear monitoring and escalation protocols for handling reported cases. These initiatives are designed to ensure a safe, respectful, and inclusive work environment across all entities. The effectiveness of these initiatives is tracked through key indicators, such as the number of reported harassment cases, resolution times, and employee satisfaction with the resolution process. Additionally, employee feedback gathered through regular engagement surveys, as referenced in the “Open Dialogue” section, provides valuable insights into the overall perception of workplace safety and respect. These metrics enable HR teams at Axway and SBS to monitor trends and adjust workplace safety measures as necessary to maintain a secure and respectful working environment. To ensure that 74Software’s workplace conduct practices do not cause or contribute to material negative impacts, the Company adheres to national labour laws, enforces clear reporting and response mechanisms, and provides regular training on prevention and reporting. Investigations into reported incidents are conducted by trained and impartial individuals, ensuring fair and objective outcomes. Furthermore, the 74Software Ethics Charter and Whistleblowing Policy, as referenced in the ‘Gender Diversity and Equal Opportunities’ section, provide formal mechanisms for reporting and addressing discrimination or bias, while also protecting employees against retaliation. These anti-violence and harassment policies apply to all employees across 74Software, regardless of location or role, and extend to all work-related settings, including virtual and off-site interactions. They are subject to continuous monitoring and improvement, with regular reviews conducted to ensure alignment with regulatory changes, employee feedback, and evolving best practices in workplace safety and respect.
Talent recruitment, development and retention– Talent attraction Strong talent recruitment and retention strategies support workplace diversity, enhance employee satisfaction, and promote equal opportunities, creating a positive and engaged workforce.	Impact +	74Software is committed to building a diverse and highly skilled workforce through comprehensive and inclusive recruitment policies. These policies are designed to attract top talent by ensuring fair hiring practices, equal opportunities, and transparency throughout the recruitment process. The Company actively seeks to remove barriers to entry and promotes diversity in candidate pools, recognising that a diverse workforce fosters innovation and drives organisational success. Emphasising its commitment to ethical recruitment and employer branding, 74Software strives to create a positive candidate experience that reflects its values of equity, integrity, and inclusion. This policy applies to all recruitment activities across 74Software, covering all stages of the hiring process, from sourcing and selection to onboarding. It guarantees fair hiring practices and equal opportunities for all candidates, regardless of gender, ethnicity, age, disability, sexual orientation, religion, or any other protected characteristic. By embedding diversity and inclusion principles into recruitment, 74Software ensures that hiring decisions are based on merit, skills, and potential, reinforcing an equitable and dynamic workplace culture. The responsibility for implementing this policy lies with the local HR teams within each entity, operating under the strategic guidance and oversight of the Heads of HR for Axway and SBS. These teams are accountable for ensuring that all recruitment activities align with this policy, that hiring managers receive training on inclusive recruitment practices, and that regular reviews are conducted to assess the effectiveness of recruitment strategies. Through continuous monitoring and refinement, 74Software remains dedicated to advancing diversity, equity, and inclusion in its workforce, ensuring a fair and welcoming hiring process for all candidates.	74Software provides employees with access to diverse training platforms and comprehensive development programmes, fostering continuous learning and career progression while empowering its workforce. These programmes cover a broad spectrum of topics, including technical skills, leadership development, and diversity and inclusion, and are tailored to meet the specific needs of different departments and roles. By offering customised development opportunities, 74Software ensures that each employee has the resources and support necessary to grow and succeed, enhancing their knowledge, confidence, and career prospects, while also fostering social mobility. Regular personal reviews are conducted between managers and employees to provide structured feedback, discuss career goals, and identify development opportunities. These interactions reinforce a culture of growth and continuous improvement, ensuring that employees receive targeted guidance and support to advance within the organisation. The effectiveness of these training initiatives is monitored through training completion rates, employee feedback surveys conducted after each session, and long-term performance assessments. University teams at Axway and SBS analyse these indicators to refine training programmes, ensure alignment with business and workforce development needs, and measure the impact of training on employee performance and career progression. To ensure that 74Software’s training and development practices contribute to employee empowerment and social mobility, the Company enforces equal access to learning opportunities, regularly updates training content to reflect evolving business needs and regulatory requirements, integrates employee feedback into programme design, and ensures that personal reviews are conducted in a fair and transparent manner. Through these initiatives, 74Software remains committed to equipping its workforce with the skills, knowledge, and opportunities needed to succeed and advance in their careers.

IROs		Policy	Programmes
Talent recruitment, development, and retention – Talent attraction Inefficient recruitment processes make it difficult to attract qualified candidates, leading to skill mismatches, increased hiring costs, and reduced innovation.	Risk	74Software is committed to strategic talent attraction through robust and inclusive recruitment policies, designed to build a high-performing and diverse workforce. Recognising that inefficient recruitment processes can lead to skill mismatches, increased hiring costs, and reduced innovation, the Company emphasises a proactive and data-driven approach to talent acquisition. These policies prioritise equal opportunities, non-discrimination, and the creation of an inclusive work environment, ensuring that 74Software effectively identifies and hires top-tier candidates. The Company aims to streamline recruitment processes, enhance candidate experience, and leverage diverse sourcing strategies to attract qualified individuals from a wide range of backgrounds. This policy applies to all recruitment activities across 74Software, covering all stages of the candidate journey. While the core principles of non-discrimination and inclusivity remain consistent across all entities, specific recruitment approaches and tools may be tailored based on regional labour markets, legal requirements, and evolving business needs. The responsibility for implementing this policy lies with the local HR teams within each entity, operating under the strategic guidance and oversight of the Heads of HR for Axway and SBS. These teams ensure that recruitment processes are efficient, effective, and aligned with the Company's commitment to diversity and inclusion, and that regular reviews are conducted to optimise recruitment strategies. Through continuous improvement and adaptation, 74Software remains committed to building an innovative, inclusive, and high-performing workforce.	74Software implements structured talent acquisition programmes designed to efficiently identify and attract top talent, ensuring alignment with the Company's values and culture. To mitigate the risk of skill mismatches and increased hiring costs, the Company employs diverse recruitment channels, including online job portals, social media, and professional networks, to reach a broad and diverse range of candidates with varied skills and experiences. Additionally, employee referral programmes are leveraged to tap into existing networks, fostering a sense of community and engagement while enhancing recruitment effectiveness. The effectiveness of these initiatives is tracked through key recruitment indicators, including workforce demographics, time-to-fill positions, candidate satisfaction surveys, and employee feedback on the recruitment experience. These metrics are regularly analysed to assess the efficiency and impact of recruitment strategies, allowing for timely adjustments and continuous improvements. To mitigate material negative impacts, such as discriminatory hiring practices, 74Software enforces fair and transparent hiring processes, provides comprehensive training for hiring managers on inclusive recruitment and bias mitigation, and ensures that structured and accessible onboarding programmes are available to all new hires. Recruitment strategies are regularly reviewed and updated based on workforce planning needs, employee feedback, and evolving best practices in talent acquisition, ensuring that the Company remains adaptable, competitive, and committed to fostering an inclusive and dynamic workforce.
Talent recruitment, development, and retention – Talent attraction A strong employer brand through effective recruitment attracts top talent and secures a competitive edge, fostering a skilled and motivated workforce.	Opportunity	74Software recognises that a strong employer brand is essential for attracting top talent and securing a competitive edge in the marketplace. To capitalise on this opportunity, the Company has established strategic recruitment policies that emphasise its values, culture, and commitment to employee development. These policies are designed to create a positive candidate experience, promote transparency throughout the recruitment process, and position 74Software as an employer of choice. By cultivating a compelling employer brand, the Company aims to attract highly skilled and motivated individuals who align with its vision and contribute to its long-term success. This policy applies to all recruitment activities across 74Software, ensuring a consistent and authentic representation of the Company's employer brand. While the core principles of employer branding remain uniform across all entities, specific recruitment approaches and messaging may be tailored to align with regional labour markets, legal requirements, and evolving business needs. The responsibility for implementing this policy lies with the local HR teams within each entity, working in close collaboration with the Marketing and Communications teams, under the strategic guidance and oversight of the Heads of HR for Axway and SBS. These teams are responsible for ensuring that all recruitment activities reinforce the Company's employer brand, that hiring managers are trained on brand messaging, and that regular reviews are conducted to assess the effectiveness of employer branding strategies. Through continuous evaluation and adaptation, 74Software remains committed to strengthening its reputation as an employer of choice, attracting high-calibre professionals, and fostering a workplace that supports growth, inclusion, and innovation.	74Software implements a comprehensive employer branding strategy to attract top talent and secure a competitive edge in the job market. This strategy includes developing compelling career websites, leveraging social media platforms to showcase employee experiences, and creating engaging recruitment content that highlights the Company's values and culture. By utilising diverse recruitment channels, including online job portals, professional networks, and partnerships with educational institutions, 74Software reaches a broad and diverse talent pool, strengthening its reputation as an employer of choice. Additionally, employee referral programmes are leveraged to tap into existing networks, fostering a sense of engagement and advocacy among current employees while promoting the Company as a great place to work. The effectiveness of these initiatives is tracked through key employer branding and recruitment indicators, including website traffic, social media engagement, candidate satisfaction surveys, and employee feedback on the recruitment experience. These metrics are regularly analysed to assess the strength of the employer brand and the effectiveness of recruitment strategies, ensuring continuous improvement and alignment with talent acquisition objectives. To ensure that 74Software's employer branding and recruitment practices contribute to a positive and authentic employer image, the Company ensures that all recruitment materials align with its values and culture, provides training to hiring managers on brand messaging, and maintains open communication channels with candidates throughout the recruitment process. Recruitment strategies and employer branding initiatives are regularly reviewed and updated based on market trends, candidate feedback, and evolving best practices in talent acquisition and employer branding. Through these efforts, 74Software reinforces its commitment to attracting, engaging, and retaining top-tier talent in a competitive and dynamic job market.

IROs		Policy	Programmes
Talent recruitment, development, and retention – Training and skills development Lack of training and personal review results in skill stagnation, decreased motivation, and limited career progression, negatively impacting employees' professional and personal growth.	Impact -	74Software recognises that continuous learning and skills development are fundamental to employee growth, motivation, and career progression. To mitigate the risks of skill stagnation and limited career opportunities, the Company has established comprehensive training policies that prioritise ongoing employee development. These policies are designed to enhance employees' knowledge, boost their confidence, and foster social mobility, ultimately contributing to a more empowered and adaptable workforce. 74Software is committed to providing accessible and relevant training opportunities, including mandatory training, professional development programmes, and role-specific learning, all tailored to meet the evolving needs of both the Company and its employees. The Company also promotes a culture of continuous feedback and personal review, ensuring that employees receive regular guidance and support in their professional development. To assess the quality and relevance of training programmes, user evaluations are collected after each session, offering valuable insights for continuous improvement. This policy applies to all employees across 74Software, covering all aspects of training and skills development. While the overall principles of continuous learning and upskilling are applied group-wide, the specific content, delivery methods, and implementation may vary depending on regional regulations, business needs, and job functions. The responsibility for implementing this policy lies with the University departments of Axway and SBS, working in close collaboration with local HR teams and line managers. They are responsible for ensuring that training programmes are effective, accessible, and aligned with employee development goals, and that regular performance reviews are conducted to support employee growth and career progression. Through these initiatives, 74Software remains committed to fostering a culture of lifelong learning, equipping employees with the skills and knowledge needed to succeed in a rapidly evolving industry.	74Software implements a comprehensive employer branding strategy to attract top talent and maintain a competitive edge in the marketplace. This strategy includes developing compelling career websites, leveraging social media platforms to showcase employee experiences, and creating engaging recruitment content that reflects the Company's values and culture. By utilising diverse recruitment channels, including online job portals, professional networks, and partnerships with educational institutions, 74Software ensures broad access to a wide range of candidates, enhancing its ability to attract top-tier talent. Additionally, employee referral programmes are leveraged to tap into existing networks, reinforcing a strong sense of community and advocacy while positioning the Company as a great place to work. The effectiveness of these initiatives is monitored through key employer branding and recruitment indicators, including website traffic, social media engagement, candidate satisfaction surveys, and employee feedback on the recruitment experience. These metrics are regularly analysed to evaluate the strength of the employer brand and the effectiveness of recruitment strategies, ensuring continuous improvement and alignment with evolving workforce needs. To ensure that 74Software's employer branding and recruitment practices contribute to a positive and authentic employer image, the Company ensures that all recruitment materials align with its values and culture, provides training for hiring managers on brand messaging, and maintains open communication channels with candidates throughout the recruitment process. Recruitment strategies and employer branding initiatives are regularly reviewed and updated based on market trends, candidate feedback, and best practices in talent acquisition and employer branding. Through these efforts, 74Software remains committed to building a strong employer brand, attracting top talent, and fostering a dynamic, inclusive, and high-performing workforce.

IROs		Policy	Programmes
Talent recruitment, development, and retention – Training and skills development Training and development programs enhance employees' knowledge, boost confidence, and foster social mobility, leading to a more empowered workforce.	Impact +	74Software recognises that investing in continuous learning and skills development is essential to empowering its workforce and fostering social mobility. To capitalise on this opportunity, the Company has implemented comprehensive training policies designed to enhance employees' knowledge, boost their confidence, and equip them with the necessary tools and resources for career advancement. These policies are structured to create a learning culture, where employees are encouraged to pursue professional growth, acquire new skills, and contribute to the Company's long-term success. 74Software is committed to providing accessible and relevant training opportunities, including mandatory training, professional development programmes, and role-specific learning, tailored to meet the evolving needs of both the Company and its employees. The Company also promotes a culture of continuous feedback and personal review, ensuring that employees receive regular guidance and support in their professional development. User evaluations are collected after each training session, providing valuable insights for continuous improvement. This policy applies to all employees across 74Software, covering all aspects of training and skills development. While the overarching principles of continuous learning and upskilling apply group-wide, the specific content, delivery methods, and implementation may vary based on regional regulations, business needs, and job functions. The responsibility for implementing this policy lies with the University departments of Axway and SBS, working in close collaboration with local HR teams and line managers. These teams ensure that training programmes are effective, accessible, and aligned with employee development goals, and that regular performance reviews are conducted to support employee growth and career progression. Through these initiatives, 74Software remains dedicated to fostering a culture of lifelong learning, ensuring that employees are well-equipped to adapt to industry advancements and contribute meaningfully to the Company's success.	74Software provides employees with access to diverse training platforms and comprehensive development programmes that support continuous learning and career progression. These programmes cover a broad range of topics, including technical skills, leadership development, and diversity and inclusion, and are tailored to meet the specific needs of different departments and roles. By offering customised development opportunities, 74Software ensures that each employee has the resources and support needed to grow and succeed. Regular personal reviews are conducted between managers and employees to provide feedback, discuss career goals, and identify development opportunities, fostering a culture of continuous professional development. The effectiveness of these initiatives is tracked through training completion rates, employee feedback surveys conducted after each training session, and long-term performance assessments. University teams at Axway and SBS analyse these indicators to refine training programmes, ensure alignment with business and workforce development needs, and measure the impact of training on employee performance and career progression. To ensure that 74Software's training and development practices do not cause or contribute to material negative impacts, the Company enforces equal access to learning opportunities, regularly updates training content to reflect evolving business needs and regulatory requirements, integrates employee feedback into programme design, and ensures that personal reviews are conducted in a fair and transparent manner. Through these proactive measures, 74Software remains committed to empowering employees, fostering career growth, and maintaining a highly skilled and motivated workforce.

IROs		Policy	Programmes
Talent recruitment, development, and retention – Training and skills development Failure to invest in training decreases productivity, raises turnover rates, and damages 74Software's reputation as an employer that supports growth.	Risk	74Software recognises that strategic investment in training and skills development is essential to mitigate the risks associated with decreased productivity, increased turnover rates, and potential damage to its employer reputation. To address these risks, the Company has established comprehensive training policies that prioritise the ongoing development of its employees. These policies are designed to enhance employees' knowledge, boost their confidence, and equip them with the skills necessary to excel in their roles, thereby ensuring high productivity levels and sustained organisational success. 74Software is committed to providing relevant and accessible training opportunities, including mandatory training, professional development programmes, and role-specific learning, tailored to meet the evolving needs of both the Company and its employees. The Company fosters a culture of continuous feedback and personal review, ensuring that employees receive regular guidance and support for their professional development. User evaluations are collected after each training session, providing valuable feedback for continuous improvement. This policy applies to all employees across 74Software, covering all aspects of training and skills development. While the overarching principles of continuous learning and upskilling apply across the organisation, the specific content, delivery methods, and implementation may vary based on regional regulations, business needs, and job functions. The responsibility for implementing this policy lies with the University departments of Axway and SBS, working in close collaboration with local HR teams and line managers. These teams ensure that training programmes are effective, accessible, and aligned with employee development goals, and that regular performance reviews are conducted to support employee growth and career progression. Through these initiatives, 74Software remains committed to fostering a culture of continuous learning, empowering employees to adapt to industry advancements, and sustaining a highly skilled and motivated workforce.	74Software invests in diverse training platforms and comprehensive development programmes to safeguard productivity, reduce turnover rates, and strengthen its employer reputation. These programmes encompass a broad spectrum of topics, including technical skills, leadership development, and diversity and inclusion, tailored to meet the specific needs of different departments and roles. By offering customised development opportunities, 74Software ensures that each employee has the resources and support required to excel in their roles, thereby enhancing productivity, engagement, and overall job satisfaction. Regular personal reviews between managers and employees provide structured feedback, facilitate career discussions, and identify growth opportunities, all of which contribute to long-term employee retention. The effectiveness of these initiatives is monitored through training completion rates, employee feedback surveys post-training, long-term performance assessments, and employee turnover rates. University teams at Axway and SBS analyse these indicators to refine training programmes, ensure alignment with business and workforce development needs, and measure their impact on employee performance and retention. To ensure that 74Software's training and development practices effectively mitigate the risks of decreased productivity and increased turnover, the Company enforces equal access to learning opportunities, regularly updates training content to align with evolving business needs and regulatory requirements, integrates employee feedback into programme design, and ensures that personal reviews are conducted in a fair and transparent manner. Through these initiatives, 74Software remains committed to cultivating a culture of continuous learning and professional growth, ensuring a highly skilled, engaged, and future-ready workforce.

IROs		Policy	Programmes
Talent recruitment, development, and retention – Training and skills Strategic investment in training strengthens employee retention, drives innovation, and enhances 74Software's competitiveness in the market.	Opportunity	74Software recognises that strategic investment in training and skills development is a key driver of employee retention, innovation, and market competitiveness. To capitalise on this opportunity, the Company has established comprehensive training policies designed to empower employees with the knowledge and skills necessary to excel in their roles and contribute to the Company's success. These policies foster a culture of continuous learning and innovation, encouraging employees to acquire new skills, explore emerging technologies, and drive organisational growth. 74Software is committed to providing relevant and accessible training opportunities, including mandatory training, professional development programmes, and role-specific learning, all tailored to meet the evolving needs of both the Company and its employees. The Company also promotes a culture of continuous feedback and personal review, ensuring that employees receive regular guidance and support for their professional development. User evaluations are collected after each training session, providing valuable insights for continuous improvement. This policy applies to all employees across 74Software, encompassing all aspects of training and skills development. While the core principles of continuous learning and upskilling apply across the Group, the specific content, delivery methods, and implementation may vary based on regional regulations, business needs, and job functions. The responsibility for implementing this policy lies with the University departments of Axway and SBS, working in close collaboration with local HR teams and line managers. These teams ensure that training programmes are effective, accessible, and aligned with employee development goals, and that regular performance reviews are conducted to support employee growth and career progression. Through these initiatives, 74Software remains committed to developing a highly skilled, adaptable, and innovative workforce, ensuring long-term success and sustained competitive advantage.	74Software invests in diverse training platforms and comprehensive development programmes to strengthen employee retention, drive innovation, and enhance its market competitiveness. These programmes cover a broad spectrum of topics, including technical skills, leadership development, and diversity and inclusion, tailored to meet the specific needs of different departments and roles. By offering customised development opportunities, 74Software ensures that each employee has the resources and support required to excel in their roles, thereby fostering innovation and increasing employee engagement. Regular personal reviews between managers and employees provide structured feedback, facilitate career discussions, and identify growth opportunities, all of which contribute to long-term employee retention and organisational success. The effectiveness of these initiatives is tracked through training completion rates, employee feedback surveys post-training, long-term performance assessments, employee turnover rates, and innovation metrics, such as the number of employee-driven initiatives and patents. University teams at Axway and SBS analyse these indicators to refine training programmes, ensure alignment with business and workforce development needs, and measure their impact on employee performance, retention, and innovation. To ensure that 74Software's training and development practices actively contribute to employee retention, innovation, and market competitiveness, the Company enforces equal access to learning opportunities, regularly updates training content to align with evolving business needs and regulatory requirements, integrates employee feedback into programme design, and ensures that personal reviews are conducted in a fair and transparent manner. Through these initiatives, 74Software remains committed to fostering a culture of continuous learning, professional growth, and innovation, ensuring a highly skilled, engaged, and future-ready workforce.

3.5.6 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities of those actions (S1-5)

Following Axway's acquisition of SBS in 2024, a structured process was initiated to harmonise and unify methods for monitoring negative impacts, advancing positive impacts, and managing risks. While both companies retain a degree of independence, the Group is developing a roadmap to establish common processes in 2025.

At 74Software, the core values inherited from Sopra Steria - sustainability, a human-centred approach, and a strong sense of purpose - continue to shape the Company's culture. This commitment is reflected in efforts to foster a diverse and inclusive workplace where all employees feel valued, respected, and empowered. Employee well-being is a priority, supported by opportunities for professional growth and development. By promoting open communication, collaboration, and a culture of continuous learning, the Company enables employees to contribute their unique skills and perspectives, driving innovation and inclusivity. This human-centred approach ensures that 74Software's values extend beyond its products and services to its workforce, creating a positive and fulfilling work environment for all.

Both Axway and SBS have a long-standing commitment to investing in talent development. Through their respective corporate universities, both companies provide comprehensive training programmes throughout the year to enhance employee skills and digital proficiency. In terms of diversity and inclusion, Axway and SBS demonstrate strong alignment in their practices, fostering open dialogue, promoting health and safety, and prioritising data privacy. These shared values have contributed to a smoother integration process.

In 2024, Axway established well-defined targets for workforce engagement, diversity, and talent development. Key achievements include:

- maintaining an Engagement Score of ≥65: Achieved with an engagement score of 70%, based on 85% employee survey participation, reflecting an improvement over the previous year;
- strengthening recruitment and retention strategies: Progress towards the 33% female representation target by 2026, with representation reaching 32% in 2024.

The achievement of these targets was closely monitored through structured employee engagement surveys, training participation rates, and key HR indicators. 74Software's commitment to these KPIs is reflected in the fact that their performance directly influenced executive compensation policies.

At SBS, while a standardised KPI framework for workforce performance was still under development in 2024, initiatives such as employee satisfaction surveys and dedicated gender equality programmes ensured consistent monitoring and follow-up. To further emphasise the importance of employee well-being, new performance-based compensation models for executives will be introduced in 2025, incorporating employee satisfaction survey participation rates as a key performance indicator.

A significant focus area at SBS was gender equality. A collective agreement in France, incorporating specific salary equity indicators, provided a framework for addressing pay disparities. Furthermore, the HR, CSR, and University teams collaborated on a dedicated feminisation programme, overseen by the CEO of SBS. This initiative aimed to increase female representation in management roles through targeted recruitment and development efforts.

In 2025, 74Software will embark on a new journey of collaborative target setting. This process will involve direct engagement with the workforce and their representatives, ensuring their voices are heard in shaping future goals. By leveraging these valuable insights, the Group will establish ambitious yet achievable targets, diligently track progress, and continuously refine its approach to ensure ongoing improvement. Through structured governance, robust feedback mechanisms, and strategic initiatives, 74Software will collaborate to create a thriving and sustainable work environment where all employees can reach their full potential.

3.5.7 Characteristics of the undertaking's employees (S1-6)

Gender	Number of employees (head count)
Male	3,358
Female	1,429
Other	–
Not reported	–
TOTAL EMPLOYEES	**4,787**

Country	Number of employees (head count)
Australia	19
Brazil	25
Bulgaria	152
Belgium	263
Cameroon	48
France	1,505
Germany	68
Hong Kong	3
India	843
Ireland	59
Italy	10
Ivory Coast	27
Lebanon	120
Luxembourg	79
Morocco	166
Netherlands	25
Romania	269
Senegal	9
Singapore	17
Spain	143
Sweden	3
Switzerland	3
Tunisia	36
United Arab Emirates	31
United Kingdom	511
United States	353
TOTAL	**4,787**

Employees by contract type, broken down by gender

	Female	Male	Other	Not disclosed	Total
Number of employees (head count)	1,429	3,358	–	–	**4,787**
Number of permanent employees (head count)	1,419	3,315	–	–	**4,734**
Number of temporary employees (head count)	10	43	–	–	**53**
Number of non-guaranteed hours employees (head count)	–	–	–	–	**–**

Average number of employees during the reporting period

Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec
1,469	1,459	1,457	1,463	1,467	1,471	1,467	1,462	4,908	4,869	4,847	4,787

The total number of employees corresponds to the scope of the revenue reported in Section 5.1: Consolidated Income Statement.

3.5.7.1 Employee turnover and methodologies

In 2024, 74Software underwent significant workforce changes, driven by organisational restructuring following the merger of Axway and SBS and the formation of the new Group. As part of this transition, SBS separated from Sopra Steria Group (SSG) through a carve-out restructuring, necessitating a comprehensive legal, operational, and financial reorganisation to facilitate its integration into 74Software. During the reporting period, 238 employees departed from SBS and Axway, resulting in an overall employee turnover rate of 9.18%. These workforce fluctuations reflect the broader transformation efforts undertaken to align the organisation with its new strategic framework.

3.5.7.2 Methodologies and assumptions

Turnover data has been calculated using the Headcount Method, which accounts for the total number of individual employees, irrespective of their working hours. Full-Time Equivalent (FTE) calculations were not applied, ensuring that all figures are based strictly on headcount.

For SBS, turnover reporting leveraged the PowerBI Headcount Reporting Tool, which was specifically used to exclude exits related to the carve-out process. These departures were classified as “Company Transfer” within the HRIS system (MyHR Portal) and required manual adjustments to ensure accurate representation in the final reporting.

The reported data reflects the year-end 2024 workforce status, capturing the transition of SBS into the 74Software Group

74Software recognises the challenges of workforce reporting during periods of organisational transition. Looking ahead, the company remains committed to enhancing data integration between Axway and SBS to establish consistent, transparent, and streamlined reporting practices

Employees by contract type, broken down by region (head count)

	Americas	Asia/Pacific	Europe	Middle East - Africa	Total
Number of employees (headcount)	378	882	3,090	437	**4,787**
Number of permanent employees (head count)	378	879	3,040	437	**4,734**
Number of temporary employees (head count)	–	3	50	–	**53**
Number of non-guaranteed hours employees (head count)	–	–	–	–	**–**

3.5.8 Characteristics of non-employees in the undertaking’s own workforce (S1-7)

In 2024, 74Software engaged non-employees (subcontractors) to support its operations, classified into productive contractors and structure contractors. Productive contractors are directly involved in operational, revenue-generating activities across Professional Services, R&D, SaaS & Cloud Support, and Engineering. These contractors contribute directly to revenue by working on client-facing projects and are re-invoiced to customers. In contrast, structure contractors support indirect, margin-enhancing functions, including business unit management, sales, administrative, and functional roles. While they do not generate revenue directly, they play a strategic role in maintaining operational efficiency and ensuring business continuity.

The data is presented in an administrative framework, where each agency corresponds to a country for budgetary tracking purposes. This methodology aligns with 74Software’s reporting practices, ensuring consistency across the Group.

74Software’s strategic use of non-employees in both productive and structural roles reflects its ability to flexibly support revenue-generating operations while sustaining long-term strategic initiatives.

Numbers of non-employees (headcount)	2,024
Contractors	594

3.5.9 Collective bargaining coverage and social dialogue (S1-8)

At 74Software, we are committed to fostering fair and transparent working conditions for all employees. Collective bargaining agreements cover 42% of our workforce, ensuring structured representation and negotiated employment terms.

Within the European Economic Area (EEA), collective bargaining agreements are in place across several countries, covering 39.5% of employees. Outside the EEA, 2.5% of employees benefit from similar agreements.

For employees not covered by collective bargaining agreements, working conditions and employment terms are determined by local laws or industry-specific collective agreements, ensuring compliance with national labour standards.

Social dialogue remains a key focus, with 40% of employees globally represented by workers' representatives. Specific representation rates vary across EEA countries where 74Software has a significant presence. The company does not currently have an agreement for employee representation through a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council.

74Software	Collective bargaining coverage		Social dialogue
Coverage rate	Employees – EEA (for countries with >50 empl. representing >10% total empl.)	Employees – Non- EEA (for countries with >50 empl. representing >10% total empl.)	Workplace representation (EEA only) (for countries with >50 empl. representing >10% total empl.)
0-19%	Bulgaria, Ireland, Italy, Luxembourg, Netherlands, Romania, Sweden, Switzerland	Australia, Brazil, Hong Kong, India, Lebanon, Morocco, Singapore, United Arab Emirates, United Kingdom, United States	Australia, Brazil, Bulgaria, Cameroon, Hong Kong, India, Ireland, Italy, Ivory Coast, Lebanon, Morocco, Netherlands, Romania, Senegal, Singapore, Spain, Sweden, Switzerland, Tunisia, United Arab Emirates, United Kingdom, United States
20-39%			
40-59%			
50-79%			
80-100%	Belgium, France, Spain (SBS only)	Tunisia, Ivory Coast, Senegal, Cameroon	Belgium, Luxembourg, France, Germany

3.5.10 Diversity metrics (S1-9)

Data Point	Number	%
ExCom - Gender with lowest representation (female)	1	13%
All employees - Gender with lowest representation (female)	1,429	30%

74Software has reported gender distribution at the top management level, using the Executive Committee (ExCom) as the reference point. This approach aligns with the Company's internal governance structure, as ExCom members serve as the highest operational decision-makers, directly shaping strategic direction and corporate policies.

Age Group	SBS - Absolute numbers	%	Axway - Absolute numbers	%	74 Software - Absolute numbers	%
Under 30 years old	638	19.11%	148	10.21%	786	16.42%
30-50 years old	2,126	63.69%	909	62.73%	3,035	63.40%
Over 50 years old	574	17.20%	392	27.05%	966	20.18%
TOTAL	**3,338**	**100%**	**1,449**	**100%**	**4,787**	**100%**

3.5.11 Adequate wages (S1-10)

74Software ensures that all employees receive fair and adequate compensation in accordance with national and international benchmarks.

Within the European Economic Area (EEA), employee wages comply with Directive (EU) 2022/2041 on adequate minimum wages and align with the Anker Research Institute's living wage data. The Company guarantees that wages meet or exceed the national minimum wage in every EEA country where it operates.

For employees in non-EEA countries, 74Software relies on external benchmarks, including the Anker Research Institute's living wage data, to assess wage adequacy. In all non-EEA locations, wages are above or aligned with both the applicable national minimum wage and the living wage standards set by Anker Research Institute.

3.5.12 Social protection (S1-11)

74Software has established comprehensive social protection measures for employees across Australia, Belgium, Bulgaria, Brazil, France, Germany, Hong Kong, India, Ireland, Italy, Luxembourg, the Netherlands, Morocco, Romania, Spain, Sweden, Switzerland, the UK, and the US. These protections cover sickness, unemployment, employment injury or ill-health, parental leave, and retirement.

Reasons employees are not covered by certain social protection programs:

- unemployment: employees are not covered by a mandatory public unemployment protection scheme in Singapore, Tunisia, Ivory Coast, Senegal, Cameroon and Lebanon as these countries' labour systems do not provide state-funded unemployment benefits. As a result, employees in these countries rely on end-of-service gratuity payments and personal savings in case of job loss. In the United Arab Emirates (UAE), a mandatory unemployment insurance scheme exists; however, enrolment and contributions are the individual responsibility of employees, rather than the employer. This scheme is not state-funded but operates as a private insurance system mandated by the government. Employees must personally subscribe and pay the premium to receive financial support in the event of unemployment;
- retirement: in The United Arab Emirates employees are not covered for retirement benefits due to the absence of a mandatory state pension system for expatriate workers. The UAE does not require private-sector employers to provide retirement or pension schemes for foreign employees.

3.5.13 Persons with disabilities (S1-12)

Not material.

3.5.14 Training and skills development metrics (S1-13)

Reporting rates – 1 January 2024 – 31 December 2024

	SBS	Axway
Talent review Overall participation rate of man *(%)*	50.63% (without India)**	99%*
Talent review Overall participation rate of woman *(%)*	53.81% (without India)**	99%*
Overall amount of training hours	104,419.00	19,824
Average number of training hours per male employee	29.42	13.20
Average number of training hours per female employee	35.81	14.9
Number of managers undergone non-discrimination training	129	101
Number of non-managers undergone non-discrimination training	172	233

* *The participation rate is calculated based on the agreed number of employees scheduled for a Talent Review in 2024. This agreed number excludes employees who were not planned for a Talent Review due to specific circumstances, such as recent hires, employees approaching retirement, or other predefined exceptions. Therefore, the participation rate reflects the proportion of employees who completed the Talent Review out of those who were required to undergo the process in 2024.*

** *KPI's such as the definition and achievement of objectives, are tracked by operational managers to monitor progress and ensure alignment with Company goals. For this question, we have reported employees who did have an objectives interview launched at the beginning of the year 2024.*

In 2024, 74Software maintained its global approach to continuous performance management, built on the Conversation/Feedback/Recognition system. This approach fosters ongoing dialogue and regular feedback between managers and employees throughout the year. Employees are encouraged to seek feedback on their work as frequently as possible, ideally in real time, and are invited to participate in regular career follow-up meetings to support their professional development.

Axway conducts a global talent review covering the entire workforce to evaluate employee performance and potential. This annual, collaborative exercise is jointly managed by managers and Human Resources, ensuring a structured assessment of key talent and the identification of development and training initiatives essential for individual growth. These reviews also assess training needs, job matrix positioning, internal mobility aspirations, and overall potential within the Company.

SBS has adopted a similar framework for monitoring and developing its permanent employees, structured around two key roles: the operational manager and the mentor. The operational manager is responsible for defining objectives, launching performance reviews through the MyTalent Partner tool, and ensuring effective employee monitoring. This role extends to career development, supporting employees in identifying growth opportunities and achieving their professional goals. In addition to the operational manager, SBS employees have the option to select a mentor to provide additional career guidance aligned with their long-term aspirations. Mentors play a key role in launching and shaping development plans, offering tailored support to enhance professional growth.

Key performance indicators, including the definition and achievement of objectives, are actively tracked by operational managers to measure progress and ensure alignment with the Company's broader strategic goals. This dual-role system underscores SBS's commitment to fostering a culture of continuous professional development, empowering employees to reach their full potential.

3.5.15 Health and safety metrics (S1-14)

74Software does not operate under a formal health and safety management system but ensures compliance with local health and safety regulations across its operating countries. This approach guarantees that the majority of the workforce is protected within a robust regulatory framework designed to prevent work-related injuries and occupational health risks.

At this stage, 74Software cannot report the exact percentage of its workforce covered by a health and safety management system, as data collection is still being harmonised following the merger of Axway and SBS in September 2024. However, given the Company's role as a software publisher, the risk of work-related accidents and occupational health hazards remains extremely low. Employees primarily work in office-based environments, with minimal exposure to high-risk conditions.

Despite the absence of a Company-wide formalised health and safety management system, all employees remain covered by local legal health and safety requirements applicable in their respective countries of operation.

3.5.16 Work-life balance metrics (S1-15)

At 74Software, we are committed to fostering work-life balance by ensuring that employees have access to family-related leave, including maternity, paternity, parental, and carers' leave. The Company upholds equitable access to these benefits across its workforce, aligning with local legal requirements in each operating country.

In 2024, SBS provided family-related leave to 94.3% of its employees in all countries where legal frameworks mandate such entitlements. Among those eligible, 10.79% of employees utilised family-related leave, with 8.22% being male and 2.57% female.

The percentage of SBS employees who took family-related leave in 2024 varies by country:

	Dubai	Belgium	Luxembourg	Netherlands	France	Lebanon	India	Morocco	Tunisia	Ivory Coast	Senegal	Cameroon	Spain	UK	US	Ireland
Percentage of employees entitled to family-related leave	100%	100%	100%	100%	100%	9%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Percentage of employees who took family-related leave (overall)	7%	18%	7%	7%	3%	2%	14%	16%	10%	22%	22%	20%	3%	2%	—%	20%
Percentage of employees who took family-related leave (male)	3%	13%	6%	7%	2%	—%	9%	9%	2%	15%	22%	20%	3%	1%	—%	20%
Percentage of employees who took family-related leave (female)	3%	5%	1%	—%	1%	2%	5%	7%	8%	7%	—%	—%	1%	1%	—%	—%

Axway employees are also entitled to family-related leave in accordance with national policies and labour laws; however, consolidated data is not yet available for reporting. All 74Software employees are granted family-related leave in compliance with applicable national social policies and labour regulations. Where relevant, collective bargaining agreements further reinforce these entitlements, ensuring that employees across all SBS and Axway locations have access to maternity, paternity, parental, and carers' leave.

3.5.17 Remuneration metrics (pay gap and total remuneration) (S1-16)

3.5.17.1 Gender pay gap

74Software is committed to fair and equitable compensation practices across all operating countries. While the Company upholds the principle of equal pay for equal work, reporting a standardised gender pay gap metric is not currently feasible due to the varied remuneration structures within the workforce. Employees are compensated through different payment models, including monthly salaries, daily rates, and hourly wages, making it challenging to apply a uniform calculation method.

Given these structural differences, publishing a gender pay gap figure using a standardised formula would not accurately reflect the Company's compensation practices and could lead to misleading conclusions. However, 74Software recognises the importance of transparency in pay equity and is actively working towards harmonising remuneration data to facilitate a more standardised reporting approach in the future. The Company aims to develop a methodology that ensures accurate and representative gender pay reporting, with the objective of publishing its first gender pay gap report in 2026.

3.5.17.2 Annual total remuneration ratio

74Software has calculated the annual total remuneration ratio, which compares the earnings of the highest-paid individual to the median annual total remuneration of all employees, excluding the highest-paid individual. This calculation was based on fixed annual compensation and theoretical variable compensation for all employees contractually present as of 31 December 2024.

To ensure accuracy and comparability, remuneration figures have been restated to a full-time and full-year equivalent basis and adjusted for currency conversion at the official exchange rate of €1 = $1.08238 (as of 31 December 2024). The methodology applied is the one historically used by the Company. It does not take into account the fair value of the shares. The 74Software Group will comply with the CSRD definition for the 2026 reporting.

Based on this calculation, the remuneration ratio is:

- 21.0:1 for the CEO of 74Software;
- 13.6:1 for the Deputy CEO (also CEO of SBS).

These figures reflect structural and regional variations across the Company's international operations, where salary levels are influenced by local market conditions, job functions, and economic factors. As 74Software was officially established in 2024 following the merger of Axway and SBS, this represents the first consolidated remuneration disclosure under the new Group structure.

Moving forward, 74Software remains committed to responsible remuneration practices, ensuring that compensation structures remain competitive, transparent, and aligned with both business objectives and industry benchmarks.

3.5.18 Incidents, complaints and severe human rights impacts (S1-17)

For 2024, 74Software is unable to report the number of work-related incidents, complaints, and severe human rights impacts within its workforce. While these indicators are considered material to the Company's reporting, the necessary data collection and reporting systems were still being consolidated and aligned following the acquisition of SBS by Axway and the subsequent formation of 74Software.

As the integration of HR data and the establishment of unified reporting processes across the newly formed organisation remain ongoing, accurate and comprehensive data for these indicators are not available for the 2024 reporting year. 74Software is actively working to implement robust data collection and reporting mechanisms to ensure these indicators are fully reported in future periods.

This includes the establishment of clear reporting channels, employee training on incident reporting, and the integration of data systems to provide a consolidated and transparent view of work-related incidents and human rights impacts.

3.6 Consumers and End-Users (S4)

3.6.1 Consumers and end-users IROs (S4)

At 74Software, customer satisfaction is not merely a business objective but a fundamental pillar of the Company's environmental and social responsibility. Satisfied customers drive long-term loyalty, and loyal customers are more likely to adopt and advocate for sustainable solutions. By consistently exceeding expectations, 74Software cultivates enduring partnerships that promote innovation and sustainability across the value chain.

74Software operates through two companies: Axway and SBS. Axway serves a diverse customer base spanning banking, healthcare, supply chain, manufacturing, and government sectors, while SBS primarily caters to financial institutions and retail banks. As outlined in the ESRS 2 double materiality analysis, 74Software has identified customers and end-users as a material risk, particularly in relation to data and transaction security, customer experience, and financial inclusion. These risks are especially significant in industries such as finance and healthcare, where data protection and transaction security hold critical financial and material importance.

To ensure comprehensive disclosure, 74Software has incorporated all consumers and end-users who may be materially impacted by its operations. This includes impacts arising from its own activities, its value chain, its products and services, and its business relationships.

This scope includes:

- Axway Customers and End-Users: across all sectors, 74Software recognises the potential impacts on end-users of its customers' services, particularly regarding data security in healthcare and financial transactions. The Company considers the entire value chain of its products, from development and implementation to their usage by customers' end-users, ensuring a comprehensive approach to risk management and security;
- SBS Customers and End-Users: primarily serving financial institutions and retail banks, 74Software acknowledges the direct impact on their end-customers due to the nature of its services. This includes considerations of financial inclusion, data privacy, and the security of financial transactions, ensuring that its solutions support trust, accessibility, and regulatory compliance within the financial sector.

Materiality of Customer Experience:

In the digital age, customer experience serves as a key differentiator. Poor software performance, usability issues, or inadequate support can directly lead to customer dissatisfaction and churn, ultimately impacting business relationships and corporate reputation.

Inefficient software can also reduce operational efficiency for customers, leading to increased costs and resource inefficiencies.

Moreover, customer experience is inherently linked to data and transaction security. Complex or unintuitive interfaces can heighten the risk of security breaches, underscoring the need for seamless, secure, and user-friendly software solutions.

Materiality of Financial Inclusion for Financial Customers (SBS):

As a provider to financial institutions, 74Software, through SBS, plays a critical role in either enabling or hindering financial inclusion, a growing social responsibility in the digital economy.

The Company's software solutions directly influence access to essential banking services for underserved populations, impacting economic empowerment. Given SBS's specialisation in financial institutions, the quality, accessibility, and inclusivity of its software have a direct impact on financial inclusion for end-users. For example, if the software lacks accessibility features for individuals with disabilities or is not available in local languages, customers of financial institutions may face barriers to accessing financial services, exacerbating exclusion.

74Software actively supports the development of inclusive financial products, ensuring compliance with regulations that promote financial accessibility and inclusion. By helping financial institutions adopt more inclusive solutions, the Company not only expands financial access but also assists in mitigating risks associated with exclusion. The exclusion of certain populations from the financial system can contribute to social instability, which in turn can lead to economic instability. By facilitating broader financial inclusion, 74Software helps foster a more resilient and stable economic environment.

Value Chain Impacts: we have assessed the impacts arising from our business relationships, including those with suppliers and partners, that could influence the end-user experience and security. This assessment includes evaluating the security of data handled by our suppliers and ensuring they adhere to ethical practices that align with our commitment to integrity, security, and responsible business conduct.

Operational Impacts: we have evaluated the impact of our own operational practices, including data handling and security within our systems, on the end-user experience and protection. Ensuring robust data security measures and responsible data management remains a priority to safeguard end-user trust, privacy, and overall system integrity.

By incorporating these considerations, we aim to provide a transparent account of our material impacts on consumers and end-users, thereby fulfilling the requirements of paragraph 48 under ESRS S4 and aligning with the principles outlined in ESRS 2.

74Software is committed to delivering exceptional customer experiences throughout the entire customer lifecycle. This includes providing intuitive and user-friendly products, responsive customer support, and personalised services tailored to meet the unique needs of each customer. To measure and enhance customer satisfaction, 74Software utilises the Net Promoter Score (NPS), a key metric that reflects customer loyalty and advocacy. High NPS scores indicate not only customer satisfaction but also a willingness to recommend 74Software’s products and services. This strengthens the Company’s market position while also driving the broader adoption of sustainable technologies.

In addition to prioritising customer satisfaction and sustainability, data security remains a fundamental priority for 74Software. The Company recognises the trust customers place in its ability to safeguard sensitive information and is committed to upholding the highest security standards. Robust data security measures, including encryption, regular security audits, and compliance with industry regulations, ensure the confidentiality, integrity, and availability of customer data. By maintaining stringent security practices, 74Software not only protects customer trust but also contributes to a secure and reliable digital environment. This commitment reinforces the Company's dedication to exceptional service, fostering long-term customer relationships built on trust and reliability.

74Software is also committed to making its products and services accessible to a wide range of customers, including those who may be underserved by traditional financial systems. Through its technology solutions, the Company actively promotes financial inclusion, empowering both individuals and communities. Additionally, 74Software ensures its offerings are accessible to people with disabilities, reinforcing its commitment to equal opportunities for all users.

Recognising the growing concern among customers regarding the environmental and social impact of technology, 74Software leverages EcoVadis assessments to gain insights into its sustainability performance. These assessments help identify areas for improvement and reinforce the Company's commitment to responsible business practices. By sharing EcoVadis scores with customers, 74Software enhances trust and transparency, strengthens customer relationships, and drives collaborative efforts toward a more sustainable future.

		Value Chain Location			Time Horizon		
IROs		**Upstream**	**Own operations**	**Downstream**	**Short term**	**Medium term**	**Long term**
Data transaction and security: Potential negative impacts on customers or end-users due to cyberattack on 74S: ■ leakage of strategic or personal data; ■ ransomware and phishing attacks; ■ limited access to information or services	Impact -			✓	✓	✓	✓
Data transaction and security: Reputational, legal and economic risk due to cyber-attacks (business loss due to shut down, loss of contracts, legal expenses, ransomwares)	Risk		✓			✓	✓
Data transaction and security: If a cyberattack is successful, it could result in loss of access to critical IT tools and significant financial losses due to operational downtime.	Risk		✓	✓	✓	✓	✓
Customer Experience: Economical, reputational, and legal risk due to bad relations or bad consideration of clients (as end-users), leading to consequences on business (dissatisfaction, loss of contract, etc.)	Risk		✓			✓	✓
Customer Experience: Business opportunities provided by good reputation, client attractivity and loyalty, due to good relationship and consideration of clients (as end-users)	Opportunity		✓			✓	✓
Financial Inclusion: Extending banking services to underserved populations, including low-income individuals and small businesses in Africa, by providing basic services such as deposit and withdrawal facilities.	Impact +			✓	✓	✓	✓
Financial inclusion: Enhancing local economies and improving the quality of life for local populations.	Impact +		✓	✓	✓	✓	✓
Digital inclusion: Extending digital accessibility to individuals with disabilities by implementing the best assistive tools throughout their user experience.	Impact +		✓	✓	✓	✓	✓

3.6.2 Policies related to consumers and end-users (S4-1)

IROs		Policy	Programmes
Data transaction and security: Potential negative impacts on customers or end-users due to cyberattack on 74Sofwtare, leakage of strategic or personal data; ransomware and phishing attacks; limited access to information or services.	Impact -	74Software has established a robust Governance Model for data protection, encompassing a comprehensive framework of policies and procedures designed to safeguard data processing activities, data breach management, and cross-border data transfers. The Information Security Policy serves as the cornerstone of this framework, ensuring the protection of 74Software, its customers, information assets, and information systems from unauthorised access, use, disclosure, alteration, or destruction. This policy not only ensures compliance with legal and regulatory requirements but also supports the Information Security Management System (ISMS) based on ISO/IEC 27001:2022, reinforcing 74Software's commitment to best-in-class cybersecurity practices. The Group is dedicated to preserving the Confidentiality, Integrity, and Availability of its own and its customers' information systems and assets. This commitment is upheld through key principles, including the implementation of cybersecurity controls aligned with business strategies, the assignment of clear accountability for cybersecurity risks, and the regular review and enhancement of policies and procedures to adapt to emerging threats and regulatory developments. By embedding stringent security measures and proactive governance, 74Software ensures the resilience and reliability of its digital infrastructure, fostering trust among stakeholders and safeguarding the integrity of its operations.	Both Axway and SBS have implemented comprehensive Data Protection Compliance Programmes to ensure effective and consistent data protection practices across their operations. These programmes are detailed in the respective Data Protection Policies for each brand and encompass a range of key initiatives designed to strengthen compliance, mitigate risks, and uphold the highest standards of data privacy and security. The programme includes a centralised data processing register, enabling transparent and structured oversight of data flows within the organisation. Streamlined data breach response procedures ensure swift identification, containment, and mitigation of security incidents, minimising potential impact on individuals and business operations. Mandatory employee training on data protection principles reinforces awareness and compliance, equipping employees with the knowledge required to handle personal data responsibly. To proactively manage risks, regular assessments of data processing activities are conducted, identifying potential vulnerabilities and ensuring alignment with evolving regulatory requirements. Periodic audits and monitoring further reinforce compliance by evaluating the effectiveness of existing controls and identifying areas for continuous improvement. Additionally, robust contractual measures are in place to ensure that third-party vendors and subcontractors adhere to 74Software's data protection policies and regulatory obligations. Through these initiatives, Axway and SBS demonstrate their commitment to maintaining a secure and compliant data protection environment, reinforcing trust with customers, employees, and stakeholders, while ensuring full adherence to global and regional data privacy laws and industry best practices.

IROs		Policy	Programmes
Data transaction and security: Reputational, legal and economic risk due to cyber-attacks (business loss due to shut down, loss of contracts, legal expenses, ransomwares).	Risk	74Software has established a comprehensive Governance Model for data protection, ensuring the highest standards of security and compliance across its operations. This framework encompasses robust policies and procedures addressing key areas such as data processing activities, breach management, and cross-border data transfers. At the core of this model is the Information Security Policy, which safeguards 74Software, its customers, and information assets from unauthorised access, use, disclosure, alteration, or destruction. By enforcing stringent security measures, the Company ensures compliance with legal and regulatory requirements while supporting its Information Security Management System (ISMS), aligned with ISO/IEC 27001:2022. Committed to Confidentiality, Integrity, and Availability, 74Software upholds a structured approach to information security through key principles. These include the implementation of cybersecurity controls aligned with business strategies, clear accountability for cybersecurity risks, and the continuous review and enhancement of security policies. By integrating proactive risk management and rigorous security standards into its operations, 74Software ensures the resilience, reliability, and trustworthiness of its digital infrastructure, reinforcing its position as a secure and responsible technology partner.	74Software has established a comprehensive Data Protection Compliance Programme to ensure rigorous data security, privacy, and regulatory compliance across its operations. This initiative reinforces trust and accountability in the handling of personal and sensitive data while upholding the highest industry standards. A key component of this programme is the centralised data processing register, which enhances oversight and transparency of data flows within the organisation. To strengthen security incident management, streamlined data breach response procedures enable swift identification, containment, and resolution, minimising risks to individuals and business continuity. In parallel, mandatory employee training on data protection principles ensures all personnel understand their responsibilities in handling personal data securely. To proactively mitigate risks, 74Software conducts regular risk assessments of data processing activities, identifying vulnerabilities and ensuring alignment with evolving regulatory requirements. Periodic audits and monitoring reinforce compliance by evaluating existing controls and identifying opportunities for continuous improvement. Additionally, robust contractual measures ensure that third-party vendors and subcontractors adhere to 74Software's data protection policies and legal obligations. Through these initiatives, 74Software maintains a secure, transparent, and compliant data protection framework, demonstrating its commitment to safeguarding customer, employee, and stakeholder data while adhering to global and regional data privacy regulations.

IROs		Policy	Programmes
Data transaction and security: A successful cyberattack could result in loss of access to critical IT tools and significant financial losses due to operational downtime.	Risk	To mitigate such risks, 74Software has established a comprehensive Governance Model for data protection, reinforcing its commitment to security, regulatory compliance, and risk management. This framework comprises a structured set of policies and procedures designed to safeguard data security across key areas, including data processing activities, breach management, and cross-border data transfers. At its core is the Information Security Policy, which protects 74Software, its customers, and all associated information assets and systems from unauthorised access, misuse, disclosure, alteration, or destruction. This policy ensures compliance with global legal and regulatory requirements, supporting the Company’s Information Security Management System (ISMS) in accordance with ISO/IEC 27001:2022 standards. To prevent cyber incidents that could disrupt operations, the Group is committed to maintaining the Confidentiality, Integrity, and Availability (CIA) of its own and its customers' information assets. To uphold these principles, 74Software has implemented rigorous cybersecurity controls, aligned with business strategies, ensuring continuous monitoring, risk mitigation, and clear accountability for cybersecurity risks. Policies and procedures undergo regular reviews and updates to reflect emerging threats, technological advancements, and evolving regulatory landscapes, strengthening the Company’s resilience against cyber threats and minimising the risk of operational disruptions.	The Group has established a comprehensive Data Protection Compliance Programme to uphold the highest standards of data security, regulatory adherence, and risk management. This programme is designed to ensure effective and consistent data protection practices across all operations, mitigating risks and reinforcing stakeholder trust. As part of this initiative, the Group has implemented several key measures, including the maintenance of a centralised data processing register to provide clear oversight of all data-related activities. Streamlined data breach response procedures ensure prompt identification, containment, and resolution of security incidents, minimising potential impacts. To strengthen internal awareness and compliance, the Group mandates comprehensive employee training on data protection principles, ensuring all staff members are well-versed in their responsibilities regarding personal and sensitive data handling. Regular risk assessments are conducted to proactively identify vulnerabilities in data processing activities, enabling continuous improvement in security measures. Further reinforcing compliance, the Group performs periodic audits and monitoring to assess adherence to internal policies and external regulatory requirements. Additionally, stringent contractual obligations are imposed on third-party vendors and subcontractors, ensuring that all external partners comply with the Group’s data protection and security standards.
Customer Experience: Economical, reputational and legal risk due to bad relations or bad consideration of clients (as end-users), leading to consequences on business (dissatisfaction, loss of contract, etc.)	Risk	74Software's Customer Experience (CX) strategy is built on four core principles: Engage, Listen, Analyse, and Act. This approach strengthens relationships with customers and partners through active engagement via user groups, community forums, and advisory councils. Customer feedback is gathered through surveys, interviews, and the Voice of the Customer (VoC) programme, ensuring a clear understanding of their needs and expectations. Insights are then analysed to identify trends and improve services. Actions are taken based on these insights to enhance customer support, product development, and service delivery, embedding a customer-centric culture across the organisation.	To implement its customer experience strategies, 74Software, through Axway and SBS, has developed several key programmes. These include initiatives to increase customer engagement via regional conferences, user groups, and advisory councils. The Company actively gathers customer feedback to refine products, resolve issues efficiently, and enhance overall satisfaction. Internally, efforts focus on cross-departmental collaboration, investment in employee tools, and streamlining customer onboarding to improve service delivery. Progress is measured through key performance indicators, such as the Customer Engagement Score (CES), ensuring continuous improvement and alignment with customer expectations.

IROs		Policy	Programmes
Customer Experience: Business opportunities provided by good reputation, client attractivity and loyalty, due to good relationship and consideration of clients (as end-users).	Opportunity	74Software's Customer Experience (CX) strategy is built on four core principles: Engage, Listen, Analyse, and Act. This customer-centric approach strengthens relationships with customers and partners by fostering meaningful engagement through user groups, community forums, and advisory councils. By actively gathering insights through surveys, interviews, and the Voice of the Customer (VoC) programme, the Company systematically analyses customer needs and preferences. These insights inform strategic decisions and reinforce a customer-first culture across the organisation, ensuring that customer experience remains a key driver of business success.	To execute its Customer Experience (CX) strategy, 74Software, through its Axway and SBS divisions, has developed a range of targeted programmes aimed at enhancing customer engagement and satisfaction. These initiatives include regional conferences, user groups, and other customer-focused events, fostering direct interaction and collaboration. Customer feedback plays a pivotal role in product and service refinement, ensuring that issues are addressed promptly and improvements are continuously implemented. Internally, enhanced cross-departmental collaboration, investment in employee tools, and streamlined customer onboarding processes further strengthen the customer journey. These efforts are supported by robust performance metrics, including the Customer Engagement Score (CES), which enables the Company to track progress, measure impact, and identify opportunities for continuous improvement.
Financial Inclusion: Extending banking services to underserved populations, including low-income individuals and small businesses in Africa, by providing basic services such as deposit and withdrawal facilities.	Impact +	SBS's Core Amplitude solution provides comprehensive banking capabilities for financial institutions, including microfinance institutions (MFIs). SBS has developed a microcredit module and a commercial offering tailored to African markets, recognising the vital role of microfinance in driving economic empowerment within African communities. Designed with customer feedback, the module addresses the economic realities and challenges faced by individuals and micro-enterprises in these regions. By leveraging Core Amplitude's functionality, it enables MFIs to manage and scale their operations while offering flexible financial products to their clients. This positions SBS as a key partner in advancing financial inclusion and fostering positive change across Africa.	74Software, through its SBS products, supports the expansion of digital banking and mobile money services in rural and remote areas. This initiative involves partnerships with telecommunications companies and financial technology firms to facilitate the deployment of mobile banking services. Key actions include collaborating with telecommunications operators to enhance network coverage in targeted areas and developing technology solutions tailored to the needs of local populations.

IROs		Policy	Programmes
Financial inclusion: Enhancing local economies and improving the quality of life for local populations.	Impact +	74Software's SBS division actively supports financial inclusion by providing innovative banking solutions that empower individuals and businesses in underserved markets. Through its Core Amplitude solution, SBS equips financial institutions, including microfinance institutions (MFIs), with comprehensive banking capabilities designed to facilitate economic growth and local development. Recognising the vital role of microfinance in driving economic empowerment, SBS has developed a dedicated microcredit module and commercial offering tailored to African markets. Built in collaboration with customers, this solution directly addresses the economic realities and challenges faced by individuals and micro-enterprises in these regions. By leveraging Core Amplitude's functionality, MFIs can expand their reach, manage financial services efficiently, and provide accessible, flexible financial products to those who need them most. By enabling small businesses and individuals to access credit, SBS contributes to stimulating local economies, fostering entrepreneurship, and improving overall quality of life. This commitment reinforces SBS's position as a key partner in advancing financial inclusion, supporting sustainable economic development and creating long-term positive change across Africa.	74Software, through its SBS products, supports the expansion of digital banking and mobile money services in rural and remote areas. This initiative involves partnerships with telecommunications companies and financial technology firms to facilitate the deployment of mobile banking services. Key actions include collaborating with telecommunications operators to enhance network coverage in targeted areas and developing technology solutions tailored to the needs of local communities.
Digital inclusion: Extending digital accessibility to individuals with disabilities by implementing the best assistive tools throughout their user experience.	Impact +	74Software is committed to ensuring digital accessibility for all users, including those with disabilities. This commitment is guided by ethical values, compliance with legal standards (such as the EAA and WCAG 2.1), and a dedication to enhancing user experience while promoting digital inclusion. The Group has adopted a comprehensive approach to accessibility, embedding it into the design, development, and delivery of all its digital services.	Key programmes include regular product audits, with Conformance Reports generated using the VPAT 2.4 template to assess compliance with WCAG 2.1. These audits inform prioritised action plans to address identified accessibility issues. To strengthen these efforts, 74Software is adopting VPAT 2.5 to proactively align with WCAG 2.2 criteria and is integrating automated accessibility testing within the CI/CD pipeline. Furthermore, mandatory accessibility training for all R&D personnel is delivered through 74Software University, ensuring a consistent understanding of accessibility best practices across the organisation.

3.6.3 Data and transaction security (S4-2,3,4,5)

As cloud computing, artificial intelligence, and digital platforms continue to transform the way work is conducted, 74Software remains at the forefront of ensuring efficient and secure data management. In the core banking and asset finance sectors, where SBS operates, and in the enterprise data management business at Axway, the critical importance of data security and privacy is fully recognised. While security requirements differ across these two business areas, the Company maintains an unwavering commitment to data protection and regulatory compliance, ensuring alignment with all relevant data privacy regulations for 74Software, its customers, and their end-users.

This shared commitment underpins 74Software's approach to data protection, covering all aspects of data handling - from collection and processing to storage and transmission. Axway, leveraging its expertise in enterprise data management solutions, provides the foundation for secure and efficient data flows within SBS and across operations, supporting the evolving needs of customers and the industry.

To further demonstrate this commitment, Axway currently holds industry-recognised certifications, including ISO 27001, SOC 2 Type 2 for support and SaaS services, and Common Criteria EAL4+ for one product.

Similarly, SBS maintains a robust security framework, holding certifications such as CyberVadis - 1, ISO 27001, SOC - 1 Report Type 2, ISAE 3402 - Report Type 2, NIST 800 - 53, and Cyber Essentials - 2.

3.6.3.1 Processes for engaging with consumers and end-users about impacts (S4-2)

74Software ensures that consumers and end-users are well-informed about the impact of information security on their data and privacy. Security measures are communicated through multiple channels, including email, in-app notifications, and social media, ensuring broad audience reach. The Company's transparency policy provides clear and accessible information about data protection practices, the types of data collected, and how it is used. A dedicated feedback mechanism enables users to ask questions and report concerns, ensuring timely and effective responses from the team.

Additionally, 74Software regularly updates users on any changes to information security policies and practices. Educational programs are implemented to raise awareness about data security, offering practical guidance on maintaining personal data protection. All communications adhere to relevant regulations and industry standards, with strategies continuously reviewed and refined based on user feedback and evolving security landscapes.

The effectiveness of engagement with consumers and end-users is evaluated through external audits, contractual commitments, and regulatory compliance. Depending on the agreement, Axway and SBS maintain ISO 27001 certification, undergo ISAE 3402 or SOC2 Type 2 audits, and, for Managed Services customers, implement a Security Management Plan (SMP) with annual external audits. Additionally, compliance with GDPR and other data protection regulations ensures that end-users can exercise their right to information, reinforcing transparency and continuous improvement. 74Software upholds robust data, transaction, and security measures, meeting the expectations of customers and stakeholders while maintaining the highest standards of information security and compliance. Furthermore, Axway has developed a Responsible Disclosure program, https://www.axway.com/en/customers/axway-responsible-disclosure-policy, that invites consumers and end-users to participate in improving data security for the benefit of all customers. While SBS has a bug bounty program in place for the same purpose https://sbs-software.com/insights/bug-bounties/

The responsibility for engaging with consumers and end-users on data security and privacy is shared between the 74Software Chief Information Security Officer (CISO), who oversees data security, and the 74Software Data Protection Officer (DPO), who manages data privacy. Both roles collaborate to ensure that engagement outcomes drive continuous improvements in 74Software's data protection approach, reinforcing transparency, compliance, and trust.

3.6.3.2 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

74Software is committed to identifying, addressing, and mitigating any negative impacts related to information security. As part of this commitment, the 74Software Data Protection Compliance Programme includes structured procedures for reporting and managing suspected or actual personal data breaches. This framework ensures the swift identification and response to incidents, mitigates potential harm to individuals, and guarantees compliance with legal and regulatory obligations. A comprehensive remediation process is in place to promptly detect, assess, and resolve security incidents. This includes in-depth investigations, root cause analyses, and the implementation of preventive measures to mitigate future risks. Additionally, regular audits and reviews are conducted to evaluate and strengthen the effectiveness of these safeguards.

To enhance consumer and end-user confidence, 74Software provides diverse reporting channels for information security concerns, including dedicated support portals, email, and in-app feedback options. All reports are treated with the highest priority, ensuring swift and appropriate responses. By maintaining open communication and proactively addressing user feedback, 74Software fosters a secure and trustworthy digital environment. Furthermore, the Company maintains stringent protections for individuals reporting suspected corruption or bribery, in full alignment with its whistleblowing procedure.

74Software ensures that consumers and end-users are fully aware of the available channels for raising concerns, integrating these mechanisms into its Data Protection Compliance Programme. Information about reporting processes is communicated through clearly established channels, ensuring both accessibility and transparency. Trust in these mechanisms is further reinforced through the prompt and diligent handling of concerns, as well as strict compliance with legal and regulatory obligations. Regular reviews are conducted to assess and enhance the effectiveness and reliability of these processes.

74Software places a strong emphasis on the availability and accessibility of reporting channels by embedding them within its compliance frameworks and internal policies, as outlined in the whistleblowing policy. The Company ensures that these channels remain easily accessible in accordance with regulatory and contractual obligations. Additionally, periodic compliance audits and policy evaluations are undertaken to verify their continued effectiveness and alignment with evolving industry standards and best practices.

3.6.3.3 Taking action on material impacts, managing related risks and opportunities (S4-4)

74Software proactively mitigates potential negative impacts on consumers and end-users through rigorous internal practices. While the full scope of 74Software's data and security team is still being defined, the Company has already established a global framework that includes a Chief Information Security Officer (CISO) and a Data Protection Officer (DPO) to oversee data security and privacy compliance.

74Software has implemented clear incident reporting procedures for both employees and third parties, ensuring the prompt notification of suspected or actual data breaches. This is reinforced by a comprehensive data breach response plan, which outlines the necessary steps for containment, investigation, remediation, and the notification of affected individuals, in full compliance with legal and regulatory requirements.

To ensure effective implementation and adherence to data security procedures, 74Software provides comprehensive training to all employees on data security best practices, covering incident reporting protocols, data handling procedures, and awareness of potential threats. The Company aims to maintain a 100% employee training completion rate by the end of each year, accounting for updates to training content and new employee onboarding. As 74Software was formally established in 2024, this marks the first year of implementing data security and privacy protocols. Consequently, there are no prior action plans to report at this time. However, the Company is committed to documenting and tracking the effectiveness of these measures. Future reports will include status updates on action plans, including incident analysis, training completion rates, and assessments of the data breach response plan's effectiveness. Currently, the capital expenditure (CAPEX) and operational expenditure (OPEX) associated with data security and privacy protocols are integrated within the existing operational budget. Given the recent formation of 74Software in 2024, the Company is unable to provide specific, isolated financial figures at this time. However, as part of its development strategy for 2025, 74Software is committed to establishing a clear breakdown of CAPEX and OPEX related to data security initiatives. This will enable transparent financial reporting on these critical investments in future disclosures.

Additionally, the Group provides clear and accessible channels for individuals to exercise their rights under data protection laws. These include a dedicated data protection contact point, online data subject request forms, and detailed instructions on how to submit inquiries or complaints. To ensure the effectiveness and compliance of these procedures, the Group regularly reviews and updates them in response to evolving regulatory requirements, maintaining alignment with industry best practices and legal obligations.

3.6.3.4 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

All 74Software employees and contractors are required to complete a security awareness training, with a particular focus on teams handling confidential customer data, such as technical support and cloud/SaaS operations teams.

74Software prioritises data, transaction, and security, setting robust targets based on rigorous methodologies and industry best practices. This commitment is reflected in comprehensive security certifications, which are reviewed annually to ensure continued compliance and effectiveness.

The Company conducts an annual scenario analysis, considering evolving cyber threats, regulatory changes (e.g., GDPR), and the increasing complexity of data environments. This analysis informs risk assessments, leveraging industry-recognised frameworks such as the NIST Cybersecurity Framework and ISO 27001. 74Software ensures robust data, transaction, and security measures, meeting the expectations of our customers and stakeholders. Furthermore, Axway has developed a Responsible Disclosure program, https://www.axway.com/en/customers/axway-responsible-disclosure-policy, that invites consumers and end-users to participate in improving data security for the benefit of all customers. While SBS has a bug bounty program in place for the same purpose https://sbs-software.com/insights/bug-bounties/

Risk assessments are conducted based on data sensitivity, potential breach impact, and system vulnerabilities, with a continuous evaluation of the evolving threat landscape. 74Software leverages diverse data sources, including SIEM systems, Intrusion Detection and Prevention Systems (IDPS), vulnerability scanning tools, and incident logs, ensuring a reliable and comprehensive security posture.

Key performance indicators (KPIs) such as incident count, response time, vulnerability remediation, and compliance rates are meticulously tracked and reviewed annually. These indicators are analysed across both the build and run phases, ensuring security considerations are embedded throughout the software lifecycle. All insights derived from the run phase contribute to customer engagement efforts, strengthening transparency and alignment with client security expectations. Additionally, customers are actively engaged throughout their relationship with 74Software to provide feedback and input on all relevant topics, as detailed further in the Customer Engagement Chapter.

74Software adheres to relevant regulations and standards, including GDPR, and industry-specific requirements like PCI DSS where applicable:

- **Axway:** ISO 27001, SOC 2 Type 2 (support and SaaS), Common Criteria EAL4+.
- **SBS:** Cybervadis – 1, ISO 27001, SOC – 1 report type 2, ISAE 3402 5 report – type 2, NIST 800 – 53, Cyber Essentials – 2.

These certifications are not merely badges of compliance but serve as tangible proof that 74Software adheres to international best practices, with independent auditors verifying its security posture.

Security targets are aligned with business objectives, technological advancements (such as cloud computing and IoT), and growing social awareness of data privacy. The Company also accounts for geographical context and the varying legal requirements that apply across different regions.

74Software's approach is based on the following core assumptions:

- The effectiveness of certified security technologies and tools is validated through continuous assessment and adherence to industry standards.
- Employee awareness is reinforced through ongoing training, though the potential for human error is acknowledged as a security consideration.
- The evolving threat landscape is continuously monitored to ensure that risk assessments are regularly updated, and security strategies remain proactive and adaptable. Security investments are aligned with prioritised risks, ensuring resources are allocated efficiently to enhance protection measures.

By adhering to these methodologies and maintaining certifications, 74Software ensures robust data, transaction, and security measures, meeting the expectations of customers and stakeholders. Furthermore, Axway has developed a Responsible Disclosure program, https://www.axway.com/en/customers/axway-responsible-disclosure-policy, that invite consumers and end-users to participate in improving data security for the benefit of all customers. While SBS has a bug bounty program in place for the same purpose https://sbs-software.com/insights/bug-bounties/

Beyond the mandatory information security training included in the table, SBS employees completed a wide range of additional courses on cybersecurity, data protection, and secure data handling, reinforcing a strong security culture across the organisation.

Information security training

	Axway	SBS
Trained employees	469	1,978
Annual Target	100%	100%
Frequency	Once per year, every year	Once, available at onboarding
Duration	1 hour	20 minutes

74Software's security targets are structured across different time horizons, ensuring continuous progress and adaptation to an evolving risk landscape. Short-term targets focus on maintaining key security certifications, such as ISO 27001 and SOC 2 Type 2, and achieving 100% completion of mandatory security awareness training for all employees. These targets are set annually, using the best results from the previous year as a benchmark. For example, 2025 objectives will be established based on 2024 performance outcomes. Medium-term targets aim to strengthen security resilience by enhancing vulnerability remediation processes, reducing security incident response times, and expanding the scope of the bug bounty program to proactively identify and mitigate security threats. Long-term targets focus on ensuring continuous adaptation to emerging cybersecurity threats, maintaining compliance with evolving regulatory requirements, and further embedding security best practices into software development and operational processes. These strategic commitments reinforce 74Software's dedication to maintaining a robust, secure, and compliant digital environment.

3.6.4 Customer experience (S4-2,3,4,5)

The Customer Success structure is a core component of 74Software's business model, designed to maintain continuous dialogue with customers and provide tailored, scalable solutions that align with their evolving expectations. As 74Software works toward a unified approach, this vision is jointly carried by both Axway and SBS.

Axway's Customer Experience (CX) strategy is built upon four key pillars: Engage, Listen, Analyse, and Act. The Company fosters strong relationships by engaging with customers and partners through user groups, community forums, and other key touchpoints. Axway actively listens to customer feedback through surveys, interviews, and its Voice of the Customer (VoC) program, leveraging this data to understand needs and preferences while promoting a customer-centric culture across the organisation. By analysing these insights, Axway identifies areas for improvement and innovation.

Acting on this feedback, the Company implements targeted initiatives to simplify user experiences and enhance customer satisfaction, ultimately driving loyalty, advocacy, and business growth through a competitive advantage in CX.

This approach is spearheaded by the Chief Customer Officer, a member of the Axway Executive Committee. Key performance metrics related to customer experience and success are presented annually to the Board of Directors and the Appointments, Governance, and Corporate Responsibility Committee, as well as internally to employees during dedicated sessions.

74Software also leverages a suite of customer management tools, including an experience management platform, a Customer 360° dashboard, and customer success plans. These tools collect and analyse customer feedback, consolidate data from various sources, and define strategic objectives that align with customer expectations. Insights gathered through these mechanisms directly inform Axway's software design, research, and development efforts, ensuring that customer needs remain at the heart of innovation.

Customer satisfaction is a central pillar of SBS's strategy, championed by the CEO and senior executives. SBS is committed to delivering exceptional customer experiences at every touchpoint, guided by three core principles: Understand, Listen, and Act. To gain comprehensive insights into customer interactions, challenges, and pain points, SBS employs multiple feedback channels, including annual surveys, touchpoint surveys throughout the customer journey, and a dedicated User Club for regular engagement. These mechanisms enable SBS to identify critical areas for improvement and implement targeted actions to enhance customer experience. Based on these insights, SBS implements mandatory corrective actions at three levels: customer, product, and internal SBS processes. At the customer level, specific concerns raised by clients are addressed to improve direct interactions and service quality. At the product level, feedback is used to refine solutions, enhancing functionality and usability. At the internal process level, SBS optimises workflows to better support customer needs.

This commitment to customer satisfaction is supported by dedicated teams across all business units and regions, comprising 22 professionals who work to ensure customer-centric improvements. Additionally, SBS has established a Customer Reference Program, leveraging satisfied customers as brand ambassadors to demonstrate the value of its products, reinforcing trust, credibility, and long-term engagement with its client base.

3.6.4.1 Processes for engaging with consumers and end-users about impacts (S4-2)

At 74Software, customer engagement is a strategic priority. The Company hosts annual regional customer conferences, advisory councils with selected members, and frequent user groups to foster collaboration, provide product updates, and share best practices. In 2024, Axway organised 79 events, while SBS launched several key customer engagement initiatives, including the SBS Summit, Customer Groups, Connect: Payments & Cards, and the CEO Round Table.

Customers highly value the opportunity to connect and learn from one another. To further enhance engagement, 74Software distributes newsletters with valuable resources and updates, maintains an active community discussion forum, and provides an "idea" portal where customers can suggest product enhancements. In 2024, the Company also introduced a new peer-to-peer programme to facilitate customer connections and knowledge exchanges.

The effectiveness of customer engagement is measured through key performance indicators (KPIs), including but not limited to event participation rates, engagement with newsletters and written communications, and Net Promoter Score (NPS). These metrics enable continuous improvement in customer interactions and ensure that engagement initiatives remain meaningful and impactful.

3.6.4.2 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

When negative feedback is received, both Axway and SBS promptly engage with the customers who provided it, actively listening to and acknowledging their concerns. This detailed feedback is then escalated to the relevant departments for further investigation and action. By taking these steps, 74Software aims to resolve issues efficiently, enhance customer satisfaction, and prevent similar problems from occurring in the future.

Ensuring that customers understand and trust the remediation process is a key priority. 74Software actively assesses customer awareness through multiple touchpoints, including contract negotiations, ongoing engagement, and user group interactions. During contract discussions, the Company clearly outlines escalation paths to ensure transparency. Throughout customer relationships, surveys and feedback channels within support portals are used to assess customer understanding of these processes. User group sessions provide an additional platform for open dialogue, allowing customers to ask questions and raise concerns directly. 74Software also monitors feedback channel usage and analyses reported issues to identify areas for continuous improvement. This multi-faceted approach ensures that customers are aware of and confident in the Company's ability to address their concerns effectively.

Additionally, 74Software maintains a robust whistleblower policy that guarantees protection for individuals who report concerns, including negative feedback or potential misconduct. The policy explicitly prohibits retaliation against anyone raising a concern in good faith, ensuring a safe and confidential reporting mechanism. The whistleblowing policy is publicly available on the 74Software website, reinforcing transparency and accessibility for all stakeholders. This commitment to non-retaliation upholds 74Software's dedication to ethical conduct and open communication, fostering a culture where concerns can be addressed without fear of reprisal.

3.6.4.3 Taking action on material impacts, managing related risks and opportunities (S4-4)

To enhance the customer experience, Axway is implementing concrete actions across several key areas, with a focus on increasing customer engagement opportunities. The Company is also strengthening internal collaboration by improving knowledge transfer between customer-facing teams and other departments, including Support, R&D, and Finance. This cross-functional approach ensures a deeper understanding of customer needs and a more seamless experience. Axway is further investing in new internal tools to enhance employee efficiency, enabling teams to provide more effective customer support. To simplify the buying process, the Company is streamlining contracts and automating tasks within the legal review process, reducing complexity and improving turnaround times. To improve the customer learning experience, Axway is simplifying and adapting content to ensure it is more accessible and relevant to everyday needs. Additionally, the Company has introduced an Axway Managed Cloud onboarding survey to capture valuable customer insights, ensuring a smooth and seamless onboarding journey. These initiatives are designed to create a more intuitive, efficient, and satisfying customer experience, ultimately fostering loyalty and long-term relationships.

To enhance support responsiveness and efficiency, SBS prioritises building strong customer relationships by empowering account managers to serve as trusted partners. These managers develop a deep understanding of each customer's unique business needs and challenges, ensuring a proactive and personalised approach. SBS employs a comprehensive customer engagement strategy, incorporating progressive touchpoint surveys throughout the entire customer journey - from initial purchase and renewal to interactions with engagement consultants, support ticketing, training sessions, and event participation. By analysing these insights, SBS constructs detailed customer journey maps to identify key interactions, expectations, and potential pain points. This data-driven approach informs the development of targeted action plans at both the product and customer levels, allowing SBS to proactively address issues and deliver an exceptional customer experience across all touchpoints.

74Software has structured its customer engagement and support improvement initiatives into short, medium, and long-term actions. In the short term, Axway is implementing the Axway Managed Cloud onboarding survey, streamlining contracts and automating tasks within the legal review process, and introducing improvements to customer learning content. Over the medium term, the Company will strengthen internal collaboration between customer-facing teams and other departments, such as Support, R&D, and Finance, enhance customer journey mapping, and optimise internal tools to improve employee efficiency. In the long term, 74Software will continue adapting customer learning content to reflect evolving user needs, expanding automation in support and contract management, and refining engagement strategies based on customer feedback and industry trends.

74Software ensures that its own practices do not cause or contribute to material negative impacts on consumers and end-users through proactive risk management, compliance frameworks, and continuous monitoring. The Company integrates consumer protection principles into its operations by adhering to industry standards and regulatory requirements. Regular audits, compliance checks, and feedback mechanisms help identify and mitigate potential risks, ensuring timely corrective actions. Additionally, direct engagement with customers provides valuable insights to align processes with consumer expectations and industry best practices.

The progress of customer engagement and support initiatives is assessed through quantitative and qualitative measures. For Axway, previous commitments have expanded customer engagement efforts, resulting in 56 Customer Engagement events, 17 Customer Advisory Boards (CABs), and 39 User Groups, engaging over 1,300 customers. Additionally, Axway has enhanced direct customer input in product development through the "Idea" portal, gathering over 1,000 suggestions, leading to 115 customer-driven product improvements. The Axway University platform continues to provide structured, on-demand training, improving customer knowledge and adoption of Axway solutions. While no previous customer engagement action plan had been formally reported for SBS, the implementation of customer journey mapping and progressive touchpoint surveys has significantly improved service tracking and refinement. Increased survey response rates have provided valuable qualitative insights, allowing SBS to continuously align its services with evolving customer needs.

74Software dedicates both human and technological resources to managing material impacts on consumers and end-users. Key functions responsible for customer engagement include customer experience teams, product development teams, and compliance and risk management specialists, ensuring that initiatives align with regulatory requirements and industry best practices. Financial resources are allocated to customer engagement programmes, security and data protection measures, and continuous platform improvements. Additionally, training programmes are available to equip employees with the skills necessary to engage with customers effectively and mitigate potential negative impacts.

Currently, the CAPEX and OPEX associated with customer engagement initiatives are integrated within existing operational budgets. Due to 74Software's recent formation in 2024, the Company is unable to provide specific, isolated financial figures at this time. However, as part of its 2025 development strategy, 74Software is committed to establishing a clear breakdown of CAPEX and OPEX related to customer engagement initiatives, ensuring transparent financial reporting on these critical investments in future disclosures.

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3.6.4.4 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

Customer satisfaction at both Axway and SBS is measured using the Net Promoter Score (NPS), which is integrated into Axway's risk management framework and serves as a performance metric for the variable compensation of all eligible employees, including the Chief Executive Officer. NPS categorises customers into three groups: Detractors, Passives, and Promoters, based on an iterative evaluation process that includes surveys, follow-ups, and continuous dialogue with customers throughout the year. As the Group works towards aligning its methodology, only Axway's 2024 NPS is included in this report. NPS is fundamentally a customer engagement tool, directly involving consumers in tracking performance against satisfaction targets. Moreover, previous years' NPS results inform the satisfaction targets for the following year, ensuring that customer feedback actively shapes 74Software's performance objectives.

Beyond measuring scores, 74Software actively engages with customers to extract actionable insights and drive continuous improvement. Throughout the NPS survey process, follow-up discussions are conducted with customers - particularly Detractors - to gain a deeper understanding of the reasons behind their feedback and to collect input on proposed action plans. This direct engagement enables 74Software to refine its strategies and effectively address key pain points. Additionally, the Company maintains a dedicated user club programme for Promoters, fostering ongoing dialogue and collaboration. These sessions create a platform for in-depth discussions about 74Software's services, allowing the Company to gather valuable insights and continuously enhance its offerings based on customer experiences and expectations.

While Axway's NPS target for 2024 was 46, the Company exceeded expectations, achieving a score of 52. As Axway has reached the 'CX leader' level in the B2B software industry, maintaining continuous growth in NPS has become increasingly challenging due to rising customer expectations. However, in line with its commitment to continuous improvement, the Company has set an ambitious NPS target of 53 for 2025.

In addition to NPS, Axway also measures the Customer Engagement Score (CES), an internal index designed to assess customer interactions across various engagement touchpoints. Each event is assigned a specific weight based on its significance and recency, ensuring an accurate representation of engagement levels. Each customer is assigned an individual CES score, typically ranging from 1 to 100, allowing the Company to evaluate engagement trends and make data-driven decisions to enhance the customer experience.

The CES serves as a comprehensive measure of a customer's health, success, and overall engagement, helping identify at-risk customers and enabling proactive intervention to strengthen long-term relationships.

3.6.5 Financial inclusion (S4-2,3,4,5)

Financial inclusion is a key driver of economic development, ensuring that underserved populations have access to essential financial services. SBS recognises the crucial role of microfinance in promoting economic empowerment within African communities and has developed a microcredit module and commercial offering specifically tailored to address the economic realities and challenges faced by individuals and micro-enterprises in these regions.

SBS's microfinance products leverage Core Amplitude's functionality, enabling microfinance institutions (MFIs) to manage and scale their operations effectively. These solutions provide flexible financial services, including savings, credit, transfers, and insurance, designed for individuals who are typically excluded from traditional banking systems. By extending these services, the initiative contributes to local economic development while also improving the quality of life for the local population. The rollout and implementation of this strategy is led by the General Manager of the Core Amplitude business unit, under the supervision of the executive committee, with progress monitored through quarterly business reviews.

Historically, microfinance has served a large client base that lacks access to traditional financing channels. By leveraging a flexible distribution network—including physical branches, mobile branches, merchant networks, and strategic partnerships—SBS ensures that even those without access to conventional banking systems can benefit from premium financial services.

In summary, SBS's microfinance solutions play a pivotal role in financial inclusion, expanding banking access to underserved populations. This initiative fosters economic empowerment, stimulates economic growth, and enhances the quality of life for individuals and communities, reinforcing SBS's commitment to advancing inclusive finance.

3.6.5.1 Processes for engaging with consumers and end-users about impacts (S4-2)

SBS has a long-standing commitment to engaging with its customers in Africa to better understand local financial needs and tailor its Core Amplitude solution, including its microcredit module. This ongoing engagement has involved conducting comprehensive market research and needs assessments, incorporating direct interactions with local communities through focus groups and interviews, as well as collaboration with local organisations and stakeholders. Through these efforts, SBS has gained valuable insights into the unique financial landscapes and challenges faced by individuals and micro-enterprises.

The execution of this customer engagement strategy is co-led by the Clients & Growth department and the Core Amplitude General Manager. The implementation of the outcomes is overseen by the General Manager of the business unit, under the supervision of the executive committee, with progress monitored through quarterly business reviews.

This collaborative approach has fostered productive stakeholder dialogues, bringing together microfinance institutions, regulators, technology providers, and community representatives to explore opportunities and challenges related to financial inclusion. SBS prioritises transparency and financial education, ensuring that customers fully understand financial product terms while developing culturally relevant financial literacy programmes delivered through multiple channels. Pilot programmes and iterative development cycles have enabled SBS to test and refine its microcredit module in real-world environments, integrating direct user feedback and adapting to local contexts. The outcomes of these pilot programmes, alongside market growth trends, serve as key indicators of the success and effectiveness of SBS's engagement with customers and end-users.

Additionally, SBS actively supports financial literacy initiatives, ensuring that consumers are well-informed about loan conditions, repayment terms, and responsible borrowing practices. Regular engagement with users helps refine product features, improve accessibility, and address potential risks, reinforcing SBS's commitment to ethical and inclusive financial services.

3.6.5.2 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

SBS's microfinance solution is designed to promote financial inclusion while upholding responsible lending practices. Recognising the potential risks associated with microfinance, SBS has established robust processes to address consumer concerns and ensure ethical financial practices. To mitigate potential negative impacts, SBS has implemented remediation measures, including strong debt management frameworks, dedicated support for vulnerable groups, and strict data privacy and security protocols. Continuous monitoring and evaluation, supported by regular reporting and independent audits, provide valuable insights into the effectiveness of SBS's microfinance initiatives and inform ongoing improvements. This commitment to engagement and responsible development enables SBS to adapt its solutions in response to evolving financial inclusion needs in Africa.

SBS also collaborates with microfinance partners to uphold fair lending policies, prevent over-indebtedness, and deliver financial literacy programmes. Concerns raised by consumers are systematically reviewed, with defined response times and corrective measures, such as loan restructuring or enhanced data protection protocols, ensuring that customer issues are addressed promptly and effectively.

SBS's commitment to consumer protection extends to a robust whistleblower policy, providing borrowers and stakeholders with a secure and confidential channel to report concerns regarding potential misconduct, unfair lending practices, or data privacy breaches. This policy explicitly prohibits retaliation, ensuring that all reports are thoroughly investigated and that stakeholders can raise concerns without fear of repercussions.

To ensure that customers are fully informed about SBS's feedback mechanisms, remediation processes, and whistleblower policy, the Company proactively communicates through multiple channels. This includes detailed explanations during contractual negotiations, ongoing discussions within customer engagement processes, and open forums during user group meetings and other formal and informal interactions. By consistently reinforcing these communication channels, SBS empowers customers to raise concerns confidently and actively contribute to the continuous improvement of its financial inclusion initiatives.

3.6.5.3 Taking action on material impacts, managing related risks and opportunities (S4-4)

74Software, through SBS products, actively contributes to expanding digital banking and mobile money services in rural and remote areas. To address material impacts and manage related risks, SBS collaborates with telecommunications operators to improve network coverage and ensure reliable access to financial services. Additionally, partnerships with financial technology firms support the development of tailored digital solutions designed to meet the specific needs of local populations. As of 2024, 74Software has not allocated dedicated resources specifically for managing material impact; however, its existing teams actively monitor and implement action plans as needed to ensure that business practices do not contribute to material negative impacts on consumers and end-users. This is achieved through proactive risk assessments, rigorous testing protocols, and continuous monitoring of user feedback and market conditions. The Company enforces strict data privacy and security measures, adheres to responsible lending practices, and provides financial literacy programmes to mitigate potential risks such as over-indebtedness and data breaches. Additionally, transparent communication channels and a robust whistleblower policy are maintained to address consumer concerns effectively.

These efforts not only remove barriers to financial inclusion but also create opportunities for economic growth and empowerment. By continuously refining its technology and strengthening partnerships, SBS enhances the resilience of its microfinance solutions, reducing operational risks while maximising positive social and economic outcomes. Furthermore, 74Software has established a clear objective to achieve full digital accessibility compliance across its entire product portfolio by 2030. This will be accomplished through a dual strategy: either bringing all existing products into compliance with the latest accessibility standards (WCAG 2.2, Level AA) or replacing non-compliant products with fully accessible alternatives. The expected timeframe for completion is 31 December 2030, reinforcing the Company's commitment to ensuring inclusivity and accessibility across all digital solutions. Currently, the CAPEX and OPEX associated with financial inclusion initiatives are integrated within existing operational budgets. Due to 74Software's recent formation in 2024, the Company is unable to provide specific, isolated figures at this time. However, as part of its 2025 development strategy, 74Software is committed to establishing a clear breakdown of CAPEX and OPEX related to financial inclusion initiatives, ensuring transparent financial reporting on these critical investments in future disclosures.

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While SBS has not previously reported on this topic, Axway has focused on strengthening customer engagement and risk management. The Company expanded customer engagement initiatives, hosting Customer Advisory Boards (CABs), User Groups, and customer community forums to gather feedback and improve service offerings. In terms of risk management, Axway implemented enhanced compliance controls and regular product security assessments to ensure that new digital solutions align with data protection requirements. These best practices will be integrated into 74Software's broader impact management framework going forward, reinforcing the Company's commitment to ethical and responsible business practices.

3.6.5.4 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

In the context of the recent acquisition of SBS by Axway, no specific targets have been defined for SBS's microfinance solutions. However, SBS remains committed to financial inclusion through partnerships and technological advancements, particularly in expanding digital banking and mobile money services in underserved areas. Future developments may include defining measurable objectives to further enhance the impact of these initiatives.

3.6.6 Digital inclusion (S4-2,3,4,5)

74Software recognises the importance of digital accessibility and is committed to ensuring that all products and services are designed to meet the needs of all users, including those with disabilities. This commitment is reflected in strict adherence to international and local accessibility standards and regulations, including the European Accessibility Act (EAA) and the Americans with Disabilities Act (ADA). The Company aims to deliver products in full compliance with at least WCAG 2.0, Level AA, while conducting audits and reporting on all products to assess compliance with WCAG 2.1, Level AA. Digital inclusion is a core pillar of 74Software's digital sustainability strategy, as outlined in E1. This initiative is sponsored by Xavier Rebeuf, EVP Research & Development, and closely monitored by the executive committee. Operational execution is led by the Digital Sustainability Officer, who is part of the CSR department, with support from product digital sustainability referents to ensure accessibility goals are implemented across all product teams.

Furthermore, 74Software has established a comprehensive accessibility strategy to ensure that all SBS products meet the requirements of the "Référentiel Général d'Amélioration de l'Accessibilité" (RGAA) for French customers and the Website Content Accessibility Guidelines (WCAG) for international customers. The Company actively advocates for accessibility principles as a fundamental component of the user experience, embedding inclusive design practices throughout the entire product design and development process.

3.6.6.1 Processes for engaging with consumers and end-users about impacts (S4-2)

74Software is committed to ensuring that its software products are accessible and usable for all consumers and end-users. To facilitate effective engagement on the impacts of its products, the Company maintains multiple feedback channels, including user surveys, support tickets, and dedicated customer service teams. These mechanisms enable 74Software to gather insights on software performance and assess how its products may affect users. The effectiveness of this engagement is measured through follow-up satisfaction surveys, response time metrics, and ultimately during Net Promoter Score (NPS) discussions.

74Software is also dedicated to enhancing the accessibility of its products by adhering to best practices in user interface design, ensuring that individuals with disabilities can fully utilise its software. The Company is committed to continuously improving its engagement processes to ensure that users' concerns are heard and addressed promptly. By prioritising accessibility and responsiveness, 74Software seeks to enhance the overall user experience and maximise the long-term impact of its products.

3.6.6.2 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns (S4-3)

To ensure ongoing accessibility improvements, 74Software conducts regular audits of its products and capabilities, generating Conformance Reports using the VPAT 2.4 template. These reports evaluate compliance with WCAG 2.1 and help identify areas for improvement. Based on audit findings, prioritised action plans are developed and integrated into the product backlog to drive systematic enhancements. To further strengthen accessibility efforts, 74Software is adopting VPAT 2.5 to proactively align with WCAG 2.2, Level AA criteria. Additionally, accessibility testing is being automated within the CI/CD process, enabling continuous monitoring and early identification of accessibility issues.

Furthermore, all 74Software personnel are required to complete mandatory training on accessibility best practices through the respective learning platforms of its two brands, Axway and SBS. This comprehensive approach, combining regular audits, proactive remediation efforts, and employee training, allows 74Software to continuously improve the accessibility of its products and services for all users.

In parallel, 74Software maintains a robust whistleblower policy, which extends to concerns related to digital accessibility. This policy ensures that employees, customers, and other stakeholders can report potential accessibility barriers or instances of non-compliance without fear of retaliation. It provides a confidential and secure reporting channel, with all reports undergoing thorough investigation. This commitment reinforces 74Software's dedication to inclusive design and ensures accountability in creating accessible digital experiences for all users. To ensure that customers are fully informed about 74Software's accessibility initiatives, including its audit processes, improvement plans, and whistleblower policy, the Company proactively communicates through various channels. This includes detailed explanations during contractual negotiations, ongoing discussions within customer engagement processes, and open forums in user group meetings and other formal and informal exchanges. By consistently reinforcing these communication channels, 74Software empowers customers to raise concerns confidently and contribute to the continuous improvement of its digital accessibility initiatives.

3.6.6.3 Taking action on material impacts, managing related risks and opportunities (S4-4)

Axway is committed to ensuring digital accessibility for people with disabilities, continuously improving the user experience for all individuals while adhering to relevant accessibility standards. The Company designs its products and services to be accessible and provides detailed information on its compliance status, identified non-conformities, testing methodologies, and feedback mechanisms.

Axway's multi-year accessibility plan includes regular audits of its products and capabilities, generating Conformance Reports using the VPAT 2.4 template. These reports assess compliance with WCAG 2.1 and highlight areas for improvement. Based on the audit findings, prioritised action plans are developed and integrated into the product backlog. To further strengthen accessibility, Axway is adopting VPAT 2.5 to proactively align with WCAG 2.2, Level AA criteria. Additionally, the Company is automating accessibility testing within its CI/CD process, ensuring continuous monitoring and early identification of accessibility issues.

Similarly, SBS is dedicated to improving accessibility, aligning with the European Accessibility Act (EAA) requirements. According to the EAA, all new web and mobile applications launched after June 2025 must comply with WCAG 2.1 AA, while all existing applications must achieve full compliance by June 2030. Recognising the complexity and breadth of its product portfolio, SBS has prioritised accessibility efforts, initially focusing on bank customer-facing components. For new end-user cloud components, such as web and mobile banking solutions, SBS is committed to achieving 100% compliance with WCAG 2.1 AA. For existing components, the Company will conduct comprehensive audits and develop multi-year action plans to address any accessibility issues. For legacy components scheduled for replacement within three years that have an accessibility level below 50%, SBS will prioritise replacement over immediate remediation. For legacy components without planned replacements, SBS will collaborate with customers on a case-by-case basis to determine the most appropriate remediation approach, ensuring that efforts are proportionate to risk and impact.

Regarding web and mobile accessibility, SBS has implemented a three-level action plan. Firstly, the Company integrates web accessibility principles into the design of its new-generation Cloud Native products, which are based on a proprietary framework developed for its applications. While SBS utilises custom interface components, the framework embeds interface elements that meet RGAA criteria, ensuring compliance with accessibility standards such as keyboard navigation, contrast ratios, and other usability aspects. These components incorporate ARIA tags, recognised by screen readers, and are structured according to W3C accessibility guidelines, reinforcing SBS's commitment to delivering inclusive digital services.

SBS recognises that establishing a generic framework is not sufficient to achieve meaningful digital accessibility. To ensure comprehensive accessibility compliance, the Company integrates Axe DevTool and NVDA tools within its development processes to assess baseline accessibility standards. Beginning in 2025, in addition to automated CI/CD controls, a dedicated team of auditors - who are independent from the development teams—will conduct RGAA audits on new web pages before customer delivery. These auditors will provide detailed accessibility reports, ensuring that compliance is rigorously evaluated before products reach end-users.

Web accessibility is a core pillar of digital sustainability, and its implementation within SBS is overseen by the Digital Sustainability Officer, who is directly attached to the CSR function. The Digital Sustainability Officer coordinates digital sustainability referents and RGAA/WCAG auditors, embedded across different product lines. By the end of 2024, SBS will have three dedicated accessibility auditors responsible for conducting cross-audits across different product lines to ensure impartiality and consistency. These auditors were trained in April 2024 by Ethic First, and SBS plans to train two additional auditors to initially conduct ten accessibility audits per year.

To ensure that SBS's practices do not contribute to material negative impacts on consumers and end-users, the Company has implemented several key safeguards. SBS actively gathers and integrates user feedback through customer support, user groups, and dedicated accessibility feedback forms, allowing for timely identification and resolution of accessibility barriers. Thorough risk assessments are conducted during the design and development phases to proactively identify and mitigate accessibility risks before product deployment. Comprehensive accessibility training is provided to development and testing teams, equipping them with the necessary knowledge and skills to create accessible digital products. A robust whistleblower policy ensures that employees, customers, and stakeholders have a confidential and secure channel to report accessibility concerns without fear of retaliation. SBS is also committed to continuous monitoring and improvement, regularly reviewing its accessibility practices, integrating feedback, and applying lessons learned to enhance product inclusivity and user experience.

Currently, the CAPEX and OPEX associated with the digital inclusion strategy are integrated within existing operational budgets. Due to 74Software's recent formation in 2024, the Company is unable to provide specific, isolated financial figures at this time. However, as part of its 2025 development strategy, SBS is committed to establishing a clear breakdown of CAPEX and OPEX related to digital inclusion initiatives, ensuring transparent financial reporting on these critical investments in future disclosures.

3.6.6.4 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S4-5)

Prior to 2024, Axway's key targets focused on building accessibility expertise within its workforce, including training or hiring UX designers with accessibility knowledge, establishing a design system with clear accessibility guidelines, and conducting initial product audits to assess compliance. In 2025, the focus has shifted towards remediating identified accessibility issues and enforcing mandatory accessibility training for all R&D personnel. By 2026, the Company aims to achieve compliance with at least WCAG 2.0, Level AA for all products, alongside the implementation of an automated accessibility testing process. Looking further ahead, Axway plans to reach higher levels of compliance by modernising interfaces and introducing fully accessible components by 2027 and beyond. In terms of metrics, Axway tracks accessibility progress through Accessibility Conformance Reports (ACRs) and Accessibility Statements, which provide data on the number and percentage of supported criteria. Additionally, Axway University monitors the completion rate of accessibility training among R&D personnel, though specific target numbers for completion have not yet been formally established.

Starting in 2025, SBS will begin auditing key strategic components, including Digital Core, Digital Lending, SFP, RR, Digital Engagement, SAB Your Portal, SAB Mobile Portal, and EPE. Each audit will generate a comprehensive report outlining accessibility findings along with a detailed remediation action plan. From 2026 onwards, annual audits will be conducted across all components, not only to assess accessibility but also to track progress on action plans implemented in previous years, ensuring continuous improvement and regulatory compliance. These objectives have been set based on an internal analysis to ensure compliance with existing and upcoming regulations. While a portion of the customer base has been informed and has participated in project definition discussions, either through ongoing requirements or user groups, SBS has not yet directly engaged with customers and end-users in tracking performance against accessibility targets as of 2024.

The Digital Sustainability sponsor monitors accessibility compliance levels by component on a monthly basis, following each audit, while the Executive Committee (ExCom) reviews compliance levels every three months.

The roadmap for accessibility upskilling follows a phased approach to ensure all employees involved in product development integrate best practices. In 2025, the focus will be on training UX/UI designers, two accessibility auditors, and 150 UX/UI developers, with priority given to teams working on consumer-facing components. This training will continue annually from 2026 to 2030, with plans to train 150 UX/UI developers each year. This multi-year training programme is designed to ensure that employees develop the necessary expertise to integrate accessibility considerations at every stage of the product development lifecycle.

The Digital Sustainability sponsor monitors the overall percentage of trained personnel at SBS every month, while the Executive Committee reviews the percentage of accessibility-trained employees within product lines every three months.

3.7 Business Conduct (G1)

74Software is committed to ethical business practices and sustainability, recognising its responsibility as a leader in the software industry to foster a positive corporate culture, prevent corruption and bribery, and ensure that its principles and standards are upheld throughout its value chain.

A strong corporate culture benefits all stakeholders, from employees to customers, by reinforcing trust, engagement, and long-term loyalty. It enhances 74Software's reputation, making it more attractive to prospective employees, customers, and investors, which in turn strengthens customer retention and talent acquisition. This commitment to ethical values directly contributes to business growth and long-term success. Moreover, a positive workplace culture encourages innovation and adaptability, equipping the Company to navigate industry challenges and market shifts effectively. By fostering creativity and collaboration, 74Software remains at the forefront of industry trends, maintaining a competitive edge. The Company's culture also plays a crucial role in protecting employees and stakeholders, ensuring a safe, supportive, and ethical work environment.

Corruption and bribery pose serious risks, including legal penalties, financial losses, and reputational damage, all of which can undermine stakeholder trust, investor confidence, and access to key markets. To mitigate these risks, 74Software is committed to comprehensive training and strict adherence to ethical standards, ensuring compliance with relevant legislation and international guidelines on business integrity. The Company recognises that it is accountable for its own actions as well as those of its business associates, and it remains vigilant in upholding ethical standards across all operations.

Beyond internal compliance, 74Software extends its ethical commitments throughout its value chain, ensuring that its principles and standards are applied to suppliers, partners, and other stakeholders wherever it holds influence. By setting clear sustainability expectations, encouraging the use of greener alternatives, and promoting ethical business conduct, 74Software actively fosters responsible practices within its ecosystem. This holistic approach allows the Company to drive sustainability and ethical standards beyond its immediate operations, reinforcing industry-wide responsibility and positive environmental and social impact.

3.7.1 Business Conduct IROs

		Value Chain Location			Time Horizon		
IROs		Upstream	Own operations	Downstream	Short term	Medium term	Long term
Corporate Culture: a positive corporate culture enhances the Company's reputation and attracts top talents. This strengthens loyalty and the talent pool, driving growth and long-term success. It also fosters innovation and adaptability, helping the Company navigate market changes. By encouraging creativity and collaboration, the Company stays ahead of industry trends and maintains a competitive edge.	Opportunity		✓		✓	✓	✓
Corruption and Bribery: corruption and bribery can lead to severe legal penalties, financial losses, and reputational damage. This results in lost stakeholder trust, decreased investor confidence, and potential exclusion from key markets, ultimately affecting the Company's long-term viability and performance.	Risk	✓	✓	✓	✓	✓	✓
Strategic Partners and Suppliers: the environmental impact of cloud providers can indeed be significant, primarily due to the large amounts of energy required to run data centers and the associated carbon emissions. As a strategic industry client for cloud providers, 74Software could play a key role in influencing the environmental practices of these providers by setting sustainability expectations, requesting greener alternatives, and encouraging the adoption of renewable energy sources or more energy-efficient technologies. By leveraging its influence, 74S can help drive more sustainable practices within the cloud industry, contributing to a reduction in the overall environmental footprint of cloud services.	Positive impact	✓			✓	✓	✓

This structured approach ensures that 74Software not only meets legal and ethical standards but also aligns with its internal social strategy and commercial goals.

3.7.2 Business conduct policies and corporate culture (G1-1)

74Software has established comprehensive guidelines through its Code of Ethics to address the impacts, risks, and opportunities associated with business conduct and corporate culture. This Code is designed with due consideration for all stakeholders, including customers, employees, partners, and suppliers, and is shaped through active engagement across multiple touchpoints. To ensure that the Code reflects the diverse perspectives of those involved in 74Software's operations, the Company gathers insights through employee surveys, all-hands meetings, HR cycles, and, where applicable, worker council consultations, ensuring that the workforce's perspective is represented. Customer feedback is collected via NPS surveys and direct meetings, allowing the Company to align its practices with customer needs and expectations. Supplier engagement occurs during contract negotiations and ongoing partnerships, fostering collaborative and transparent business relationships. This multi-faceted approach ensures that the Code of Ethics is not only a guiding document but also a living framework that upholds integrity, transparency, fairness, and responsibility in all business activities. The Chairman of the Board signs the Code and is responsible for overseeing its implementation across all levels of the organisation.

Mechanisms are in place for identifying, reporting, and investigating concerns about unlawful behavior or actions that contradict the Code of Ethics. Both internal and external stakeholders can report concerns via a dedicated email address (74software.ethics.notification@74software.com), accessible only by the Ethics Committee.

The Company's anti-corruption and anti-bribery policies are embedded within the Code of Ethics, ensuring compliance with international standards and anti-corruption laws across all operating countries. The Internal Audit Department maintains an annual corruption risk map, allowing 74Software to identify and mitigate potential risks proactively.

74Software upholds a zero-tolerance policy for fraudulent behaviour and actively encourages the reporting of potential violations. The Ethics Committee is responsible for overseeing the anti-corruption management system and conducting independent investigations. Whistleblowers are protected against retaliation, and confidentiality is strictly maintained throughout the reporting process. Based on investigation findings, the Company takes appropriate action, which may include disciplinary measures, legal proceedings, or contract termination. The 74Software Group's governance bodies conduct annual reviews of the implementation and follow-up of alerts related to the Code of Ethics. Additionally, management may conduct periodic audits to verify compliance with the ethical practices outlined by the Company. This multi-layered governance approach ensures ongoing oversight and accountability, reinforcing 74Software's commitment to upholding the highest ethical standards across its operations.

Training on business conduct is mandatory for all employees and covers key topics such as anti-corruption, data protection, and ethical behaviour. The Company identifies high-risk functions, particularly within Finance and Sales, and implements targeted measures to mitigate risks. These functions are subject to regular audits by independent service providers to ensure compliance with anti-corruption policies. While 74Software does not yet have formalised action plans or quantified targets for business conduct policies, no specific measures were introduced in 2024, as policies are still being harmonised across the organisation. The Company is committed to achieving 100% employee training completion on business conduct topics, with the overarching objective of maintaining zero reported incidents related to breaches of business conduct policies. Since policies are currently being aligned across the organisation, specific quantitative targets have not yet been set. However, 2024 will serve as the reference year for monitoring progress and compliance across 74Software.

74Software is committed to fair competition and ensures that suppliers and partners are selected based on objective, transparent criteria. The Company also upholds compliance with agreed payment periods, adhering to prevailing laws and regulations governing supplier transactions.

74Software's robust policies and mechanisms effectively manage impacts, risks, and opportunities related to business conduct and corporate culture. These efforts foster a responsible corporate culture, aligning with internationally recognised guidelines and conventions, including the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the UN Declaration of Human Rights, as well as applicable local legislation. The Code of Ethics applies to the entire Company, including both SBS and Axway, across all geographies. It governs all business activities and operations, including interactions with employees, suppliers, customers, and other stakeholders throughout the value chain. The policy is binding for all internal employees, management, and board members, as well as external stakeholders, including suppliers and business partners, where applicable.

3.7.3 Management of relationships with suppliers (G1-2)

74Software manages supplier relationships through a comprehensive procurement process that prioritises fairness and sustainability. In selecting suppliers, the Company considers social and environmental criteria alongside qualitative and financial factors, ensuring that procurement decisions align with corporate responsibility objectives.

The Supplier & Partner Charter, currently in the deployment phase, will progressively extend to all suppliers and partners, requiring them to adhere to 74Software's Code of Ethics and sustainability standards. The policy is publicly available on the 74Software website and is distributed internally to relevant employees and teams, ensuring full accessibility for all stakeholders involved in its implementation. The CEO, Patrick Donovan, has formally validated the Supplier & Partner Charter, reinforcing the Company's commitment to responsible supplier management. The future Group Procurement Department will lead the implementation and oversight of procurement policies.

Following the merger of Axway and SBS, 74Software is establishing a new Group-wide procurement department to ensure responsible procurement practices and business relationship management. The Company is committed to ethical and responsible procurement, with a specific focus on preventing late payments, particularly to small and medium-sized enterprises (SMEs).

While formalised action plans and quantified targets for supplier relationship management have not yet been fully defined, 74Software is actively working towards harmonising procurement policies across the organisation. The long-term objective is to achieve full deployment of the Supplier & Partner Charter to all suppliers and partners. Additionally, the Company is developing a structured approach to tracking the effectiveness of procurement policies, ensuring continuous improvement and measurable outcomes.

74Software acknowledges the economic risks associated with strategic suppliers, particularly major public cloud providers. The Company relies on Microsoft Azure and AWS in two critical ways: first, for internal business applications and development environments, and second, for hosting and delivering products to customers. As part of IT procurement, 74Software exercises contractual oversight of these relationships, ensuring transparency and control over both purchasing and operational aspects.

Recognising the importance of robust supplier risk management, and in the context of policy harmonisation following the Axway-SBS integration, 74Software is actively developing new policies to strengthen supplier oversight and risk mitigation strategies. These policies will address supplier due diligence, business continuity planning, and contingency measures to mitigate potential supply chain disruptions.

Overall, 74Software's supplier management strategy emphasises ethical and responsible procurement, ensuring that all business partners adhere to high standards of conduct and performance. This approach fosters a culture of fairness, transparency, and sustainability across the organisation, reinforcing 74Software's commitment to responsible business practices.

3.7.4 Prevention and detection of corruption and bribery (G1-3)

74Software has established a robust system to prevent, detect, investigate, and respond to allegations or incidents of corruption and bribery. This system has been developed with consideration for all stakeholders, including customers, employees, partners, and suppliers, and plays a crucial role in maintaining the Company's commitment to ethical business practices while ensuring compliance with relevant laws and regulations. Feedback on the ethics charter and its associated procedures has been gathered through existing stakeholder engagement channels, including customer feedback mechanisms, employee engagement surveys, and consultations with the workers' council, where relevant. This inclusive approach ensures that stakeholder perspectives are fully considered in shaping the Company's anti-corruption framework.

74Software's procedures for addressing corruption and bribery are comprehensive and formally outlined in the Code of Ethics. The Company strictly adheres to international standards and complies with anti-corruption laws across all operating countries. To proactively identify and mitigate potential risks, the Internal Audit Department updates a corruption risk map annually, ensuring that risk assessment remains an ongoing and adaptive process.

Investigations into allegations of corruption and bribery are conducted by the Ethics Committee, which operates independently of the management chain involved. This independence guarantees objective, conflict-free investigations and reinforces the Company's commitment to unbiased decision-making. The Ethics Committee is responsible for overseeing the anti-corruption management system, offering guidance to employees, and reporting on the system's performance to management and compliance functions.

74Software has established clear processes for reporting investigation outcomes to administrative, management, and supervisory bodies, ensuring transparency and accountability. The Company actively communicates its anti-corruption policies to all relevant parties, including employees and suppliers, to promote widespread awareness and adherence.

Training is a key component of 74Software's anti-corruption strategy. The Company provides mandatory training programmes covering anti-corruption and anti-bribery practices for all employees, with a particular focus on high-risk functions such as Finance and Sales. These departments have been identified as the only functions at elevated risk for corruption and bribery. This training ensures that employees fully understand the Company's ethical policies and are equipped to uphold and enforce ethical standards within their respective roles.

To prevent bribery and corruption within its operations, 74Software has implemented organisational procedures to maintain constant oversight over Company expenses. If a violation is confirmed, it is promptly addressed, and corrective measures are taken to mitigate any risks and prevent recurrence. All investigation outcomes, findings, and decisions are reported to relevant management individuals or departments, as well as to the Board of Directors. Additionally, incidents of corruption and bribery identified within the value chain are formally reported to the Audit Committee and the Board of Directors, as part of regular internal sustainability reporting.

74Software's approach to preventing and detecting corruption and bribery is built upon comprehensive policies, independent investigations, transparent reporting, and extensive training. These measures ensure that the Company upholds the highest ethical standards, complies with international anti-corruption laws, and safeguards its reputation and the interests of all stakeholders.

The Company is currently assessing the feasibility of setting specific anti-corruption and bribery performance targets to enhance its compliance framework. While formal, outcome-oriented targets have not yet been established, 74Software monitors effectiveness through key performance indicators, such as the percentage of employees completing mandatory anti-corruption training. As part of this tracking, the "At-Risk Functions" category, which includes Finance and Sales, overlaps with different employee types, as some individuals within these functions also hold managerial or other key operational roles.

By continuously refining its approach to anti-corruption, 74Software ensures that its governance structures remain robust, aligning with global best practices and reinforcing its commitment to corporate integrity and accountability.

74Software has implemented mandatory anti-corruption training:

	At-risk functions (Finance & Sales)	Managers	Board of directors	Other own workers
Training coverage	261 trained employees			
Total received training by function	46	83	—	178
Delivery method	Online training			
Duration	Axway training duration - 30 min / SBS training duration - 10 min			
Frequency - How often is the training required?	Once during onboarding			

3.7.5 Incidents of corruption or bribery (G1-4)

74Software is committed to transparency and accountability in reporting incidents of corruption and bribery. The Company provides detailed disclosures on convictions and fines related to violations of anti-corruption and anti-bribery laws, as well as any remedial actions taken to address breaches of procedures and ethical standards. However, as 74Software was formally established in 2024 following Axway's acquisition of SBS, the reporting of corruption and bribery incidents presents a unique challenge for the first reporting year.

While the framework for identifying, reporting, and managing such incidents is fully defined and published, the operational data required for quantitative reporting is not yet available for the 2024 reporting period. Consequently, while 74Software demonstrates its commitment to transparency by outlining its reporting mechanisms, quantitative data on specific incidents will be included in future reporting cycles once a full operational year has been completed.

74Software's approach to corruption and bribery prevention is defined within its Code of Ethics, which is publicly available on the Company's website. The existing ethical framework originates from Axway's established policies, which were developed with input from various stakeholders, ensuring a robust foundation for ethical conduct.

74Software's strategy for preventing and detecting corruption and bribery is multi-faceted, with management at all levels responsible for raising awareness and mitigating risks related to misconduct. This involves implementing controls, policies, and procedures, as well as actively monitoring for potential indicators of corruption, influence peddling, and fraud. While the Company aims for zero incidents of corruption or bribery and maintains a rigorous reporting and investigation process, formal, quantifiable targets for incident reduction have not yet been established for 2025.

The focus remains on the continuous improvement of prevention and detection mechanisms, ensuring that swift and appropriate action is taken in response to any reported concerns. By refining its compliance framework and risk management processes, 74Software continues to uphold the highest ethical standards and reinforce its commitment to responsible corporate governance.

3.7.6 Political influence and lobbying activities (G1-5)

74Software does not engage in political influence or lobbying activities. The Company maintains a strict policy of neutrality in political matters and focuses on its core business operations without attempting to influence political decisions or policies.

3.7.7 Payment practices (G1-6)

74Software's procurement processes strictly adhere to the specific payment terms set by each supplier, ensuring that payments are made in accordance with the original contractual agreements. In cases where payment terms are not explicitly determined by the supplier or otherwise codified, the Company aims to process all invoices within 60 days, or within the equivalent local standard where applicable. As of 2024, 74Software does not have specific payment practices concerning small and medium enterprises (SMEs).

For the 2024 reporting period, the average time taken to pay an invoice, calculated from the date when the contractual or statutory payment term begins, is 46 days - with an average of 43 days for Axway and 47 days for SBS. There are no outstanding legal proceedings related to late payments within the scope of 74Software's operations.

The table below presents the percentage of invoices paid within the contractual terms, without distinction by supplier category. These percentages reflect the proportion of payments made within the agreed timeframe, rather than indicating delays beyond the contractual terms.

Brand	0 - 30 days	31 - 45 days	46 - 60 days	60+ days	Total
SBS	40%	24%	20%	16%	**100%**
Axway	49%	26%	16%	9%	**100%**
74Software	44%	25%	18%	12%	**100%**

3.8 Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852

Year ended 31 December 2024

This is a translation into English of the statutory auditors' report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on "Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852".

To the General Meeting of 74Software,

This report is issued in our capacity as statutory auditors of 74Software. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended 31 December 2024 and included in the Group management report and presented in Chapter 3, Sections 3.1 to 3.7, of the Universal Registration Document.

Pursuant to Article L. 233-28-4 of the French Commercial Code (Code de commerce), 74Software is required to include the above-mentioned information in a separate section of the Group management report. This information has been prepared in the context of the first-time application of the aforementioned articles, a context characterised by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double-materiality assessment, and an evolving internal control system. It enables an understanding of the impact of the activity of the Group on sustainability matters, as well as the way in which these matters influence the development of its business, performance and consolidated financial position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L. 821-54 paragraph II of the aforementioned Code our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter the European Sustainability Reporting Standards or ESRS) of the process implemented by 74Software to determine the information reported, and compliance with the requirement to consult the Social and Economic Committee provided for in the last paragraph of Article L. 2312-17 of the French Labour Code (Code du travail);
- compliance of the sustainability information included in the Group management report and presented in Chapter 3, Sections 3.1 to 3.7, of the Universal Registration Document, with the requirements of Article L. 233-28-4 of the French Commercial Code, including ESRS; and
- compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A (*Haute Autorité de l'Audit*) guidelines, "Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852".

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by 74Software in the Group management report, we have included an emphasis of matter paragraph hereafter.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not guarantee the viability or the quality of the management of 74Software, in particular it does not provide an assessment of the relevance of the choices made by 74Software in terms of action plans, targets, policies, scenario analyses and transition plans, beyond compliance with the ESRS reporting requirements.

It does, however, allow us to express conclusions regarding the entity's process for determining the sustainability information to be reported, the sustainability information itself, and the information reported pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information included in the Group management report is not covered by our engagement.

Compliance with the ESRS of the process implemented by 74Software to determine the information reported, and compliance with the requirement to consult the Social and Economic Committee provided for in the last paragraph of Article L. 2312-17 of the French Labour Code

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by 74Software has enabled it, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities that are disclosed in the Group management report, presented in Chapter 3, Section 3.1.4 of the Universal Registration Document, and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the Social and Economic Committee.

Conclusions of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by 74Software with the ESRS.

Concerning the consultation of the Social and Economic Committee (SEC) provided for in the last paragraph of Article L. 2312-17 of the French Labour Code, we inform you that the Axway SEC was consulted on 20 February 2025, but at the date of this report, the Sopra Banking Software SEC had not yet been consulted.

Elements that received particular attention

Concerning the identification of impacts, risks and opportunities (IRO)

The information relating to the identification of impacts, risks and opportunities is disclosed in the Group management report and presented in Chapter 3, Section 3.1.4.1, of the Universal Registration Document

We familiarised ourselves with the processes implemented by the entity to identify the impacts (negative or positive), risks and opportunities (IRO), actual or potential, relating to the sustainability issues detailed in paragraph AR 16, Application requirements, of ESRS 1 as presented in Section 3.1.4.1 of the Group management report.

In particular, we assessed the approach implemented by the entity to determine its impacts and dependencies that could be a source of risks or opportunities, including the dialogue implemented, where appropriate, with stakeholders.

We also assessed the completeness of the activities included in the scope adopted to identify IROs, taking into account the Sopra Banking Software activities acquired during the year.

We familiarised ourselves with the mapping performed by the entity of the identified IROs, including, in particular, the description of the split between the entity's own activities and the value chain, as well as their time horizon (short, medium or long term), and assessed the consistency of this mapping with our knowledge of the entity and, where applicable, with the risk analyses conducted by the Group entities.

We:

- assessed the combined approach adopted by the entity to collect information in respect of subsidiaries;
- assessed how the entity considered the list of sustainability issues listed in ESRS 1 (AR 16) in its analysis;
- assessed the consistency of the actual and potential impacts, risks and opportunities identified by the entity with available sector analyses;
- assessed the consistency of current and potential impacts, risks and opportunities identified by the entity with our knowledge of the entity, in particular those specific to it, as not covered or insufficiently covered by ESRS standards;
- assessed how the entity took account of the different time horizons, particularly with regard to climate issues;
- assessed whether the entity considered the risks and opportunities that may arise from both past and future events as a result of its own activities or business relationships, including actions taken to manage certain impacts or risks;
- assessed whether the entity considered its dependencies on natural, human and/or social resources in identifying risks and opportunities.

Concerning the assessment of impact materiality and financial materiality

The information relating to the assessment of impact materiality and financial materiality is disclosed in the Group management report and presented in Chapter 3, Section 3.1.4.1, of the Universal Registration Document.

We familiarised ourselves, through discussions and inspecting available documentation, with the impact materiality and financial materiality assessment process implemented by the entity, and assessed its compliance with the criteria defined by ESRS 1.

In particular, we assessed how the entity established and applied the information materiality criteria defined by ESRS 1, including the setting of thresholds, to determine the material information published in respect of the material IRO indicators identified in accordance with the relevant thematic ESRS standards.

Compliance of the sustainability information included in the Group management report and presented in Chapter 3, Sections 3.1 to 3.7, of the Universal Registration Document, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable an understanding of the general basis for the preparation and governance of the sustainability information included in the Group management report and presented in Chapter 3, Sections 3.1 to 3.7, of the Universal Registration Document, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by 74Software for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, that this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusions of the procedures carried out

Based on the procedures we have carried out, we have not identified material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in the Group management report and presented in Chapter 3, Sections 3.1 to 3.7, of the Universal Registration Document, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to:

- the information presented Section 3.1.1, of the Universal Registration Document, disclosing the specific circumstances in which the sustainability information was prepared, including:
  - the change in the consolidated scope of the Group with the integration of Sopra Banking Software on 2 September 2024, as a result of which the data published in 2023 is not comparable as it concerns a different scope,
  - the publication for the first year of the environmental footprint of the Group's downstream activities, in particular greenhouse gas emissions linked to the use of products by end customers,
  - the information not available in this first year of application listed in Section 3.5.1.;
- the information presented in Section 3.2.5 and 3.2.10 setting out the reasons why the Group has not yet set specific targets for reducing its greenhouse gas emissions and is not able to quantify the financial effects of material physical and climate transition risks.
- the information presented in Section 3.2.7 of the Group management report indicating the methods used to determine the Group's greenhouse gas emissions assessment and to calculate the carbon intensity indicator.
- the information presented in Chapter 3, Section 3.5.17.1, of the Universal Registration Document specifying the reasons for the absence of the Gender pay gap indicator for the year ended 31 December 2024.
- The methodological choices made by 74 Software regarding the calculation of the total annual remuneration ratio, based on a historical definition differing from that set out in ESRS S1-16, as specified in Note 3.5.17.2 of Chapter 3 in the Universal Registration Document.

Elements that received particular attention

Information provided in application of environmental standard ESRS E1

Information provided in application of the environmental standard ESRS E1

Information published in respect of climate change is disclosed in Section 3.2 of the Group management report.

We present below the elements that received our particular attention regarding the compliance of this information with ESRS.

Our procedures mainly consisted in assessing the appropriateness of the information presented in the environmental section of the sustainability information included in the Group management report and its overall consistency with our knowledge of the entity.

With regard to the information published as part of the greenhouse gas emissions assessment:

- We familiarised ourselves with the internal control and risk management procedures implemented by the entity to ensure the compliance of the information published;
- We assessed the consistency of the scope considered to assess greenhouse gas emissions with the scope of the consolidated financial statements, the activities under operational control, and the upstream and downstream value chain;
- We familiarised ourselves with the greenhouse gas emissions inventory protocol used by the entity to establish the greenhouse gas emissions assessment and reviewed its application, for a selection of emission categories and sites, for scope 1 and scope 2.

With regard to scope 3 emission, we assessed:

- The justification for the inclusion or exclusion of the different categories and the transparency of the information provided in this respect,
- The information gathering process.
- The appropriateness of the emission factors used and the calculation of the related conversions as well as the calculation and extrapolation assumptions, taking into account the uncertainty inherent to the state of scientific or economic knowledge and the quality of the external data used;
- We met with management to understand the key business changes that occurred during the fiscal year that could impact the greenhouse gas emissions assessment;
- For physical data (such as energy consumption), we reconciled, on a sample basis, the underlying data used to compile the greenhouse gas emissions assessment with the supporting documents;
- We implemented analytical procedures;
- For the estimates we considered significant used by the entity to prepare its greenhouse gas emissions assessment:
  - We familiarised ourselves with the methodology for calculating the estimated data and the information sources underlying these estimates through discussions;
  - We assessed whether the methods were applied consistently or whether there were any changes since the previous period, and if these changes were appropriate;
- We verified the arithmetic accuracy of the calculations used to establish this information.

Information provided in application of social standards (ESRS S1 to S4)

Information provided in application of the social standard ESRS S1

The information published in respect of Group employees (ESRS S1) is presented in Chapter 3, Section 3.5, of the Universal Registration Document.

Our procedures were primarily as follows:

- Through discussions with management on the analysis of human resources data, we:
  - familiarised ourselves with the collection and compilation procedure for processing qualitative and quantitative information with a view to publishing material information in the Sustainability Report,
  - reviewed the available underlying documentation;
  - implemented procedures to verify the proper consolidation of this data,
  - familiarised ourselves with the internal control and risk management procedures implemented by the Group, it being specified that we did not test the design and operational effectiveness of these controls;
- Based on information selected on a sample basis, we:
  - reviewed the geographic and legal scope on which the information was established;
  - assessed whether the methods and assumptions used by the entity to determine the disclosed information were appropriate for ESRS S1;
  - defined and implemented analytical procedures adapted to the information examined in connection with changes in activity;
  - examined, on a sample basis, the supporting documents with the relevant information,
  - verified the arithmetic accuracy of the calculations underlying the information, where applicable after application of rounding.

We also assessed:

- whether the description of the policies, actions and targets implemented by the entity covers the following areas: human rights, health and safety, well-being and work-life balance, employee skills development, diversity & inclusion;
- the description of the means available to entity employees to communicate their concerns as well as the way in which issues raised are monitored, in particular via the alert chain.

Finally, we assessed the appropriateness of the information presented in Chapter 3, Section 3.5, of the Universal Registration Document and its overall consistency with our knowledge of the Group.

Compliance with the reporting requirements set out in Article 8 of Regulation (EU) 2020/852.

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by 74Software to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involved checking:

- compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on a sample basis, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusions of the procedures carried out

On the basis of the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the information presented in the Group management report in Chapter 3, Section 3.4, of the Universal Registration Document, clarifying that due to the recent acquisition of Sopra Banking Software, the information relating to the taxonomy was prepared excluding the activities of Sopra Banking Software and only covers Axway's historical activities.

Elements that received particular attention

Concerning the eligibility of activities

Information on eligible activities is presented in Section 3.4 of the Group management report.

We assessed, through discussions and inspection of the related documentation, the compliance of the entity's analysis of activities that it determined to be ineligible with the criteria set out in the Annexes to the delegated acts supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council.

Courbevoie and Paris, 24 March 2025

The Statutory Auditors

ACA Nexia	Forvis Mazars
Représenté par	Représenté par
Sandrine Gimat	Jérôme Neyret

Sustainability Statement cross-reference table

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Measures to promote the relationship between the nation and the army and to support commitment to the reserves(1)	na	na
Measures to promote physical and sporting activities(1)	na	na

(1) These issues were excluded from the analysis scope as considered too remote from 74Software's activities.

4 Corporate governance

1 2 3 4 5 6 7 8

74Software is subject to the laws, codes and regulations prevailing in the countries where the Group operates. The Company thus complies with the various recommendations issued by the *Autorité des Marchés Financiers* (AMF - French Financial Markets Authority) and has decided to apply the Middlenext Code of Corporate Governance.

4.1 Composition and procedures of the management and supervisory bodies

The Company is a public limited Company (*société anonyme*) with a Board of Directors. It is governed by applicable French laws and regulations and its Articles of Association. The Board of Directors determines the overall business strategy of the Company, supervises its implementation and meets as often as the Company's interests require it to do so, at the request of its Chairman.

Furthermore, on 22 June 2015, the Board of Directors decided to separate the functions of Board Chairman and Chief Executive Officer.

A summary of the main provisions of the Articles of Association[(1)] relating to members of the Board of Directors and management bodies can be consulted on our Investors web page at https://www.74software.com/bylaws-regulations-agreements

4.1.1 Composition of the Board of Directors

The Board of Directors comprises a minimum of three and a maximum of eighteen members. During the life of the Company, the directors are appointed, reappointed or dismissed by the Ordinary General Meeting; they are all eligible for re-election. Directors are appointed for a term of four (4) years.

The Board of Directors elects a Chairman from among its members, who must be a natural person for the appointment to be valid. The Board of Directors can dismiss the Chairman at any time.

Diversity is a point of specific concern in the composition of the Board of Directors.

With regards to independence, the Board seeks, each year, during the review of its composition, to ensure a good balance between independent and non-independent members.

With regards to parity, the aim is to move towards an equal number of men and women. Parity is also sought in the specialist committees.

The desire for Board members of different nationalities reflects the search for multicultural diversity. Finally, a diversity of skills is also a major factor in the composition of the Board of Directors. The essential skills to guarantee the good functioning of the Board of Directors include experience in the software publishing sector, financial expertise, expertise in international environments, as well as corporate governance expertise in listed family companies, to favour the leverage of assets for profitable and sustainable growth.

The Board wishes to extend this diversity policy to 74Software's top-level Management.

(1) *Unless indicated otherwise, references to the Articles of Association in this chapter concern the Articles of Association adopted by the Board of Directors' meeting of 23 June 2011 and last updated following the Extraordinary General Meeting of 6 December 2024.*

On the publication date of this Universal Registration Document, the Board of Directors comprised ten members each with a right to vote and directly appointed by the General Meeting plus a Board observer:

Pierre Pasquier

CHAIRMAN OF THE BOARD OF DIRECTORS AND DIRECTOR

Adress:
Sopra Steria Group SA
PAE Les Glaisins
Annecy-le-Vieux
74940 Annecy
France

Date of 1st appointment:
22 Decembre 2001

Date of most recent renewal:
General Meeting of 11 May 2023 and Board of Directors' meeting of the same day.

ATTENDANCE RATE

- Board of Directors: 100%
- Appointments, Governance and Corporate Responsibility Committee: 100%

EXPERIENCE

Pierre Pasquier has over 50 years' experience in digital services and managing an international Company. He founded Sopra group in 1968 with his partners and is Chairman of the Board of Directors.

A mathematics graduate from the University of Rennes, Pierre Pasquier began his career with Bull and was involved in the creation of Sogeti, before leaving to found Sopra. Recognised as a pioneer in the sector, he asserted from the outset the Company's entrepreneurial spirit, aimed at serving major customers through innovation and collective success.

Pierre Pasquier steered the deployment of Sopra in its vertical markets and internationally. The 1990 IPO, the successive growth phases and the transformational merger with the Steria group in 2014, ensured the independence of the Company in a changing market.

In 2011, Pierre Pasquier led the IPO of the subsidiary 74Software (formerly Axway Software), remaining Chairman of the Board of Directors.

He was Chairman and Chief Executive Officer of Sopra Group until 20 August 2012, when the duties of Chairman and Chief Executive Officer were separated.

Pierre Pasquier is also Chairman and Chief Executive Officer of Sopra GMT, the financial holding Company of Sopra Steria Group and 74Software.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software

- Director;
- Chairman of the Board of Directors;
- Director or Company officer of non-French subsidiaries or sub-subsidiaries of the Group.

Outside 74Software

- Chairman of Sopra Steria Group SA;
- Director or Company officer of non-French subsidiaries or sub-subsidiaries of Sopra Steria Group;
- Chairman and CEO of Sopra GMT.

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

None.

Kathleen Clark

VICE-CHAIRWOMAN OF THE BOARD OF DIRECTORS AND DIRECTOR

Adress:
Sopra Steria Group SA.
6, avenue Kléber
75116 Paris
France

Date of 1st appointment:
28/04/2011

Date of most recent renewal:
General Meeting of 11 May 2023 and Board of Directors' meeting of the same day.

ATTENDANCE RATE

- Board of Directors: 100%
- Appointments, Governance and Corporate Responsibility Committee: 100%
- Compensation Committee: 100%

EXPERIENCE

After a Master in Literature at the University of California (Irvine), Kathleen Clark began her professional career in the United States education sector. In 1998, she left Silicon Valley for France, where she joined Sopra and worked in the Communications Department. In 2002, she was appointed Director of Investor Relations, a position that she held until 2015. In this role, she forged solid ties between the Management bodies and an increasingly international range of shareholders.

Kathleen Clark was a key player in the successful spin-off of Axway. She joined the Board of Directors in 2011 and was appointed Vice-Chairwoman in 2013 and Chairwoman of the Appointments, Governance and Corporate Responsibility Committee. She is also involved in several Group corporate initiatives, and notably initiatives focusing on fairness, the fight against corruption, ethics and employee share ownership.

In 2014, she contributed significantly to the successful merger of Sopra and Steria. In 2015, she became head of Sopra-Steria group mergers and acquisitions where she steers acquisition opportunities to complete the business portfolio in line with the strategy. This position favours the complementarity of strategies between the different Group companies.

Through these roles, her long experience in the Group and governance bodies, her knowledge of financial markets, her commitment to social and societal issues and her communications expertise, contribute to the good governance of Axway.

Enriched by her long-standing relationship with Group senior executives, Kathleen Clark has also served as Deputy CEO of Sopra GMT since 2012.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software

- Director;
- Vice-Chairwoman of the Board of Directors.

Outside 74Software

- Permanent representative of Sopra GMT on the Board of Directors of Sopra Steria Group;
- Director or Company officer of non-French subsidiaries or sub-subsidiaries of Sopra Steria Group;
- Deputy CEO of Sopra GMT;
- Corporate Development Director of Sopra Steria Group.

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

None.

Pierre-Yves Commanay DIRECTOR

Adress:
74Software
Tour Trinity 1 bis, place de la Défense
92400 Courbevoie France
(only in the context of his duties in Axway Software)

Date of 1st appointment:
6 June 2018

Date of most recent renewal:
General Meeting of 11 May 2023 and Board of Directors' meeting of the same day.

ATTENDANCE RATE

- Board of Directors: 100%
- Compensation Committee: 100%
- Appointments, Governance and Corporate Responsibility Committee: 100%

EXPERIENCE

Pierre-Yves Commanay has been a member of the Sopra Steria Group SA Executive Committee since 2009. At the beginning of April 2019, he was charged with developing consulting activities in the United Kingdom and he heads the Continental Europe division since 2011.
He has also had previous roles within the Group, which he joined in 1991. In particular, he headed the Research & Development division of a Software entity, before being appointed to develop the activities of Sopra UK as CEO of this subsidiary from 2009 to 2012. As Industrial Director of Sopra Group India Pvt Ltd, Pierre-Yves Commanay was responsible for setting up the Group's offshore platform.
Pierre-Yves Commanay is a graduate of the University of Lyon (DESS postgraduate diploma in Management) and the University of Savoie (Master's in Information Technology).

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software
- Director.

Outside 74Software
- Director of Sopra GMT;
- Director or Company officer of non-French subsidiaries or sub-subsidiaries of Sopra Steria Group.

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

None.

Nicole-Claude Duplessix DIRECTOR

Adress:
74Software
Tour Trinity 1 bis, place de la Défense
92400 Courbevoie France
(only in the context of her duties in 74Software)

Date of 1st appointment:
6 June 2017

Date of most recent renewal:
General Meeting of 25 May 2021

ATTENDANCE RATE

- Board of Directors: 100%
- Compensation Committee: 100%

EXPERIENCE

Nicole-Claude Duplessix's varied professional background provides a wealth of experience in IT. Nicole-Claude Duplessix started her career with the leading HR software publisher in France, ADP GSI, before joining the Sopra Steria group. Her early work there was in HR consulting for Sopra Steria Group customers. She then supported the commitment made by Sopra Steria and its subsidiaries to its key customers in a number of industries. For seven years until the end of 2019, she was delegated by Executive Management to work on security for critical projects in complex and multicultural environments, as well as the integration of new companies acquired by the Sopra Steria group.
With this wealth of experience in the Sopra Steria group, Nicole-Claude Duplessix strengthens the Board's expertise in investments and acquisitions, ethics and human resource management.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software
- Director.

Outside 74Software
- None.

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

None.

Emma Fernandez DIRECTOR

Adress:
74Software
Tour Trinity-1 bis, place de la Défense
92400 Courbevoie France
(only in the context of her duties in Axway Software)

Date of 1st appointment:
21 June 2016

Date of most recent renewal:
General Meeting of 11 May 2023.

ATTENDANCE RATE

- Board of Directors: 100%
- Audit Committee: 100%
- Compensation Committee: 100%

EXPERIENCE

Emma Fernandez has significant experience as a senior executive in the technology sector and particularly in ICT, security and defence, transport and traffic. She has occupied various positions during the past 25 years with Indra, in areas such as strategy, innovation and the development of new offerings, talent management, communication and product branding, public affairs, corporate governance, and corporate social and environmental responsibility, as well as mergers and acquisitions. Currently, she advises and promotes major companies and start-ups whose core business is IT.
Emma Fernandez has an engineering degree in telecoms from the Polytechnic University of Madrid and obtained an MBA from IE.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software
- Director.

Outside 74Software
- Director of Metrovacesa SA;
- Director of Effect Consultoria y soluciones digitales SL;
- Director of Openbank SA;
- Director of Santander Consumer Finance SA;
- Director of ODS SA;
- Director of Iskay Pet SL.

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

- Director of Gigas Hosting SA (10/2021 to 07/2023);
- Director of ASTI Mobile Robotics Group SL (16/10/2017 to 02/08/2021);
- Director of Grupo Ezentis SA (28/06/2016 to 26/06/2020).

Michael Gollner DIRECTOR UNTIL 10/23/2024 THEN OBSERVER OF THE BOARD OF DIRECTORS

Adress:
74Software
Tour Trinity 1 bis, place de la Défense
92400 Courbevoie France
(only in the context of his duties in 74Software)

Date of 1st appointment:
Appointment by the Board meeting of 23 October 2024 to be ratified by the AGM of 20 May 2025

Date of most recent renewal:
N/A

ATTENDANCE RATE

- Board of Directors: 100%
- Audit Committee: 100%
- Appointments, Governance and Corporate Responsibility Committee: 100%

EXPERIENCE

With an MA in International Studies from the University of Pennsylvania and an MBA from the Wharton School, Michael Gollner began his career in investment banking with Marine Midland Bank from 1985 to 1987, Goldman Sachs from 1989 to 1994 and Lehman Brothers from 1994 to 1999. In 1999, he joined Citigroup Venture Capital, which later became Court Square Capital, as Managing Director Europe. He founded an investment Company, Operating Capital Partners, in London in 2008. As Managing Partner, Michael Gollner accompanies the development of a portfolio of companies, most often in the technologies, media or cable sectors.
Michael Gollner founded Madison Sports Group in 2013 and was the Executive Chairman. He was also the founding shareholder of Levelset in 2012 and a director. Mr. Gollner sold his investments in these two companies in 2021.
Michael Gollner brings to the Board his Anglo-Saxon financial insight and significant investment in the operating activities of the companies he manages or assists.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software
- Board observer at 74Software since 23 October 2024.

Outside 74Software
- Director of Sopra Steria Group SA.

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

- Administrator of 74Software from 24 May 2012 until 23 October 2024;
- Director of Levelset, Inc. (November 2021);
- Executive Chairman of Madison Sports Group Limited (July 2020).

Dominique Illien DIRECTOR

Adress:
74Software
Tour Trinity 1 bis, place de la Défense
92400 Courbevoie France
(only in the context of his duties in 74Software)

Date of 1st appointment:
16 May 2024

Date of most recent renewal:
General Meeting of 16 May 2024

ATTENDANCE RATE

- Board of Directors: 100%
- Audit Committee: 100%

EXPERIENCE

After starting his career as a computer scientist and then at Deloitte where he created the IT audit business, Dominique Illien worked in Europe, the United States and Asia in the information technology sector, at Cap Gemini, Atos as co-founder and CEO until 2007 and Sopra as CEO from 2007 to 1010.
He also chaired the Executive Board of Lefebvre-Sarrut, a legal database publishing group, where he oversaw the international development of online digital subscription services.
He is now an independent consultant.
Dominique Illien is a graduate of ESCP Business School and a Certified Public Accountant.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software
- Director.

Outside 74Software
- Member of the Supervisory Board of 21 Invest SA (France);
- Member of the Advisory Board of Rocket Lawyer Inc. (USA);
- Member of the Strategy Committee of Sismo SA (France);
- Member of the Strategy Committee of Orlade SA (France);
- Chairman of DBIConsulting SAS (France).

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

- Member of the Advisory Board of Sky Republic Inc. (USA);
- Member of the Strategy Board of Evolucare (France);
- Director of NG Data (Belgium).

Yann Metz-Pasquier DIRECTOR

Adress:
74Software
Tour Trinity 1 bis, place de la Défense
92400 Courbevoie France
(only in the context of his duties in Axway Software)

Date of 1st appointment:
6 June 2018

Date of most recent renewal:
General Meeting of 24 May 2022

ATTENDANCE RATE

- Board of Directors: 100%
- Audit Committee: 100%

EXPERIENCE

Yann Metz-Pasquier cofounded Upfluence, an all-in-one affiliate & influencer marketing cloud platform dedicated to eCommerce, in San Francisco (CA) in 2013. He was Chief Financial Officer from 2013 to 2016 and is still a director of the Company. In 2018, Yann Metz-Pasquier joined Sopra Banking Software as head of Corporate Development for North America.
He then served as Chief Marketing Officer from 2018 to 2022. Since 2021, Yann Metz-Pasquier has been the General Manager (Executive Vice-President) of the global business unit in charge of Digital Banking solutions at SBS SAS (formerly Sopra Banking Software). Furthermore, as Head of CVC within the Sopra Steria Group, he supervises the Corporate Ventures approach to further the emergence and growth of an innovative digital ecosystem in Europe.
Yann holds a Master of Business Administration (MBA) from Harvard Business School (May 2018). He is a Chartered Financial Analyst (CFA) and graduated in 2011 from the Catholic University of Lyon (ESDES) with a Master's in Management.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software
- Director.

Outside 74Software
- Director of Sopra GMT;
- Director of Upfluence Inc.;
- Board Observer at Algoan.

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

- Board observer at 74Software until 6 June 2018.

Olivier Placca DIRECTOR

Adress:
74Software
Tour Trinity-1 bis, place de la Défense
92400 Courbevoie France
(only in the context of his duties in 74Software)

Date of 1st appointment:
Coopted by the Board meeting of 23 October 2024 to be ratified by the AGM of 20 May 2025

Date of most recent renewal:
N/A

ATTENDANCE RATE

- Compensation Committee: 100%

EXPERIENCE

A technology and innovation expert with over 30 years' experience, Olivier Placca is recognised for his expertise in cloud/SaaS platforms and advanced technologies such as APIs, artificial intelligence, machine learning, and big data.
Co-founder and former CEO of Tinubu Square S.A., through his leadership and strategic vision, Olivier transformed this innovative start-up into an international leader in B2B SaaS solutions for credit insurance, with rapid growth in recurring revenues.
He previously held management positions at Experian and SG2, where he led transformations in the banking and insurance sectors.
Olivier holds a degree in business informatics from Paris XI university and has completed executive programs at Stanford and INSEAD.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software
- Director.

Outside 74Software
- Director of Tinubu Square SA (France);
- Chairman of OP Advisory SASU (France).

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

- Chairman and CEO of Tinubu Square SA (France);
- Chairman of T-Square (France);
- Chairman of Recovery Square (France);
- Chairman of Tinubu Square Americas Inc. (USA);
- Chairman of Tinubu Square B&A LLC (USA);
- Chairman of Tinubu Square Singapore PTE (Singapore);
- Chairman of Tinubu Square innovation Inc. (Canada);
- Deputy CEO of Tinubu Square SA (France).

Patrick Renouvin DIRECTOR

Adress:
74Software
Tour Trinity 1 bis, place de la Défense
92400 Courbevoie France
(only in the context of his duties in 74Software)

Date of 1st appointment:
Coopted by the Board meeting of 23 October 2024 to be ratified by the AGM of 20 May 2025

Date of most recent renewal:
N/A

ATTENDANCE RATE

- Audit Committee: 100%
- Appointments, Governance and Corporate Responsibility Committee: 100%

EXPERIENCE

With a degree in computer science and management from CNAM, Patrick Renouvin began his career in 1981 at G-CAM, an IT subsidiary of *Caisse des Dépôts et Consignations*. In 1986, he became a consultant at Andersen Consulting, before joining Bossard Consultant in 1991. During this period he mainly managed IT roadmaps and projects for local authorities and financial institutions.
In 1999, he was appointed Deputy CEO in charge of IT systems and banking operations at *Crédit du Nord*. In 2008 he was appointed Deputy Managing Director of retail banking outside mainland France at Société Générale, where he oversaw the operations and IT systems of 42 international subsidiaries. In 2012, he became Head of Information Systems at *La Banque Postale* and *Réseau La Poste,* actively participating in its operational transformation, while holding various directorships in companies of these groups.
In 2019, he became Deputy CEO of Dexia, in charge of back-office and IT outsourcing under the orderly resolution plan and since 2023, he has been Senior Advisor for digital transformation projects.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software
- Director.

Outside 74Software
- Chairman of P-Renouvin Conseil SASU (France)

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

- None.

1 2 3 4 5 6 7 8

Marie-Hélène Rigal DIRECTOR

Adress:
74Software
Tour Trinity 1 bis, place de la Défense
92400 Courbevoie France
(only in the context of her duties in 74Software)

Date of 1st appointment:
6 June 2018

Date of most recent renewal:
General Meeting of 24 May 2022

ATTENDANCE RATE

- Board of Directors: 88%
- Audit Committee: 100%

EXPERIENCE

A science graduate, Marie-Helene Rigal has a good understanding of the field of higher education, research and innovation and more broadly the public sector, that she combines with an operational and executive approach to strategy and organisation.
With a PhD in Mathematics and a post-graduate diploma in theoretical physics, Marie-Helene Rigal began her professional career as a research professor at the University of Montpellier, then at *École normale supérieure* (ENS) Lyon. In 1998 she joined the financial audit sector, where she worked for major clients in the manufacturing, services and public sectors.
Marie-Hélène Rigal then focused her career on consulting, to support companies and organisations, internally or externally, in their transition to new models within ecosystems in transformation. In particular, she has worked as a consulting partner at Ask Partners, as an advisor to the Chairman of *École normale superieure* of Lyon and as a director in Grant Thornton's Sustainable Transformation business.
She also uses her expertise in her duties as Director of Sopra Steria Group and Chairwoman of its Audit Committee and as Director and Vice-Chairwoman of Chapter Zero France, a climate forum for business directors.

OFFICES AND DUTIES HELD DURING THE FISCAL YEAR:

In 74Software
- Director.

Outside 74Software
- Director of Sopra Steria Group SA;
- Director and Vice-Chairwoman of Chapter Zero France.

OFFICES EXPIRED DURING THE PAST FIVE YEARS:

- Expert member of the Advisory Board of IMT Mines Albi-Carmaux engineering school;

Changes in the composition of the Board of Directors during fiscal year 2024 were as follows:

	Departures	Appointments	Renewals
Board of Directors	Michael Gollner (resignation) Yves de Talhouet (resignation)	Michael Gollner (Board observer) Dominique Illien (1st appointment) Olivier Placca (co-optation) Patrick Renouvin (co-optation)	None
Audit Committee	Emma Fernandez Michael Gollner (director)	Michael Gollner (Board observer) Patrick Renouvin	
Appointments, Governance and Corporate Responsibility Committee	Michael Gollner Yves de Talhouët	Patrick Renouvin	
Compensation Committee	Yves de Talhouët	Olivier Placca	

Presentation ot the Board of Directors

		Age	Nationality	Independent Director	Board Observer	Number of offices in other listed companies	Audit Committee	Appointments, Governance and Corporate Responsibility Committee	Compensation Committee	Expiry date of term of office (GM date)	Number of shares held personally
PIERRE PASQUIER		89	FR			1		M		2027	0
KATHLEEN CLARK		57	US/FR			1		C	M	2027	9,587
PIERRE-YVES COMMANAY		59	FR			0		M	M	2026	4,856
NICOLE-CLAUDE DUPLESSIX		65	FR			0			M	2025	2,166
EMMA FERNANDEZ		61	ESP	I		1		M	C	2027	0
MICHAEL GOLLNER		66	US/UK		O	1	O			2025	100
DOMINIQUE ILLIEN		71	FR	I		0	C			2028	82,500
YANN METZ-PASQUIER		36	FR/US			0	M			2026	65,549
OLIVIER PLACCA		56	FR	I		0			M	2025	0
PATRICK RENOUVIN		65	FR	I		0	M	M		2027	0
MARIE-HÉLÈNE RIGAL		54	FR			1	M			2026	0

O Board Observer I Independent C Chairman/Chairwoman M Member

4.1.1.1 Expertise represented on the Board of Directors

74Software directors boast complementary expertise and experience in line with the Company's strategy to best meet the challenges it faces. Skills diversity is sought within the Board of Directors. The Company has identified seven key areas of expertise that it wishes to see represented on the Board:

- **knowledge of the software publishing business:** this expertise requires extensive experience in the software business acquired in the IT sector, and particularly software publishing. It implies an in-depth knowledge of digital technologies and their developments;
- **knowledge of the financial services industry:** this expertise requires professional experience acquired in the Financial Services industry, in a business or as an external advisor, or through a directorship;
- **entrepreneurial experience:** entrepreneurial experience is gained by setting up or taking over an industrial or commercial entity and coming into contact with the various stakeholders: customers, employees, shareholders, lenders, suppliers, government authorities;
- **finance, control and risk management (expertise):** this expertise is gained through professional experience acquired in the finance, audit or internal control sectors;
- **finance, control and risk management (management):** this competency requires advanced knowledge of law, business, management and economics, acquired through a directorship or global management position;
- **CSR — human resources and relations with employees:** this expertise requires professional experience acquired in Human Resources, in a business or as an external advisor, or through a directorship;
- **CSR — social and environmental issues:** this expertise implies extensive knowledge of institutions, professional bodies, trade unions or non-profit or humanitarian organisations, or even competency acquired in the approach adopted by businesses to address climate and environmental questions;
- **international dimension:** the international dimension demonstrates expertise in intercultural management relating to a dual culture, an expatriation or a directorship in an international group.

Below is a matrix presenting the areas of expertise represented on the Board of Directors:

				FINANCE, CONTROL AND RISK MANAGEMENT		CSR		
AREAS OF EXPERTISE	**Knowledge of the software publishing business**	**Knowledge of the financial services industry**	**Entrepreneurial experience**	**Expertise**	**Management**	**HR and Social Relations**	**Environ mental and Societal Issues**	**International dimension**
Kathleen Clark	✓				✓		✓	✓
Pierre-Yves Commanay	✓				✓	✓		✓
Nicole Claude Duplessix	✓				✓	✓		✓
Emma Fernandez	✓	✓		✓		✓	✓	✓
Michael Gollner		✓	✓	✓				✓
Dominique Illien	✓			✓		✓		✓
Yann Metz-Pasquier	✓	✓	✓	✓				✓
Pierre Pasquier	✓	✓	✓		✓	✓		✓
Olivier Placca	✓	✓	✓		✓	✓		✓
Patrick Renouvin	✓	✓		✓		✓	✓	✓
Marie-Hélène Rigal				✓		✓	✓	

4.1.1.2 Family relationships

To the best of the Company's knowledge, at the date of this Universal Registration Document, the only existing family relationships were those between:

- Yann Metz-Pasquier and Pierre Pasquier;
- Pierre-Yves Commanay and Pierre Pasquier;
- Yann Metz-Pasquier and Pierre-Yves Commanay.

4.1.1.3 Legal information

At the date of this Universal Registration Document and to the best of the Company's knowledge, none of the members of the Board of Directors or management have been:

- convicted of fraud in the past five years;
- declared bankrupt or placed into receivership or liquidation in the past five years;
- incriminated and/or issued an official public sanction by statutory or regulatory authorities in the past five years.

To the best of the Company's knowledge, none of the Company officers have been prevented by the courts from acting as a member of an issuer's administrative, management or supervisory body or from being involved in an issuer's management or the conduct of its business in the past five years.

4.1.1.4 Conflicts of interest within administrative and management bodies

The Company maintains significant relationships for its business, control, strategy and development with Sopra GMT, the lead holding Company. Pierre Pasquier is the Chairman and Chief Executive Officer of Sopra GMT and the Pasquier family holds a 53.2% interest in the share capital.

Sopra GMT controls the Company as a result of its direct and indirect holding of more than half of the Company's share capital (52.8%) and 57.8% of its voting rights (see Chapter 7, Section 7.2). Sopra GMT therefore exercises considerable influence over the Company's business, strategy and development.

Furthermore, a framework assistance agreement was entered into with Sopra GMT, under which Sopra GMT provides a considerable number of services concerning the 74Software strategy and the potential synergies with Sopra Steria Group (see Chapter 4, Section 4.2). Pursuant to the procedure applicable to regulated agreements, this agreement, and its extension were submitted to the Board of Directors and the General Shareholders' Meeting for approval prior to being signed.

To the best of the Company's knowledge, these relationships do not constitute conflicts of interest.

It should also be noted that:

- 74Software's Board of Directors includes four (4) independent directors, selected at its meeting held on 23 October 2024, representing 40% of its members. The Company recalls that it complies with Recommendation no. 3 of the Middlenext Code of Corporate Governance;
- the directors are bound by the obligation to protect the interests of the Company and comply with the rules set out in the internal regulations of the Board of Directors and any other rules contributing to good governance as defined in the Middlenext Code of Corporate Governance (Code of Ethics for Board members). Moreover, the Board of Directors' internal regulations stipulate in Title 7 "Ethics" that: "*Any member of the Board of Directors finding himself in a situation of conflict of interest or potential conflict of Interest, due notably to the offices they hold with another Company, must report this situation to the Appointments, Governance and Corporate Responsibility Committee as rapidly as possible, explaining the issue encountered and detailing the reasons for the existence of the actual or potential conflict of interest. […]. The Chairman of the Board, having regard to the opinion of the Appointments, Governance and Corporate Responsibility Committee, asks the relevant member of the Board of Directors not to take part in the deliberations and/or not to attend the Board of Directors' meeting*";
- the members of the Board of Directors undertake to report, prior to each Board meeting and depending on the agenda, any potential conflicts of interest and to not take part in deliberations or votes on any subjects where they have a conflict of interest.

	Employment contract		Supplementary pension plan		Indemnities or benefits due or likely to become due on the termination of service or a change of duties		Indemnities relating to a non-compete clause	
Executive officers	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Pierre PASQUIER Chairman Start of term of office: Board of Directors' meeting of 5 June 2019 Expiry of term of office: General Meeting convened to approve the financial statements for the year ending 31 December 2026		✓		✓		✓		✓
Patrick DONOVAN Chief Executive Officer Start of term of office: 6 April 2018		✓		✓	✓			✓
Eric Bierry Deputy Chief Executive Officer Start of term of office: 2 September 2024	✓(1)			✓		✓		✓

(1) In view of his seniority in the Group, Eric Bierry's employment contract was not terminated when he was appointed Deputy Chief Executive Officer, but was suspended on his appointment on 2 September 2024.

4.1.1.5 Information on transactions in securities by senior executives and those persons mentioned in Article L. 621-18-2 of the French Monetary and Financial Code

Pursuant to Article 223-26 of the AMF General Regulations, the following transactions involving 74Software's shares fell within the scope of Article L. 621-18-2 of the French Monetary and Financial Code during the fiscal year ended 31 December 2024:

Category(1)	Name	Position	Transaction type(2)	Transaction date	Number of shares	Unit price	Transaction amount
Chief Executive Officer	Patrick Donovan	CEO	D(3)	2024-04-02	6,702	€26.00	€174,252
Director	Kathleen Clark	Director	S	2024-07-31	2,025	€16.10	€32,603
Director	Kathleen Clark	Director	A PSR	2024-07-31	2,000	€1.25	€2,500
Director	Kathleen Clark	Director	S	2024-07-31	2,232	€16.10	€35,935
Director	Yann Metz-Pasquier	Director	A	2024-08-13	20,000	€20.80	€416,000
Director	Yann Metz-Pasquier	Director	A PSR	2024-08-14	5,000	€1.75	€8,750
Director	Yann Metz-Pasquier	Director	A	2024-08-16	449	€21.98	€9,868
Chief Executive Officer	Patrick Donovan	CEO	S	2024-08-27	56,832	€16.10	€914,995
Director	Yann Metz-Pasquier	Director	S	2024-08-27	26,364	€16.10	€424,460
Director	Pierre-Yves Commanay	Director	A	2024-08-27	1,326	€16.10	€21,348

(1) Category: Members of the Board of Directors, Chief Executive Officer, Sole Executive Officer, Deputy Chief Executive Officer.
(2) Transaction type: A. Acquisition; A PSR. Acquisition of Preferential Subscription Rights, D. Disposal; S. Subscription; E. Exchange.
(3) This transaction related to the exercise of a free share grant programme requiring the sale of part of the shares to cover the flat tax applicable in the United States.

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4.1.2 Procedures of the Board of Directors

The Board of Directors' organisation and working procedures are governed by:

- Articles L. 225-17 *et seq.* of the French Commercial Code. The principal mission of the Board of Directors is to determine the strategic directions to be followed by the Company and to oversee their implementation;
- Articles 14 to 21 and 23 of the Articles of Association governing the organisation and procedures of the Board of Directors. The Articles of Association currently incorporate the recommendations of the Middlenext Code of Corporate Governance on the term of office of directors, which is set at four (4) years;
- the internal regulations covering the following topics: reminder of legal and statutory powers, meetings, information received by the Board of Directors, training of members, committees, conflicts of interest, compensation awarded to its members for their duties, confidentiality and Economic and Social Committee representatives.

The Articles of Association and the internal regulations are available on the Company's website: https://www.74software.com/bylaws-regulations-agreements

4.1.2.1 Role entrusted to the Chairman of the Board of Directors

Pursuant to the provisions of Article L. 225-51 of the French Commercial Code and Title 3 of the Company's internal regulations, the role of the Chairman of the Board of Directors includes:

- organising and directing the work of the Board of Directors;
- setting the dates and agenda of the Board of Directors' meetings;
- ensuring the smooth running of the Company's management bodies and the application of best governance practices; as well as :
  - ensuring that directors are able to carry out their duties, and
  - ensuring that they have the required information, in addition to performing the duties described below.

His duties comprise governance of corporate strategy, potential acquisitions, investor relations and certain subjects classified as strategic. These strategic subjects share the need to prepare Axway's future for the long-term.

To accomplish all these tasks, the Chairman is supported by Group resources, as well as a permanent team of five people, including four very experienced individuals, employed in the holding Company, Sopra GMT. These resources enable the Board to oversee management and ensure the smooth running of the Company. This team was formed during the spin-off/stock market listing of the Company, by transferring to the holding Company, managers who had spent most of their working life in the Group and had in-depth knowledge of all its inner workings. This team assists both 74Software and Sopra Steria Group and, in addition to separately supporting each of the two companies, oversees the exploitation of synergies and above all the sharing of best practices.

The terms of reference for this team and the principle of rebilling the Company for costs incurred are covered by a framework support agreement approved by the General Shareholders' Meeting under the regulated agreements process and reviewed annually by the Board of Directors.

4.1.2.2 Role entrusted to the Vice-Chairman of the Board of Directors

It is recalled that the Board of Directors, at its meeting of 24 October 2013, decided, based on the recommendations of the Appointments, Governance and Corporate Responsibility Committee, to appoint a Vice-Chairman to take over the Chairman's duties in the event he is incapacitated and thereby secure his succession. Accordingly, it was decided to amend the internal regulations of the Board of Directors. At their meeting of 29 January 2025, the directors decided to (i) maintain the office of Vice-Chairman of the Board of Directors, and (ii) reappoint Kathleen Clark to this position.

The role of the Vice-Chairman is defined in the internal regulations. It is to ensure the continuity of the Company's operations in the event the Chairman is temporarily or permanently unable to exercise his duties within the Board of Directors.

The Vice-Chairman is appointed for a duration that cannot exceed his term of office as a director. His term of office may be renewed without any limitation. He can be dismissed at any time by the Company's Board of Directors.

The Vice-Chairman assists the Chairman in preparing and holding Board of Directors' meetings and, in particular, preparing the agenda and documentation submitted to the directors. This list is not exhaustive and may be modified at the Chairman's discretion.

The Vice-Chairman may represent the Company at conferences organised by third parties (including, but not limited to, potential investors) and/or seminars to which the Company is invited as well as any other events involving the Company.

In such circumstances, the Vice-Chairman does not have any of the powers conferred by law on the Chairman and may not engage the Company with third parties in any way whatsoever unless he has received a delegation of authority in accordance with applicable laws and regulations.

The Vice-Chairman may attend Company Committee meetings if his presence is required at such meetings.

The Vice-Chairman only chairs Board of Directors' meetings in the absence of the Chairman. In this case, he shall have the powers conferred on the Chairman of the Board of Directors by law, the Articles of Association and prevailing regulations.

Should the Chairman be temporarily unable to exercise his duties within the Board of Directors, the Vice-Chairman will replace him during this temporary absence.

4.1.2.3 Meetings of the Board of Directors

a. Number of meetings held during the fiscal year and attendance of members of the Board of Directors

In accordance with its internal regulations, the Board of Directors is required to meet at least four times each year.

An annual calendar of meetings including a provisional agenda is established by the Board and may be modified should any specific events justify a change in the agreed schedule.

The Board of Directors met eight times in 2024. The attendance rate was 97%. The Board of Directors was regularly informed of and based its decisions on the work of the Audit Committee, the Appointments, Governance and Corporate Responsibility Committee, and the Compensation Committee.

b. Issues discussed

The main issues discussed in 2024 included the following:

- strategy and the corporate project;
- acquisition and disposal operations;
- the 2024 budget and major guidelines;
- approval of the financial statements for the year ended 31 December 2023;
- approval of the interim financial statements for the first half of 2024;
- approval of forward-looking financial and management information documents;
- quarterly results and related financial reports;
- workplace and wage equality;
- social and environmental responsibility objectives;
- the composition of the Board and its Committees;
- the procedures of the Board of Directors;
- more in-depth implementation of the ethics and anti-corruption internal systems;
- the qualification of directors as independent;
- company officer compensation;
- members of the Board compensation;
- the grant of free shares to Company employees;
- the analysis of the minority shareholders vote at the 2024 General Meeting;
- monitoring of legal and regulatory developments: Rixain Law, French Commercial Code, CSRD Directive, DORA Regulation, Attractiveness Law of 13 June 2024.

c. Access to information by members of the Board of Directors

The internal regulations state that:

- each member of the Board shall receive any information required for the performance of his duties and can request any documents he deems pertinent;
- in advance of each meeting of the Board, a set of preparatory materials shall be addressed to members presenting the items on the agenda requiring special analysis and prior reflection, provided that confidentiality guidelines allow for communication of this information;
- the members of the Board shall also receive, in the intervals between meetings, all pertinent and critical information concerning significant Company events or operations.
  This information shall include copies of all press releases issued by the Company.

d. Training sessions

The internal regulations state that “any member of the Board may, on the occasion of his appointment or at any point during his term in office, engage in training sessions that he feels are required for the performance of his duties.”

There were no requests for training from the directors in the year ended 31 December 2024.

Nevertheless, directors and management benefit at all times from:

- a shared space containing, by topic, the applicable regulatory texts, presentations made or documents communicated to Board and/or Committee meetings on issues relating to corporate governance and/or impacting the Company’s activities. This space is kept up-to-date by the Legal Department and the Company Secretary;
- training modules on products *via* the Axway University platform.

4.1.2.4 Assessment of the Board of Directors

The Board of Directors is constantly seeking to improve its composition and operation. It decided to introduce an annual self-assessment of its working procedures in accordance with the recommendations of the Middlenext Code. This self-assessment aims, in particular, to check that the Board has all the information needed to make informed decisions and to consider any requests for changes to the Board’s working procedures. The Board of Directors’ self-assessment is always conducted at the end of the fiscal year in question so as to ensure that all areas for improvement have been identified.

In 2022, the self-assessment questionnaire was revised to incorporate the changes in content discussed by the Board of Directors and thereby integrate fundamental subjects and particularly social and environmental responsibility, parity and strategy.

Finally, the results of the self-assessment of the Board of Directors’ procedures in fiscal year 2024 were presented to and discussed during the Board of Directors’ meeting of 29 January 2025.

With a 100% participation rate and an excellent average mark obtained for each question, the Board was highly satisfied with both its procedures and the effective contribution of each director to its work, mainly based on their respective areas of expertise, attendance at meetings and their involvement in the discussions of the Board and its Committees. Nonetheless, a few areas for improvement were suggested, such as deepening the strategy or maintaining expertise.

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4.1.3 Board Committees

The Committees, the working procedures of which are detailed below, lack the authority to take decisions alone but submit their findings and make recommendations to the Board of Directors.

4.1.3.1 Audit Committee

The Audit Committee was created by a decision of the Board of Directors on 9 May 2011. The internal regulations of the Board of Directors define the Committee's operating procedures and powers and a committee charter sets out in greater detail the roles and duties delegated to it. The Audit Committee's current composition was confirmed by the Board of Directors' meeting of 23 October 2024. Its members are:

- Dominique Illien (Chairman);
- Marie-Hélène Rigal;
- Yann Metz-Pasquier;
- Patrick Renouvin;
- Michael Gollner (Board observer).

The Committee meets at least four times per year (in a full year) and devotes at least two meetings to the half-year and full-year financial statements, respectively.

The members of the Audit Committee have in-depth economic and/or industry knowledge as detailed in Chapter 4, Section 4.1 ("Composition and procedures of the management and supervisory bodies"). This enables them to fully investigate all issues submitted to them by the Company.

Without prejudice to the powers given by law to the Board of Directors, the Audit Committee's main duties include the following:

- to review the financial statements, including the Green Taxonomy;
- to monitor the system for preparing and processing accounting, financial and non-financial information and to review the financial statements;
- to supervise the effectiveness of internal control and risk management procedures;
- to monitor internal audit and its procedures;
- to monitor the statutory audit of the Group's financial statements by the Statutory Auditors;
- to ensure compliance with the independence requirement for Statutory Auditors;
- to supervise and monitor the anti-corruption procedure.

In addition, the Audit Committee:

- issues, where appropriate, a recommendation on the Statutory Auditors and independent third parties proposed for appointment by the General Meeting; it also issues a recommendation to the Board when the renewal of the Statutory Auditor(s)' term of office is proposed under the conditions defined by regulations;
- monitors the Statutory Auditor's performance of its engagement and takes into account the findings and conclusions of the *Haut conseil du commissariat aux comptes* following the conduct of reviews;
- reports regularly to the Board on the performance of its assignments, the results of the statutory audit of the financial statements, how this audit contributed to the integrity of the financial information and the role it played in the process. It immediately notifies the Board of any problems encountered.

The Committee met six times in 2024 in the presence of the Statutory Auditors. The attendance rate was 100%.

The main items of business at these meetings were:

- to review the consolidated and parent Company financial statements for the year ended 31 December 2023;
- to review the financial statements for the first half of 2024;
- impairment tests;
- to monitor internal audit procedures:
  - to review the 2024 internal audit plan,
  - to monitor the application of internal audit recommendations,
  - to review the reports on internal audit assignments for the first and second halves of 2024,
  - to assess internal audit of the Company,
  - to revise the internal audit charter;
- to monitor Statutory Auditor procedures:
  - to review the conclusions of Statutory Auditor procedures,
  - to review the Statutory Auditors' report to the Audit Committee,
  - to review the drafting of key audit matters,
  - to pre-approve non-audit services;
- to validate the engagement budget and review the audit plan;
- to review the general risk map;
- to review the draft Universal Registration Document and notably the Risk factors section and the report on corporate governance;
- to monitor the implementation project for the new financial information system;
- to monitor the implementation project for the new human resources management system;
- to review the transfer pricing policy;
- to review the procedures of the Audit Committee;
- to verify the coverage of assignments;
- to review the CSRD Directive and the sustainability audit;
- to review the cybersecurity framework;
- to monitor the implementation project for the new human resources information system;
- to review the Company's IT security policy.

The Committee met with the Statutory Auditors in the absence of management. It also met with the head of internal audit under the same conditions.

Various operating and functional Group managers were also interviewed to inform Audit Committee members and improve their understanding of different operating issues.

4.1.3.2 Appointments, Governance and Corporate Responsibility Committee

The Appointments, Governance and Corporate Responsibility Committee was created by a decision of the Board of Directors on 22 May 2012. The internal regulations of the Board of Directors define the Committee's operating procedures and powers. The Appointments, Governance and Corporate Responsibility Committee's current composition was confirmed by the Board of Directors' meeting of 23 October 2024.
Its members are:

- Kathleen Clark (Chairwoman);
- Pierre-Yves Commanay;
- Emma Fernandez;
- Pierre Pasquier;
- Patrick Renouvin.

The Appointments, Governance and Corporate Responsibility Committee is comprised of the Chairman of the Board of Directors and three to six Board members who are appointed by the Board of Directors. The Committee may be convened when requested by its Chairwoman or by two of its members.
It meets prior to the approval of the agenda of the Annual General Meeting to review draft resolutions that will be submitted to it concerning the positions of members of the Board of Directors.

It met five times in 2024. The attendance rate was 100%.

In 2021, following the review by Middlenext of its Code of Corporate Governance, the Company decided to comply with the new recommendation no. 8. In this respect, the Appointments, Ethics and Governance Committee was designated as the reference committee for social and environmental responsibility issues given the assignments already assigned to it. It was also decided to rename the Committee the Appointments, Governance and Corporate Responsibility Committee.

In 2024, its main duties were:

- to conduct the assessment of the Board of Directors' activities;
- to verify the application of rules of ethics and good governance in the Company and its subsidiaries;
- to assess the status of the independent members of the Board of Directors pursuant to the Board's decisions on this subject, particularly through the conflict-of-interest annual review procedure;
- to inform and propose changes that it deems useful or necessary to support the procedures or composition of the Board of Directors and its Committees;
- to assess corporate responsibility commitments, notably through an annual review of the Non-Financial Performance Statement;
- to prepare the agenda of the General Meetings of 16 May 2024 and 6 December 2024;
- to take into account any legal and regulatory changes during the fiscal year;
- to comply with recommendation no. 5 on providing training to members of the Board and Management;
- to review documents prepared pursuant to regulations and the Articles of Association;
- to prepare the deliberations of the Board of Directors on workplace and wage equality;
- to assess the proper performance of the Company's internal whistle-blowing procedure; to ensure the application of the internal verification procedure for everyday and regulated agreements.

4.1.3.3 Compensation Committee

The Compensation Committee was created by a decision of the Board of Directors on 22 May 2012. The internal regulations of the Board of Directors define the Committee's operating procedures and powers. The Compensation Committee's current composition was confirmed by the Board of Directors' meeting of 23 October 2024. Its members are:

- Emma Fernandez (Chairwoman);
- Kathleen Clark;
- Pierre-Yves Commanay;
- Nicole-Claude Duplessix;
- Olivier Placca.

The Compensation Committee is comprised of three to six members who are appointed by the Board of Directors. The Compensation Committee may be convened when requested by its Chairwoman or by two of its members.

The Compensation Committee met six times during the course of the year ended 31 December 2024. The attendance rate was 100%.

In 2024, its main duties were:

- to prepare the Company officer compensation policy;
- to propose the fixed and variable compensation including non- financial criteria and benefits granted to Company officers;
- to verify the application of rules defined for calculating their variable compensation;
- to verify the quality of the information provided to shareholders on compensation, benefits and options granted to Company officers;
- to prepare the free share grant policy and verify the implementation of related plans;
- to prepare decisions concerning employee savings.

4.1.4 Executive officers

4.1.4.1 Executive offices

First name, last name and business address	Office	Date of first appointment and date of expiry of term of office	Offices and duties held in the Group during the past five years	Offices and duties held outside the Group during the past five years
Pierre Pasquier **Business address:** Sopra Steria Group SA. PAE Les Glaisins Annecy-le-Vieux 74940 Annecy France	Chairman of the Board of Directors	**1st appointment:** 22 December 2001	**Offices and duties currently held:** (Chapter 4, Section 4.1.2)	**Offices and duties currently held:** (Chapter 4, Section 4.1.2)
		Expiry of term of office: General Meeting convened to approve the financial statements for the year ending 31 December 2026	**Expired offices and duties:** (Chapter 4, Section 4.1.2)	**Expired offices and duties:** (Chapter 4, Section 4.1.2)
Patrick Donovan **Business address:** Axway Inc. 16220 N Scottsdale Rd. Suite 500, Scottsdale AZ 85254 USA	Chief Executive Officer	**1st appointment:** 6 April 2018	**Offices and duties currently held:** Chief Executive Officer of 74Software Director of Group subsidiaries CEO of Group subsidiaries.	**Offices and duties currently held:** — **Expired offices and duties:** —
Eric Bierry **Business address:** 74Software 1 bis, place de la Défense 92400 Courbevoie France	Deputy Chief Executive Officer(1)	**1st appointment:** 2 September 2024	**Offices and duties currently held:** Deputy Chief Executive Officer of 74Software Chief Executive Officer of SBS SAS Director of Group subsidiaries CEO of Group subsidiaries.	**Offices and duties currently held:** — **Expired offices and duties:** —

(1) At the recommendation of the Chief Executive Officer, a Deputy Chief Executive Officer was appointed by the Board of Directors' meeting of 18 July 2024, in the context of the acquisition of SBS and with effect from the acquisition completion date.

4.1.4.2 Role of the Executive Officers

Given the challenges associated with the constantly changing markets in which 74Software operates and its need to be adaptable, the separation of offices appeared to be the most appropriate organisation. The governance structure entrusts the Chairman with steering and strategy and the Chief Executive Officer with operations, while at the same time setting up close cooperation and permanent dialogue between the management bodies. On the acquisition of SBS, the Board of Directors decided to appoint a Deputy Chief Executive Officer alongside the Chief Executive Officer.

The Board of Directors, at its meeting of 24 October 2013, decided, based on the recommendations of the Appointments, Governance and Corporate Responsibility Committee, to appoint a Vice-Chairman to take over the Chairman's duties in the event he is incapacitated and thereby secure his succession. This succession plan is reviewed by the Board annually and, in this respect, it was reviewed during the Board of Directors' meeting of 29 January 2025.

The Chairman of the Board of Directors devoted a considerable amount of time to his duties throughout the year. His activities involved managing the work of the Board and performing additional tasks required by 74Software's business.

The Chairman's duties, which have in common the preparation of 74Software's long-term success, comprise governance of corporate strategy, potential acquisitions, investor relations and certain subjects classified as strategic.

The various matters for which the Chairman is responsible require detailed knowledge of operational realities and thus a very close relationship with Executive Management and the Executive Committee. This is achieved by sharing information and consulting on decisions to be taken, with a view to implementing the medium-term strategic plan and monitoring execution of these decisions over time.

The separation of the duties of Chairman and Chief Executive Officer is based on the definition of the roles formalised in the Board of Directors' internal regulations, respecting the prerogatives of the Chairman and Chief Executive Officer and a long-term relationship of trust between the holders of these offices. Under these conditions, the current method of governance adds flexibility to the Company's management, safeguards decision-making and ensures that the necessary tasks will be quickly carried out to manage 74Software's strategic challenges.

4.1.4.3 Powers of the Chief Executive Officer

The Chief Executive Officer is vested with the broadest powers to act in all circumstances on behalf of the Company. He exercises his powers within the limits of the corporate purpose and applicable laws, the Articles of Association and the deliberations of the Board of Directors with regard to his appointment and the internal regulations.

He represents the Company in its dealings with third parties.

The Chief Executive Officer chairs the Group's Executive Committee (ExCom).

The Chief Executive Officer has authority over the entire Group and directs its operating activities and is assisted by a Deputy Chief Executive Officer with the same powers. Where appropriate, one or more additional Deputy Chief Executive Officers may be appointed.

He assists in preparing the strategy as part of the approach steered by the Chairman of the Board of Directors. He implements this strategy once it has been approved by the Board of Directors.

The Chief Executive Officer is moreover in charge of providing the Board of Directors and its committees with the information that they need and implementing the decisions made by the Board.

The decisions defined hereinafter must receive the prior authorisation of the Board of Directors, or of the Board Chairman when delegated to the Chairman by the Board, under conditions that it shall define. In that case, the Chairman must report back to the Board on the authorisations that he gives with such delegations. The decisions are previously prepared and discussed by the Chief Executive Officer with the Board Chairman.

Decisions requiring the prior approval of the Board of Directors in the above-referenced conditions are those that have a major strategic effect or which are likely to have a material impact on the financial position or the commitments of the Company or of its subsidiaries and in particular those related to:

- implementing the strategy:
  - adapting the business model,
  - any decision to acquire or dispose of companies or business activities - or with the approval of the Chairman who has been delegated powers by the Board for transactions of less than €5 million,
  - any investment or divestment decision - or with the approval of the Chairman who has been delegated powers by the Board for transactions of less than €10 million,
  - negotiating strategic alliances;
- organisational matters:
  - the appointment or dismissal of a member of the management team (members of the Executive Committee) with the approval of the Chairman who has been delegated powers by the Board,
  - any significant modification of the internal organisation or operations, with powers delegated to the Chairman by the Board of Directors;
- financial matters:
  - financial transactions that have or could have a future material impact on the parent Company financial statements or the consolidated financial statements,
  - any procedural commitment, treaty, settlement or compromise, in the case of litigation, for an amount exceeding €1 million.

4.2 Regulated agreements and assessment of everyday agreements

4.2.1 Agreements approved in previous years which had continuing effect during the year

The sole agreement approved in previous years with continuing effect during the year ended 31 December 2024 is described below:

Agreement between Axway Software and Sopra GMT

The support agreement between Sopra GMT on the one hand, and the Company and Sopra Steria Group SA on the other, defines Sopra GMT's role as the financial holding Company for these two companies. This agreement, which was initially entered into on 1 July 2011, for a period of two (2) years and then renewed in July 2013, has been amended to make it an open-ended agreement, which may be cancelled by giving twelve (12) months prior notice, in writing. This agreement aims to improve strategic planning and general policy coordination between the Sopra Steria Group and the Company, in particular by developing synergies, as well as providing the Company with support and consultancy services. Amounts rebilled correspond to the share of salaries, social security contributions and incidental costs of Sopra GMT employees allocated to assignments conducted for Axway.

Kathleen Clark, Deputy CEO of Sopra GMT participates in assignments conducted in this context and receives in this respect remuneration included in amounts rebilled to Axway.

The time spent by Kathleen Clark on her duties as a director of Axway are not taken into account in the calculation of services rebilled by Sopra GMT to Axway under this regulated agreement.

The Board of Directors' meeting of 29 January 2025 unanimously approved (with abstention of relevant directors) (i) the continuation of the authorisation previously granted, and (ii) the payment of €1,444,676 to Sopra GMT for services rendered in the year ended 31 December 2024.

4.2.2 New agreements entered into in fiscal year 2024

The Board of Directors meeting of 16 May 2024, in accordance with the provisions of Article L. 225-38 of the French Commercial Code, unanimously authorised, with the exception of interested persons, the conclusion of the agreement to acquire all the securities of Sopra Banking Software SA (now SBS Software SAS).

This acquisition agreement was signed by Sopra Steria Group and Axway Software (now 74Software) on 31 May 2024. It will be submitted to the Company's next General Meeting for approval. The acquisition transaction as such and its financing terms are described in Section 1.1.5.1 of the Universal Registration Document.

4.2.3 Assessment procedure for everyday agreements and implementation during the year ended 31 December 2024

74Software has implemented an internal procedure to regularly assess whether everyday agreements between the Group and related persons are effectively on an arm's length basis.

This procedure satisfies the provisions of Article L. 22-10-12 of the Pacte Law and was brought into effect by the Board of Directors' decision of 22 October 2019.

Under this procedure, the 74Software Legal Department:

- regularly updates the list of related parties to take account of all changes in duties and/or offices and any statements or preliminary reports made by related parties to the Board of Directors or the Legal Department;
- reviews all draft everyday agreements likely to be entered into with identified related parties following a preliminary report to the Board of Directors and/or the Legal Department. In this respect, the Legal Department is authorised to review agreements at its own initiative if it considers necessary. This control seeks to assess whether the draft agreement satisfies the criteria for everyday agreements;
- performs an *ex-post* review, every six months, of all agreements entered into with related parties in respect of the current year, with the assistance of the Finance Department.

Pursuant to Article L. 22-10-12 of the French Commercial Code, individuals directly or indirectly concerned by an agreement do not participate in its assessment.

Each fiscal year, the Legal Department prepares a report to the Board of Directors to enable it to assess the implementation of the procedure. The Board of Directors assesses the procedure and its implementation each fiscal year.

This procedure may be updated, subject to the approval of the Board of Directors, to take account of any legislative or regulatory amendments or changes in best practice. Following an update of the list of related parties, everyday agreements were verified for 2024. The Legal Department delivered its report which did not highlight any reclassifications of everyday agreements as regulated agreements as they satisfied all the criteria enabling them to be classified as everyday agreements concluded at arm's length. On 29 January 2025, the Board of Directors took note of this report and the proper implementation of the everyday agreement verification procedure for 2024.

4.2.4 Statutory Auditors’ special report on regulated agreements

This is a free translation into English of the Statutory Auditors’ special report on regulated agreements that is issued in the French language and is provided solely for the convenience of English-speaking readers. This report on regulated agreements should be read in conjunction and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code (code de commerce) and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

General Meeting approving the financial statements for the year ended 31 December 2024

To the General Meeting of 74Software,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such agreements are in the Company’s interest, without expressing an opinion on their usefulness and appropriateness or identifying other such agreements, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (*code de commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R. 225-31 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by the General Meeting, if any.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnle Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

Agreements submitted to the approval of the General Meeting

Agreements authorised and concluded during the year

Pursuant to Article L. 225-40 of the French Commercial Code, the following agreements entered into during the year and previously authorized by the Board of Directors, have been brought to our attention.

Sopra Banking Software SA Share Purchase Agreement

During its meeting of 16 May 2024, in the context of the “Three” acquisition project, your Board of Directors authorised the completion of a share purchase agreement covering the entire share capital of Sopra Banking Software SA (renamed SBS Software SAS).

This share purchase agreement was signed by Sopra Steria Group and Axway Software (now 74Software) on 31 May 2024.

Agreements previously approved by General Meeting

Agreements approved in prior years

Agreements with continuing effect during the year

Pursuant to Article R. 225-30 of the French Commercial Code, we have been informed that the following agreements, previously approved by General Meetings of prior years, had continuing effect during the year.

Assistance agreement signed with Sopra GMT

The agreement between Sopra GMT, on the one hand, and your Company and Sopra Steria Group, on the other hand, defines the role of lead holding company assumed by Sopra GMT with respect to your Company and Sopra Steria Group. Under this tripartite agreement, Sopra GMT is responsible for coordination and assistance for both of these companies, while striving to develop, as much as possible, the various synergies between them.

These services are reinvoiced by Sopra GMT to the two companies on the basis of actual time and money spent to successfully supply the services, plus 7%. The two-year agreement signed on 1 July 2011 was renewed in July 2013 for an indefinite period, and is subject to 12-months termination notice.

Sopra GMT invoiced €1,444,676, excluding taxes, in respect of this agreement for fiscal year 2024.

On 24 January 2024, your Board of Directors reviewed this agreement and decided to maintain it for the fiscal year ended 31 December 2024.

Persons concerned:	
Pierre Pasquier	Chairman of the Board of Directors of 74Software Chairman and Chief Executive Officer of Sopra GMT
Kathleen Clark	Director and Vice-Chairwoman of the Board of Directors of 74Sotware Permanent representative of Sopra GMT on the Board of Directors of Sopra Steria Group Deputy CEO of Sopra GMT
Pierre-Yves Commanay	Director of 74Software Director of Sopra GMT
Yann Metz-Pasquier	Director of 74Software Director of Sopra GMT

Courbevoie and Paris, 24 March 2025

The Statutory Auditors

Aca Nexia	Forvis Mazars SA
Olivier Juramie	Jérôme Neyret
Partner	Partner

4.3 Code of Corporate Governance

The Company decided to adopt the recommendations of the Middlenext Code of Corporate Governance for small and midcaps updated in September 2021 (available on the Middlenext website: www.middlenext.com), due to its compatibility with the size of the Company and its capital structure.

The Board of Directors has reviewed the principles of this Code.

A summary table of directors qualified as independent under the criteria used by the Middlenext Code is presented in Chapter 4, Section 4.1.

The Company applies the majority of recommendations included in the Middlenext Code and intends to adapt its internal process on a gradual basis with each passing fiscal year. However, for the fiscal year ended 31 December 2024, the application status of the Code's recommendations is as follows:

	Purpose of the recommendation	Applied
1	Board member ethical requirements	Yes
2	Conflicts of interest	Yes
3	Composition of the Board – Independent directors	Yes
4	Board member information	Yes
5	Board member training	Yes
6	Organisation of Board and Committee meetings	Yes
7	Creation of Committees	No
8	Introduction of a CSR special committee	No
9	Introduction of Board internal regulations	Yes
10	Selection of directors	Yes
11	Term of office of Members of the Board	Yes
12	Directors' compensation	Yes
13	Introduction of an assessment of the Board's work	Yes
14	Relations with shareholders	Yes
15	Axway diversity and equity policy	Yes
16	Definition and transparency of the compensation of executive officers	Yes
17	Preparation of succession plans for senior executives	Yes
18	Combination of employment contract and directorship	Yes
19	Severance pay	Yes
20	Supplementary pension plan	Yes
21	Stock options and free share grants	Yes
22	Watch-points	Yes

Application of recommendations

Recommendation no. 3

As of the date of this Universal Registration Document, the Company's Board of Directors has four independent members and therefore fully complies with recommendation no. 3 of the Middlenext Code.

Michael Gollner and Yves de Talhouet resigned from the Board of Directors on reaching 12 years as a 74Software director and losing their status as independent directors. Olivier Placca and Patrick Renouvin were co-opted to replace them. The ratification of these directorships and the renewal of other directorships will be presented for vote to the Annual General Meeting of 20 May 2025.

Recommendation no. 7

74Software has set up three specialised committees:

- Audit Committee;
- Appointments, Governance and Corporate Responsibility Committee;
- Compensation Committee.

At the date of this Universal Registration Document, the Company does not comply with recommendation no. 7 of the Middlenext Code regarding the independence of the Chairmen of specialised committees.

For the Appointments, Governance and Corporate Responsibility Committee, the Board of Directors decided to prioritise experience and expertise by appointing Kathleen Clark, a non-independent director representing the majority shareholder Sopra GMT, as Chairwoman of this Committee.

The Audit Committee is chaired by an independent director, Dominique Illien.

The Compensation Committee is chaired by an independent director, Emma Fernandez.

Recommendation no. 8

In 2021, in accordance with the new recommendation no. 8 of the Middlenext Code, 74Software integrated CSR issues into the program of its governance bodies. By decision of the Board of Directors, these duties were allocated to the Appointments, Governance and Corporate Responsibility Committee.

At the date of this Universal Registration Document, for reasons strictly identical to those presented in respect of recommendation no. 7, the Company does not comply with recommendation no. 8 of the Middlenext Code regarding the independence of the Chairman of the Committee for CSR issues.

4.4 Compensation and benefits

4.4.1 Compensation components paid or awarded to executive officers in respect of the year ended 31 December 2024

The following information forms an integral part of the Board of Directors' report on corporate governance and is presented in accordance with Article L. 22-10-9 of the French Commercial Code.

Pursuant to the provisions of Article L. 22-10-34 II and III of the French Commercial Code, shareholders will be asked to approve the compensation of Company officers presented below and the compensation components paid or awarded to executive officers.

This Section presents, for each Company officer, the compensation components paid or awarded in respect of the previous fiscal year, in accordance with the compensation policy approved by the Company's Combined General Meeting of 16 May 2024.

4.4.1.1 Compensation components paid or awarded to directors in respect of their duties for the year ended 31 December 2024

The Company's Combined General Meeting of 16 May 2024, in the 4th resolution, decided to grant directors compensation referred to in Article L. 22-10-14 of the French Commercial Code of €330,000 for the year ended 31 December 2024.

The following table presents the compensation paid to directors for their duties in respect of the past three fiscal years.

Summary of compensation referred to in Article L. 22-10-14 of the French Commercial Code and other compensation received by Company officers for their duties in 74Software

Company officer	Amounts due in fiscal year 2024*	Amounts due in fiscal year 2023*	Amounts due in fiscal year 2022*
Kathleen Clark			
Compensation(1)	€39,675	€32,891	€28,947
Other compensation			
Pierre-Yves Commanay			
Compensation(1)	€33,075	€27,539	€22,382
Other compensation			
Yves de Talhouët(2)			
Compensation(1)	€28,217	€20,489	€24,232
Other compensation			
Nicole-Claude Duplessix			
Compensation(1)	€26,475	€22,188	€15,817
Other compensation			
Emma Fernandez			
Compensation(1)	€43,295	€27,340	€19,518
Other compensation			
Michael Gollner(2)			
Compensation(1)	€38,255	€28,601	€21,751
Other compensation			
Dominique Illien			
Compensation(1)	€19,866	€–	€–
Other compensation			
Yann Metz-Pasquier			
Compensation(1)	€32,975	€26,817	€23,488
Other compensation			
Pierre Pasquier			
Compensation(1)	€27,575	€22,462	€19,518
Other compensation			
Olivier Placca(3)			
Compensation(1)	€919	€–	€–
Other compensation			
Patrick Renouvin(3)			
Compensation(1)	€3,320	€–	€–
Other compensation			
Marie-Hélène Rigal			
Compensation(1)	€36,353	€30,699	€21,751
Other compensation			
Other terms of office ended before 2024			
Compensation(1)	€–	€90,974	€132,596
Other compensation			
TOTAL	**€330,000**	**€330,000**	**€330,000**

** The amounts presented in this table are gross amounts denominated in euros.*
(1) Compensation referred to in Article L. 22-10-14 of the French Commercial Code.
(2) Directors who notified their resignation to the Board of Directors on 23 October 2024 due to the loss of their independence.
(3) Directors who were co-opted by the Board of Directors on 23 October 2024.

There are currently no service agreements or employment contracts between the Company and the directors.

With the exception of Pierre Pasquier, Chairman of the Board of Directors, whose compensation components for his duties as Chairman of the Board of Directors are presented below, the directors do not receive any compensation from the Company for their duties, other than the compensation referred to in Article L. 22-10-14 of the French Commercial Code.

4.4.1.2 Compensation components paid or awarded to the Chairman of the Board of Directors in respect of his duties for the year ended 31 December 2024

The fixed, variable and exceptional components of total compensation and benefits in kind paid or granted in the past year to Pierre Pasquier, Chairman of the Board of Directors, for his term of office, determined in accordance with the compensation principles and criteria approved by the General Meeting of 16 May 2023 are as follows:

Compensation paid or granted during the year then ended	Amounts or accounting valuation submitted to vote	Presentation
Fixed compensation	**€138,000 (Gross amount paid)**	Fixed compensation was determined based on the work and challenges addressed by the Chairman of the Board of Directors, in the context of his duties in 74Software.
Variable compensation	**–**	Not applicable.
Compensation referred to in Article L. 22-10-14 of the French Commercial Code	**€22,463**	Compensation referred to in Article L. 22-10-14 of the French Commercial Code is calculated in accordance with the compensation policy applicable to directors.
Benefits in kind	**–**	Not applicable.

4.4.1.3 Compensation components paid or awarded to the Chief Executive Officer in respect of his duties for the year ended 31 December 2024

The fixed, variable and exceptional components of total compensation and benefits in kind paid during the past year or awarded in respect of this same year to Patrick Donovan, Chief Executive Officer, for his term of office, determined in accordance with the compensation principles and criteria approved by the General Meeting of 16 May 2024 are as follows:

Compensation paid or granted during the year then ended	Amounts or accounting valuation submitted to vote	Presentation
Fixed compensation	**€577,421 (Gross amount paid)**	
Annual variable compensation	**€698,084** **(Gross amount to be paid after approval by General Meeting, including, where necessary, the deferred portion of this compensation)**	Variable compensation is based on: quantitative criteria: ■ 65% based on the combination of organic growth and operating profitability. This percentage may be increased to 80% in the event of notable outperformance. non-financial qualitative criteria: ■ 5% based on the employee engagement indicator; ■ 5% based on the NPS customer satisfaction indicator; ■ 5% based on an environmental objective aimed at reducing the carbon footprint. a strategic qualitative criteria: ■ 20% based on the successful acquisition and integration of the SBS group (formerly Sopra Banking Software). This percentage may be increased to 40% in the event of notable outperformance.
Exceptional compensation	**€184,775 (Gross amount to be paid after approval by General Meeting)**	Exceptional compensation based on a strategic qualitative criteria: ■ 100% based on the successful acquisition and integration of the SBS group (formerly Sopra Banking Software). This percentage may be increased to 200% in the event of notable outperformance.
Free share grant	**Shares = €741,000 (Accounting valuation)**	30,000 performance share rights (representing potentially 0.14% of the Company's share capital), subject to the effective presence of the Chief Executive Officer and certain criteria based on the combination of organic revenue growth and operating profitability. This grant was performed pursuant to the 19th resolution adopted by the Combined General Meeting of 24 May 2022.
Severance pay and indemnities for a change of duties	**No indemnities are payable in respect of the fiscal year**	
Benefits in kind	**–**	Not applicable

4.4.1.4 Compensation components paid or awarded to the Deputy Chief Executive Officer in respect of his duties for the year ended 31 December 2024

The fixed, variable and exceptional components of total compensation and benefits in kind paid during the past year or awarded in respect of this same year to Eric Bierry, Deputy Chief Executive Officer, for his term of office during the period 2 September 2024 to 31 December 2024, determined in accordance with the compensation principles and criteria approved by the General Meeting of 16 May 2024 are as follows:

Compensation paid or granted during the year then ended	Amounts or accounting valuation submitted to vote	Presentation
Fixed compensation	**€149,500 (Gross amount paid)**	
Annual variable compensation	**€140,938 (Gross amount to be paid after approval by General Meeting, including, where necessary, the deferred portion of this compensation)**	Variable compensation is based on financial quantitative criteria: ■ 50% based on profit from operations of the SBS scope. This percentage may be increased to 75% in the event of notable outperformance; ■ 25% based on organic revenue growth of the SBS scope. This percentage may be increased to 38% in the event of notable outperformance; non-financial qualitative criteria: ■ 5% based on an environmental objective aimed at reducing the carbon footprint; a strategic qualitative criteria: ■ 20% based on the successful acquisition and integration of the SBS Group (formerly Sopra Banking Software). This percentage may be increased to 30% in the event of notable outperformance.
Exceptional compensation	**€170,000 (Gross amount to be paid after approval by General Meeting)**	Exceptional compensation based on a strategic qualitative criteria: ■ 100% based on the successful acquisition and integration of the SBS Group (formerly Sopra Banking Software). This percentage may be increased to 200% in the event of notable outperformance.
Free share grant	**Shares = €780,000 (Accounting valuation)**	30,000 performance share rights (representing potentially 0.14% of the Company's share capital), subject to the effective presence of the Deputy Chief Executive Officer and certain criteria based on a combination of organic revenue growth and operating profitability. This grant was performed pursuant to the 19th resolution adopted by the Combined General Meeting of 24 May 2022
Severance pay and indemnities for a change of duties	**—**	Not applicable
Benefits in kind	**€1,600**	Company car

4.4.1.5 Summary of compensation received by executive officers in respect of recent fiscal years

In accordance with position-recommendation 2014-14 amended on 25 July 2019 and the recommendations of the new Middlenext Code of Corporate Governance, the table below shows the compensation received by the Chairman of the Board of Directors, Pierre Pasquier, and the 74Software Chief Executive Officer and Deputy Chief Executive Officer for the past three fiscal years:

Summary of compensation, stock options and shares awarded to each executive officer in 74Software

(gross amounts in euros)	2024	2023	2022
Pierre Pasquier			
Compensation payable in respect of the fiscal year	227,575	160,462	157,518
Valuation of multi-year variable compensation awarded during the fiscal year			
Valuation of options awarded during the fiscal year			
Valuation of free shares granted			
Patrick Donovan			
Compensation payable in respect of the fiscal year	1,460,280	1,488,413	1,325,580
Valuation of multi-year variable compensation awarded during the fiscal year		–	–
Valuation of options awarded during the fiscal year		–	–
Valuation of free shares granted during the fiscal year	741,000	561,000	519,000
Free shares granted under the Free Share Grant Plan *(number of shares)*	30,000	30,000	30,000
Éric Bierry			
Compensation payable in respect of the fiscal year(1)	460,438		
Valuation of multi-year variable compensation awarded during the fiscal year			
Valuation of options awarded during the fiscal year			
Valuation of free shares granted during the fiscal year	780,000		
Free shares granted under the Free Share Grant Plan *(number of shares)*	30,000		

(1) For his term of office during the period 2 September 2024 to 31 December 2024

Summary of the compensation received by each executive officer in respect of their duties in 74Software

	2024		2023	
(gross amounts in euros)	Amount due	Amount paid	Amount due	Amount paid
Pierre Pasquier				
Fixed compensation(1)	200,000	138,000	138,000	138,000
Variable compensation			–	–
Multi-year variable compensation			–	–
Exceptional compensation			–	–
Compensation referred to in Article L. 22-10-14 of the French Commercial Code(1)	27,575	22,463	22,463	19,518
Value of benefits in kind				
TOTAL	**227,575**	**160,463**	**160,463**	**157,518**
Patrick Donovan				
Fixed compensation(2)	577,421	577,421	578,024	578,024
Variable compensation(2)	698,084	910,389	910,389	782,321
Multi-year variable compensation			–	–
Exceptional compensation	184,775	–	–	–
Compensation referred to in Article L. 22-10-14 of the French Commercial Code			–	–
Value of benefits in kind			–	–
TOTAL	**1,460,280**	**1,487,810**	**1,488,413**	**1,360,345**
Éric Bierry				
Fixed compensation(2)	149,500	149,500	–	–
Variable compensation(2)	140,938	–	–	–
Multi-year variable compensation				
Exceptional compensation	170,000			
Compensation referred to in Article L. 22-10-14 of the French Commercial Code				
Value of benefits in kind	1,600			
TOTAL	**462,038**	**149,500**		

(1) Fixed compensation and compensation referred to in Article L. 22-10-14 of the French Commercial Code are paid by 74Software.
(2) Fixed and variable compensation and benefits In kind are paid by Axway Inc., in US dollars. The exchange rate used for this table at 31 December 2024 was €1 = $1,0824 and the rate applied at 31 December 2023 was €1 = $1.0813.

Summary of variable and exceptional compensation received by the Chief Executive Officer

Variable compensation

Criteria	Nature	% weight	% max.	Threshold	Target	Cap	CAP	Amount at stake in $	Cap in $	Actual result	Amount granted in $
R40	quantitative	65%	80%	19%	24 %	29%	123%	406,250	500,000	24.3%	411,856
Employee engagement indicator (EES)	quantitative	5%	5%	60%	70 %	N/A	100%	31,250	31,250	70%	31,250
Net Promoter Score (NPS)	quantitative	5%	5%	36%	46 %	N/A	100%	31,250	31,250	52%	31,250
Reduction in the carbon footprint	qualitative	5%	5%	N/A	N/A	N/A	100%	31,250	31,250	Attained 100%	31,250
Successful acquisition and integration of SBS	qualitative	20%	40%	N/A	N/A	N/A	200%	125,000	250,000	Attained 200%	250,000
TOTAL		**100%**	**135%**					**625,000**	**843,750**		**755,606**

The Compensation Committee noted an attainment rate of 120% for the objectives set by the Board of Directors for the Chief Executive Officer. The Board of Directors therefore set Patrick Donovan's variable compensation at $755,606 for fiscal year 2024.

The performance criteria were applied as planned at the time of their determination on 24 April 2024. No compensation is due at the threshold amount and the variable compensation is calculated on a straight-line basis between the threshold, target and cap values. Regarding the qualitative objective related to the Strategy, the Compensation Committee and the Board have valued the successful acquisition of SBS and the related financial operation.

Total compensation is consistent with the compensation policy and contributes to the long-term performance of the Company.

The Compensation Committee took due note of the finding by the Appointments, Governance and Corporate Responsibility Committee that the Company is on track to achieve its carbon footprint reduction goals.

Exceptional compensation

Criteria	Nature	% weight	% max.	CAP	Amount at stake in $	Cap in $	Actual result	Amount granted in $
Successful acquisition and integration of SBS	qualitative	100%	200%	200%	125,000	250,000	Attained 160%	200,000
TOTAL		**100%**	**200%**		**125,000**	**250,000**		**200,000**

The Compensation Committee noted an attainment rate of 160% for the objectives set by the Board of Directors for the Chief Executive Officer regarding the successful acquisition and integration of SBS and in particular:

- the definition of a long-term vision for the combined entity to be shared with key stakeholders (investors, customers and professionals;,
- the definition of an operational and governance model for the combined entity (Executive Committee, brands, products, sales structure and support teams);
- maintaining team engagement and motivation during the integration phase.

The Board of Directors therefore set Patrick Donovan's exceptional compensation at $200,000 for fiscal year 2024.

Summary of variable and exceptional compensation received by the Deputy Chief Executive Officer

Variable compensation

Criteria	Nature	% weight	% max.	Threshold	Target	Ceiling	CAP	Amount at stake in €	Cap in €	Actual result	Amount granted in €
Operating profitability of SBS	quantitative	50%	75%	9.0%	11.0%	13.0%	150%	50,000	75,000	14.1%	75,000
Organic growth in SBS revenue	quantitative	25%	38%	1.0%	4.0%	8.0%	150%	25,000	37,500	5.9%	30,938
Reduction in the carbon footprint	qualitative	5%	5%	N/A	N/A	N/A	100%	5,000	5,000	Attained 100%	5,000
Successful acquisition and integration of SBS	qualitative	20%	30%	N/A	N/A	N/A	150%	20,000	30,000	Attained 150%	30,000
TOTAL		**100%**	**148%**					**100,000**	**147,500**		**140,938**

The Compensation Committee noted an attainment rate of 141% for the objectives set by the Board of Directors for the Deputy Chief Executive Officer. The Board of Directors therefore set Eric Bierry's variable compensation at €140,938 for fiscal year 2024 for the period from 2 September to 31 December 2024.

The performance criteria were applied as planned at the time of their determination on 23 October 2024. No compensation is due at the threshold amount and the variable compensation is calculated on a straight-line basis between the threshold, target and cap values.

Total compensation is consistent with the compensation policy and contributes to the long-term performance of the Company.

The Compensation Committee took due note of the finding by the Appointments, Governance and Corporate Responsibility Committee that the Company is on track to achieve its carbon footprint reduction goals.

Exceptional compensation

Criteria	Nature	Amount at stake in €	Actual result	Amount granted in €
Successful acquisition and integration of SBS	qualitative	170,000	Objective attained	170,000
TOTAL		**170,000**		**170,000**

The Compensation Committee noted the attainment of the objectives set by the Board of Directors for the Deputy Chief Executive Officer regarding the successful acquisition and integration of SBS and, in particular:

- facilitating the implementation of the 74Software organization;
- aligning the 2025 budget with the lender's plan;
- retaining the management team during the transaction.

The Board of Directors therefore set Eric Bierry's exceptional compensation at €170,000 for fiscal year 2024 for the period from 2 September to 31 December 2024.

Pierre Pasquier, Chairman and Chief Executive Officer of Sopra GMT, 74Software's holding Company, received from this Company fixed compensation of €200,000 in respect of his duties, in addition to compensation referred to in Article L. 22-10-14 of the French Commercial Code in respect of his office of €27,575 for 2024. This compensation is not reinvoiced to the Company. Furthermore, as stated in the Sopra Steria Group Universal Registration Document, he also received fixed compensation of €500,000 as Chairman of the Board of Directors of this Company and compensation referred to in Article L. 22-10-14 of the French Commercial Code in respect of his office of €30,724 for 2024.

Share subscription options awarded to Company officers since their appointment

The Company officers did not receive stock options when the various plans were set up.

Stock options awarded to each executive officer by the issuer and by all 74Software companies during the fiscal year

No stock options were granted to executive officers during the fiscal year ended 31 December 2024.

Stock options exercised during the fiscal year by each executive officer

No stock options granted to senior executives were exercised by executive officers during the fiscal year ended 31 December 2024. Prior to his appointment, the Company's current Chief Executive Officer, Patrick Donovan, was the Group's Chief Financial Officer and, as such, he was granted subscription options under stock option plans allocated to key managers. The plan under which he received these subscription options expired on 18 November 2011.

Past free share grants

Year	2024	2023	2022	2021
LTIP name	**Next CEO**	**Winning CEO**	**Achieve CEO**	**Focus CEO**
Date of General Meeting	24/05/2022	24/05/2022	24/05/2022	05/06/2019
Date of Board of Directors' meeting	16/05/2024	26/04/2023	26/07/2022	27/07/2021
Total number of free shares granted, of which to:	251,500	281,500	265,000	240,000
Patrick Donovan, Chief Executive Officer	**30,000**	**30,000**	**30,000**	**30,000**
Final share delivery date	31/03/2027	31/03/26	31/03/2025	31/03/2024
Lock-in period end date	30% of shares to be held until cessation of duties	30% of shares to be held until cessation of duties	30% of shares to be held until cessation of duties	30% of shares to be held until cessation of duties
Number of shares delivered at 31 December 2024	**–**	**–**	**–**	**16,600**
Cumulative number of shares vested at 31 December 2024	10,000	20,000	30,000	16,600
Number of shares vested during the fiscal year ended	**10,000**	**10,000**	**10,000**	**–**
Cumulative number of shares cancelled or lapsed at 31 December 2024	–	–	–	13,400
Number of free shares remaining at the reporting date	20,000	10,000	–	–

LTIP name	Deputy CEO
Date of General Meeting	24/05/2022
Date of Board of Directors' meeting	23/10/2024
Total number of free shares granted, of which to:	30,000
Eric Bierry, Deputy Chief Executive Officer	**30,000**
Final share delivery date	31/03/27
Lock-in period end date	30% of shares to be held until cessation of duties
Number of shares delivered at 31 December 2024	**–**
Cumulative number of shares vested at 31 December 2024	10,000
Number of shares vested during the fiscal year ended	**10,000**
Cumulative number of shares cancelled or lapsed at 31 December 2024	–
Number of free shares remaining at the reporting date	20,000

Information on the performance of the free share grant plans

The table below presents the annual attainment percentages for each of the three years of the LTI plans granted to the Chief Executive Officer and the Deputy Chief Executive Officer.

Plan	Performance conditions	Weight	Plan % attainment	Annual % attainment 2021	2022	2023	2024	2025	2026
Focus CEO	Axway R40 Amplify API revenue growth	50% 50%	***62%***	16%	50%	86%			
Achieve CEO	Axway profit on operating activities Axway organic revenue growth	75% 25%	***100%***		100%	100%	100%		
Winning CEO	Axway profit on operating activities Axway organic revenue growth	75% 25%	***N/A***			100%	100%	N/A	
Next CEO	Axway profit on operating activities Axway organic revenue growth	75% 25%	***N/A***				100%	N/A	N/A
Deputy CEO	SBS profit on operating activities SBS organic revenue growth	75% 25%	***N/A***				100%	N/A	N/A

Information on the performance conditions of the free share grant plans

The table below presents the objectives and results for the criteria associated with the free share grant plan performance conditions.

The threshold and target values are defined by the Compensation Committee and validated by the Board of Directors.

Year	Criteria	Threshold	Target	Result	% Attainment
2021	Axway R40	***11.0%***	16.0%	8.8%	—%
	Amplify API revenue growth	***10.0%***	25.0%	14.8%	32.0%
2022	Axway R40	***11.0%***	16.0%	20.2%	100.0%
	Amplify API revenue growth	***10.0%***	25.0%	<10%	—%
	Axway profit on operating activities	***9.0%***	13.0%	14.7%	100.0%
	Axway organic revenue growth	***-1.0%***	3.0%	5.5%	100.0%
2023	R40 Axway	***15.0%***	20.0%	25.5%	100.0%
	Amplify API revenue growth	***-5.0%***	10.0%	12.3%	100.0%
	Axway profit on operating activities	***14.0%***	18.0%	19.7%	100.0%
	Axway organic revenue growth	***-1.0%***	2.0%	5.8%	100.0%
2024	SBS profit on operating activities	***9.0%***	11.0%	14.1%	100.0%
	SBS revenue growth	***1.0%***	4.0%	5.9%	100.0%
	Axway profit on operating activities	***17.0%***	20.0%	20.9%	100.0%
	Axway organic revenue growth	***-1.0%***	2.0%	3.4%	100.0%

4.4.2 Compensation policy

The following developments, which form an integral part of the Board of Directors' report on corporate governance, are presented in accordance with Articles L. 22-10-8 and R. 225-29-1 of the French Commercial Code.

Pursuant to Article L. 22-10-8, shareholders will be asked to approve the compensation policy for Company officers described below.

The Company officer compensation policy is approved by the Board of Directors of the Company in accordance with prevailing legal provisions and the Middlenext Code.

Measures aimed at avoiding and managing conflicts of interest are set out in the Board of Directors' internal regulations.

4.4.2.1 Components of the compensation policy applicable to all Company officers

The Company officer compensation policy is set by the Board of Directors, which reviews the compensation system annually to verify it matches the Group's needs. It is assisted by the Compensation Committee which prepares its decisions. The Committee holds several preparatory meetings during the final quarter of the preceding fiscal year and the first quarter of the current fiscal year. The Committee then presents its recommendations to the Board of Directors which debates them and makes a decision.

The Board of Directors ensures that the compensation policy is consistent with the Company's interests and contributes to its commercial strategy and long-term success. It sets strict performance conditions for the variable compensation and share-based compensation of the Chief Executive Officer and, where applicable, one or more Deputy Chief Executive Officers, based on financial and non-financial objectives, where appropriate, in conjunction with the Group's strategy.
The Company's quantified objectives, identified during the examination of the budget, are taken into account when setting quantitative objectives.

The Board of Directors also takes account of the salary policy decided by the Group and decisions concerning the fixed and variable compensation of Executive Committee members.
It considers, where appropriate, employee share ownership or long-term incentive measures for all employees or management of the Company and its subsidiaries and sets the presence and performance conditions.

The Board determines the quantitative criteria to be taken into account for variable and share-based compensation (at the recommendation of the Compensation Committee), as well as any qualitative criteria, where applicable. It ensures the precise definition of criteria. For the quantitative criteria, it generally sets a threshold below which variable compensation is not paid, a target enabling the payment of 100% of the planned compensation for the criteria and a cap where this amount can be exceeded. Performance is assessed by comparing actual results with the objective, broken down by threshold-target-cap.

At the beginning of the year, the Compensation Committee notes the rate of attainment of quantitative objectives for the previous year and assesses the attainment of qualitative objectives. To this end, it interviews the Chairman of the Board of Directors and familiarises itself with any information that could assist this assessment.

4.4.2.2 Compensation policy for the Board of Directors

Pursuant to recommendation R.12 of the Middlenext Code and Article 10 of the Board of Directors' internal regulations, the allocation of compensation referred to in Article L. 22-10-14 of the French Commercial Code is approved by the Board of Directors, on the proposal of the Compensation Committee, and takes into account:

- attendance at Board of Directors' meetings;
- the time devoted to their role, including attendance at Committee meetings.

Compensation will be allocated on the same basis in fiscal year 2025, according to the following principles:

- allocation of total compensation between the Committees and the Board of Directors as follows:
  - Board of Directors: 58%,
  - Audit Committee: 20%,
  - Appointments, Governance and Corporate Responsibility Committee: 12%,
  - Compensation Committee: 10%;
- the attendance of the Committee Chairman at a Committee meeting counts double.

Pursuant to the provisions of Article L. 22-10-14 of the French Commercial Code, the total compensation payable to directors is set by Ordinary General Meeting, on the proposal of the Board of Directors.

The Board of Directors has proposed an increase in the compensation referred to in Article L. 22-10-14 of the French Commercial Code from €330,000 to €500,000 for the year ending 31 December 2025. Unchanged since 2019, this new compensation takes into account the change in the size of the Board and practices observed in listed companies comparable to 74Software following the acquisition of SBS.

4.4.2.3 Compensation policy for executive officers

The Compensation Committee issued recommendations regarding executive officer compensation, which was reviewed by the Board of Directors at its meeting of 26 February 2025. Account is taken of the following in particular:

- the principles detailed in the Middlenext Code, that is completeness, balance between compensation components, benchmarks, consistency, clear rules, restraint and transparency;
- the experience and expertise of the executive officer;
- the duties and responsibilities associated with the position;
- the compensation of other Company senior executives;
- market practice;
- Company interest;
- strategy and long-term success of the Group.

The annual review policy affords a greater understanding of the challenges faced by an industry sector that is undergoing constant change and is characterised by its extremely high level of seasonality.

There is no specific supplementary retirement scheme for senior executives outside the common law system.

a. Compensation policy for the Chairman of the Board of Directors

The compensation of the Chairman of the Board of Directors is determined each year by the Board of Directors, based on the recommendations of the Compensation Committee.

It essentially comprises fixed compensation in addition to the compensation for his duties of director and is only reviewed at long intervals. At the recommendation of the Compensation Committee, the Board of Directors decided in 2024 to increase to €200,000 the annual fixed compensation of the Chairman of the Board of Directors, which is unchanged since June 2011 when Axway became an independent Company listed on the Paris stock exchange, through a spin-off and listing operation.

Fiscal year 2025 and beyond

Compensation components	
Annual fixed compensation	Determined by the Board of Directors at the recommendation of the Compensation Committee
Annual variable compensation	Not applicable
Deferred variable compensation	Not applicable
Multi-year variable compensation	Not applicable
Deferral period, ability to request repayment of variable compensation	Not applicable
Exceptional compensation	Applicable, at the decision of the Board of Directors, subject to very specific circumstances (separation-IPO of a subsidiary, merger, etc.). Payment conditional on Ordinary General Meeting approval and, in all events, capped at 100% of annual fixed compensation
Other benefits in kind	Not applicable
Stock options, performance shares or any other long-term compensation	Not applicable
Compensation referred to in Article L. 22-10-14 of the French Commercial Code	Application of the directors' compensation policy
Severance pay/indemnities for a change in duties	Not applicable
Non-compete indemnities	Not applicable
Supplementary pension plan	Not applicable

The main components taken into account to calculate this compensation are:

- the role of the Chairman of the Board of Directors in the organisation and management of the Board's procedures;
- consistency with the compensation practices of non-executive Chairpersons of compartment B (Mid Cap) listed companies;
- the expertise and experience of the Chairman of the Board of Directors.

Given the above and based on the criteria detailed previously for defining executive officer compensation, the Board of Directors' meeting of 29 January 2025, on the recommendation of the Compensation Committee, decided to maintain the compensation structure of the Chairman of the Board of Directors and retain his fixed compensation at €200,000.

In the event of the appointment of a new Chairman, the Board of Directors will determine his/her compensation, at the recommendation of the Compensation Committee, in accordance with the compensation policy detailed above.

b. Compensation policy for the Chief Executive Officer

The compensation of the Chief Executive Officer is determined each year by the Board of Directors, based on the recommendations of the Compensation Committee.

The total compensation of the Chief Executive Officer was reviewed in 2023. It is part of a three-year cycle, of which 2025 is the final year.

Fiscal year 2025 and beyond

Compensation components	Comment
Annual fixed compensation	Determined by the Board of Directors at the recommendation of the Compensation Committee (based, notably, on responsibilities exercised, experience, external and internal comparisons).
Annual variable compensation	Amount: 100% of 2025 fixed compensation if objectives are attained and up to 175% of fixed compensation in the event of notable outperformance. It is conditional on the attainment of: ■ quantitative criteria: – 60% based on a combination of 74Software's organic growth and operating profitability, This percentage may be increased to 110% in the event of notable outperformance; ■ non-financial qualitative criteria: – 5% based on the Axway employee engagement indicator, – 5% based on the SBS employee engagement indicator, – 5% based on a 74Software ESG (Environmental, Social and Governance) performance indicator; ■ a strategic qualitative criteria: – 25% based on 74Software's strategy and governance. This percentage may be increased to 50% in the event of notable outperformance. Precise 2025 objectives were set by the Board of Directors for these criteria but attainment levels are not published for confidentiality reasons. The attainment of the quantitative and qualitative criteria is examined by the Board of Directors' meeting adopting the financial statements for the previous fiscal year, at the recommendation of the Compensation Committee.
Deferred variable compensation	Not applicable
Multi-year variable compensation	Not applicable
Deferral period, ability to request repayment of variable compensation	Not applicable
Exceptional compensation	Applicable, at the decision of the Board of Directors, in the event of very specific circumstances (separation-IPO of a subsidiary, merger, etc.). Payment conditional on Ordinary General Meeting approval and, in all events, capped at 100% of annual fixed compensation.
Stock options, performance shares or any other long-term compensation	Eligible for long-term incentive plans implemented for Axway management. These plans include a condition of presence throughout the duration of the plan and demanding performance conditions. Vesting period of two years or more. Obligation to hold 30% of shares vested under the plan throughout the term of office. No guaranteed minimum.
Compensation referred to in Article L. 22-10-14 of the French Commercial Code	Not applicable (unless appointed to the Company's Board of Directors. Offices exercised in 74Software's subsidiaries do not give rise to compensation).
Other benefits in kind	Not applicable
Severance pay/indemnities for a change in duties	The maximum amount of these indemnities is one year's fixed and variable salary. The payment of this severance pay is 50% dependent on 74Software organic growth and 50% dependent on 74Software profit from operations. These severance payments are only due in the event of the Chief Executive Officer's forced departure from the Company. No severance payments shall be due if (i) the Chief Executive Officer leaves his position at his own initiative, or (ii) in the event of gross negligence or serious misconduct, or (ill) in the event of a wrongful act which is unrelated to his position, or (iv) in the event of the Chief Executive Officer's departure to the Sopra Steria Group.
Non-compete indemnities	Not applicable
Supplementary pension plan	Not applicable

Fixed compensation

Each year, the Board of Directors decides the compensation of the Chief Executive Officer, based on the recommendations of the Compensation Committee.

Gross fixed annual compensation for the fiscal year ending 31 December 2025 would be US$625,000. The fixed compensation has remained stable since 2023.

Variable compensation

Each year, the Board of Directors decides the variable compensation of the Chief Executive Officer, based on the recommendations of the Compensation Committee.

Variable compensation seeks to align the Chief Executive Officer's compensation with 74Software's annual performance and promote the implementation of its strategy.

Gross variable compensation for the fiscal year ending 31 December 2025, if objectives are attained, would be US$625,000. The variable compensation has remained stable since 2023.

The performance criteria are 60% quantitative and 40% qualitative. This split gives greater importance to the Company's long-term performance and particularly criteria tied to social, environmental and strategic considerations.

In exceptional circumstances (*e.g.* an exogenous shock), the Board of Directors may derogate from application of the compensation policy if this derogation is temporary, in the Company's interest and necessary to ensure the long-term success and viability of the Company. This derogation could be applied if 74Software's results require the suspension of the normal application of the variable compensation system for Executive Committee members. The Compensation Committee would therefore examine the Chief Executive Officer's position and could propose to the Board of Director to derogate from the compensation policy by deciding an increase in the variable compensation calculation. This possibility would be contingent on a two-thirds majority vote by the Board of Directors. It is recalled that this derogation would be subject to the *ex-post* approval of shareholders at the next General Meeting.

Stock options, performance shares or any other long-term compensation

It was proposed that the Chief Executive Officer benefit from the incentive schemes set up by 74Software, regardless of the incentive vehicle used. Hence, the schemes may be performance share plans, free share plans or any other vehicle designed to build management loyalty in the medium and long term. This compensation is in the Company's interest and contributes to its commercial strategy and long-term success.

The decision to grant stock options and/or free shares to the Chief Executive Officer will be decided within the limits set by the authorisation granted by the General Meeting and the conditions set by prevailing legal provisions and the Middlenext Code to which the Company refers.

The Chief Executive Officer cannot be granted stock options or free shares at the time of his departure.

Share-based compensation contributes to aligning the interests of the Chief Executive Officer with those of shareholders and providing a long-term perspective.

In the event of the appointment of a new Chief Executive Officer or a new Deputy Chief Executive Officer, the Board of Directors will determine his/her/their compensation, at the recommendation of the Compensation Committee, in accordance with the compensation policy detailed above. The payment of variable compensation granted to the Chief Executive Officer is subject to approval by the Ordinary General Meeting of the compensation components paid to the Chief Executive Officer during the previous fiscal year or awarded in respect of this same fiscal year (*ex-post* vote).

c. Compensation policy for the Deputy Chief Executive Officer

The compensation of the Deputy Chief Executive Officer is determined by the Board of Directors, based on the recommendations of the Compensation Committee.

Fixed compensation

Each year, the Board of Directors decides the compensation of the Deputy Chief Executive Officer, based on the recommendations of the Compensation Committee.

Gross fixed annual compensation for the fiscal year ending 31 December 2025 would be €448,500.

Variable compensation

Each year, the Board of Directors decides the variable compensation of the Deputy Chief Executive Officer, based on the recommendations of the Compensation Committee.

Variable compensation seeks to align the Deputy Chief Executive Officer's compensation with 74Software's annual performance and promote the implementation of its strategy.

Gross variable compensation for the fiscal year ending 31 December 2025, if objectives are attained, would be €300,000.

The performance criteria are 60% quantitative and 40% qualitative.

In exceptional circumstances (*e.g.* an exogenous shock), the Board of Directors may derogate from application of the compensation policy if this derogation is temporary, in the Company's interest and necessary to ensure the long-term success and viability of the Company. This derogation could be applied if 74Software's results require the suspension of the normal application of the variable compensation system for Executive Committee members. The Compensation Committee would therefore examine the Deputy Chief Executive Officer's position and could propose to the Board of Director to derogate from the compensation policy by deciding an increase in the variable compensation calculation. This possibility would be contingent on a two-thirds majority vote by the Board of Directors. It is recalled that this derogation would be subject to the *ex-post* approval of shareholders at the next General Meeting.

Stock options, performance shares or any other long-term compensation

It was proposed that the Deputy Chief Executive Officer benefit from the incentive schemes set up by 74Software, regardless of the incentive vehicle used. Hence, the schemes may be performance share plans, free share plans or any other vehicle designed to build management loyalty in the medium and long term. This compensation is in the Company's interest and contributes to its commercial strategy and long-term success.

The decision to grant stock options and/or free shares to the Deputy Chief Executive Officer will be decided within the limits set by the authorisation granted by the General Meeting and the conditions set by prevailing legal provisions and the Middlenext Code to which the Company refers.

The Deputy Chief Executive Officer cannot be granted stock options or free shares at the time of his departure. Share-based compensation contributes to aligning the interests of the Deputy Chief Executive Officer with those of shareholders and providing a long-term perspective.

In the event of the appointment of a new Deputy Chief Executive Officer, the Board of Directors will determine his/her compensation, at the recommendation of the Compensation Committee, in accordance with the compensation policy detailed above.

The payment of variable compensation granted to the Deputy Chief Executive Officer is subject to approval by the Ordinary General Meeting of the compensation components paid to the Deputy Chief Executive Officer during the previous fiscal year or awarded in respect of this same fiscal year (*ex-post* vote).

Fiscal year 2025 and beyond

Compensation components	Comment
Annual fixed compensation	Determined by the Board of Directors at the recommendation of the Compensation Committee (based, notably, on responsibilities exercised, experience, external and internal comparisons).
Annual variable compensation	Amount: 67% of 2025 fixed compensation if objectives are attained and up to 117% of fixed compensation in the event of notable outperformance. It is conditional on the attainment of: ■ quantitative criteria: – 50% based on a combination of SBS's organic growth and operating profitability. This percentage may be increased to 91.7% in the event of notable outperformance, – 10% based on a combination of 74Software's organic growth and operating profitability. This percentage may be increased to 18.3% in the event of notable outperformance; ■ non-financial qualitative criteria: – 5% based on the SBS employee engagement indicator, – 5% based on SBS's NPS customer satisfaction indicator, – 5% based on a 74Software ESG (Environmental, Social and Governance) performance indicator; ■ strategic qualitative criteria: – 12.5% for the SBS incubation zone. This percentage may be increased to 25% in the event of notable outperformance, – 12.5% based on the strategy for 74Software Tier 1 accounts This percentage may be increased to 25% in the event of notable outperformance. Precise 2025 objectives were set by the Board of Directors for these criteria but attainment levels are not published for confidentiality reasons. The attainment of the quantitative and qualitative criteria is examined by the Board of Directors' meeting adopting the financial statements for the previous fiscal year, at the recommendation of the Compensation Committee.
Deferred variable compensation	Not applicable
Multi-year variable compensation	Not applicable
Deferral period, ability to request repayment of variable compensation	Not applicable
Exceptional compensation	Applicable, at the decision of the Board of Directors, in the event of very specific circumstances (separation-IPO of a subsidiary, merger, etc.). Payment conditional on approval by Ordinary General Meeting and, in all events, capped at 100% of annual fixed compensation.
Stock options, performance shares or any other long-term compensation	Eligible for long-term incentive plans implemented for 74Software management. These plans include a condition of presence throughout the duration of the plan and demanding performance conditions. Vesting period of two years or more. Obligation to hold 30% of shares vested under the plan throughout the term of office. No guaranteed minimum.
Compensation referred to in Article L. 22-10-14 of the French Commercial Code	Not applicable (unless appointed to the Company's Board of Directors. Offices exercised in 74Software's subsidiaries do not give rise to compensation).
Other benefits in kind	Company car
Severance pay/indemnities for a change in duties	Not applicable
Non-compete indemnities	Not applicable
Supplementary pension plan	Not applicable

4.4.3 Equity ratio

	2024	2023	2022	2021	2020
Chairman of the Board of Directors					
Compensation of the Chairman of the Board of Directors *(in euros)*	200,000	138,000	138,000	138,000	138,000
Ratio with average compensation *(World)*	2.9	1.5	1.5	1.6	1.7
Ratio with median compensation *(World)*	3.6	1.9	1.9	2.0	2.1
French minimum wage (annual – *in euros*)	9.4	6.6	7.0	7.2	
Chief Executive Officer					
Compensation of the Chief Executive Officer (*in euros*)	1,154,842	1,156,048	1,044,585	930,044	963,054
Ratio with average compensation *(World)*	16.7	12.6	11.4	11.0	11.6
Ratio with median compensation *(World)*	21.0	16.2	14.7	13.6	14.4
French minimum wage (annual – *in euros*)	54.3	55.5	52.9	48.8	
Deputy Chief Executive Officer					
Compensation of the Deputy CEO (in euros)	748,500				
Ratio with average compensation *(World)*	10.8				
Ratio with median compensation *(World)*	13.6				
French minimum wage (annual – in euros)	35.2				
Employees					
Average compensation *(excluding company officers - World)* (*in euros*)	69,343	91,389	91,356	84,491	82,700
Median compensation *(excluding company officers - World)* (*in euros*)	54,867	71,522	70,994	68,286	66,441
French minimum wage (annual – *in euros*)	21,273.0	20,815.0	19,744.0	19,074.0	
Performance criteria (in millions of euros)					
(Revenue)	462	318	314	286	297
(Operating profit/(loss))	88	62.8	46.3	32.9	30.8

The equity ratios are prepared based on fixed and theoretical variable amounts, determined at 31 December of the relevant year for each of the past five years:

- for employees, all employees present in the workforce at 31 December of the relevant year and holding a permanent employment contract were included in the calculations. Compensation amounts were restated on a full-time equivalent basis. As Axway has a strong international culture with employees present in 26 countries, the decision was made to retain the scope of the Company and its subsidiaries when examining this ratio;
- for the Chairman of the Board of Directors, account was taken of fixed compensation amounts;
- for the Chief Executive Officer, fixed and theoretical variable compensation amounts at 31 December of the relevant year, published annually in the relevant Registration Documents or Universal Registration Documents were included in the calculations. Compensation amounts were restated on a full-time equivalent basis. The Chief Executive Officer's compensation was paid in US dollars and is presented in the table in euros. Euro/dollar exchange rates at 31 December of each year (as presented in the relevant reference documents or Universal Registration Documents) were applied in preparing the table:
  - at 31 December 2020, €1 = $1.1422,
  - at 31 December 2021, €1 = $1.18274,
  - at 31 December 2022, €1 = $1.05305,
  - at 31 December 2023, €1 = $1.08127,
  - at December 31, 2024, €1 = $1.0824;
- for the Deputy Chief Executive Officer (appointed on 2 September 2024), compensation was restated on a "full-time equivalent" basis.

4.4.4 Description of free share grants

I. Free shares granted during the fiscal year ended 31 December 2021

The Combined General Meeting of 5 June 2019 in its thirty-third extraordinary resolution:

- authorised the Board of Directors to perform free grants, on one or more occasions, at its choice, of either existing shares of the Company or shares to be issued, to qualifying employees or Company officers (within the meaning of Article L. 225-197-1 II, paragraph 1 of the French Commercial Code) of the Company and of companies and economic interest groups affiliated with the Company pursuant to the conditions defined in Article L. 225-197-2 of the French Commercial Code, or to certain categories of such employees or Company officers;
- decided that this authorisation cannot confer entitlement to a number of shares representing more than 4% of the Company's share capital (assessed at the date of the Board of Directors grant decision), it being specified that, where applicable, this number shall be increased by the additional amount of shares to be issued to preserve, in accordance with the law or any other applicable contractual agreement, the rights of holders of securities granting access to the Company's share capital.

LTI Focus free share grant plan

The Board meeting of 27 July 2021, in application of the aforementioned resolution, set the conditions and criteria for the grant of free shares under a plan involving 240,000 performance shares (the LTI Focus Plan). The main characteristics of this plan are as follows:

- a free grant of a total of 240,000 rights to performance shares in favour of employees and the Chief Executive Officer of the Company subject to meeting the various conditions detailed below, it being specified that at 27 July 2021, the date of free grant of the performance shares, the value of the Company's share was €26.80 per share. This grant will only be finalised if all of the conditions have been fulfilled at the end of the vesting period;
- the LTI Focus free share plan has a vesting period of three (3) years for employees and the Chief Executive Officer. Subject to fulfilment of the cumulative conditions detailed below, the shares will vest to each beneficiary at the end of this three (3) year period:
  - presence condition:
    - each beneficiary must, throughout the vesting period for these rights to the free grant of performance shares, be an employee or executive officer within the meaning of Article L. 225-197-1-II of the French Commercial Code or retired from the Company or the companies or economic interest groups affiliated with the Company within the meaning of Article L. 225-197-2 of the French Commercial Code,
  - performance condition:
    - the performance condition as defined in the plan will determine the number of performance shares that vest to the beneficiary based on the performance criteria assessed over three consecutive fiscal years,
    - for the Focus plan, it is based on organic growth in revenue, the profit margin and growth in the Company's "Amplify API" revenue,
  - guaranteed minimum (not applicable to the Chief Executive Officer):
    - each plan beneficiary will obtain annually, regardless of the final results of the performance conditions for the year in question, at least 50% of performance shares. If, at the end of the year in question, over 50% of the performance conditions are fulfilled, the plan beneficiary will be granted the higher number of performance shares,
    - performance shares are only deemed to have vested if the following two conditions are met (i) the vesting period has expired, and (ii) the presence condition is satisfied,
- the shares delivered will be existing shares held by the Company at the end of the vesting period and/or shares that have been newly created at the latest at the end of the vesting period,
- this free share grant is open to all employees, including the Chief Executive Officer. Accordingly, an incentive bonus was paid to employees in order to comply with the laws and regulations in force and, in particular, Article L. 22-10-60 of the French Commercial Code.

II. Free shares granted during the fiscal year ended 31 December 2022

The Combined General Meeting of 24 May 2022 in its nineteenth extraordinary resolution:

- authorised the Board of Directors to perform free grants, on one or more occasions, at its choice, of either existing shares of the Company or shares to be issued, to qualifying employees or Company officers (within the meaning of Article L. 225-197-1 II, paragraph 1 of the French Commercial Code) of the Company and of companies and economic interest groups affiliated with the Company pursuant to the conditions defined in Article L. 225-197-2 of the French Commercial Code, or to certain categories of such employees or Company officers;
- decided that this authorisation cannot confer entitlement to a number of shares representing more than 4% of the Company's share capital (assessed at the date of the Board of Directors grant decision), it being specified that, where applicable, this number shall be increased by the additional amount of shares to be issued to preserve, in accordance with the law or any other applicable contractual agreement, the rights of holders of securities granting access to the Company's share capital.

LTI Achieve free share grant plan

The Board meeting of 26 July 2022, in application of the aforementioned resolution, set the conditions and criteria for the grant of free shares under a plan involving 265,000 performance shares (the LTI Achieve Plan). The main characteristics of this plan are as follows:

- a free grant of a total of 265,000 rights to performance shares in favour of employees and the Chief Executive Officer of the Company subject to meeting the various conditions detailed below, it being specified that at 26 July 2022, the date of free grant of the performance shares, the value of the Company's share was €18.50 per share. This grant will only be finalised if all of the conditions have been fulfilled at the end of the vesting period;
  - the LTI Achieve free share plan has a vesting period of three (3) years for employees and the Chief Executive Officer. Subject to fulfilment of the cumulative conditions detailed below, the shares will vest to each beneficiary at the end of this three (3) year period:
  - presence condition:
    - each beneficiary must, throughout the vesting period for these rights to the free grant of performance shares, be an employee or executive officer within the meaning of Article L. 225-197-1-II of the French Commercial Code or retired from the Company or the companies or economic interest groups affiliated with the Company within the meaning of Article L. 225-197-2 of the French Commercial Code,
  - performance condition:
    - the performance condition as defined in the plan will determine the number of performance shares that vest to the beneficiary based on the performance criteria assessed over three consecutive fiscal years,
    - for the Achieve plan, it is based on organic growth in Company revenue and profit margin (operating profitability), it being noted that this condition will be assessed for each of the performance criteria by the average annual attainment rate for these criteria based on the objectives (threshold and target) set by the Board of Directors during the initial Board meetings each year following the publication of results,
  - guaranteed minimum (not applicable to the Chief Executive Officer):
    - each plan beneficiary will obtain annually, regardless of the final results of the performance conditions for the year in question, at least 50% of performance shares. If, at the end of the year in question, over 50% of the performance conditions are fulfilled, the plan beneficiary will be granted the higher number of performance shares,
  - performance shares are only deemed to have vested if the following two conditions are met (i) the vesting period has expired and (ii) the presence condition is satisfied;
- the shares delivered will be existing shares held by the Company at the end of the vesting period and/or shares that have been newly created at the latest at the end of the vesting period;
- this free share grant is open to all employees, including the Chief Executive Officer. Accordingly, an incentive bonus was paid to employees in order to comply with the laws and regulations in force and, in particular, Article L. 22-10-60 of the French Commercial Code.

III. Free shares granted during the fiscal year ended 31 December 2023

The Combined General Meeting of 24 May 2022 in its nineteenth extraordinary resolution:

- authorised the Board of Directors to perform free grants, on one or more occasions, at its choice, of either existing shares of the Company or shares to be issued, to qualifying employees or company officers (within the meaning of Article L. 225-197-1 II, paragraph 1 of the French Commercial Code) of the Company and of companies and economic interest groups affiliated with the Company pursuant to the conditions defined in Article L. 225-197-2 of the French Commercial Code, or to certain categories of such employees or Company officers;
- decided that this authorisation cannot confer entitlement to a number of shares representing more than 4% of the Company's share capital (assessed at the date of the Board of Directors grant decision), it being specified that, where applicable, this number shall be increased by the additional amount of shares to be issued to preserve, in accordance with the law or any other applicable contractual agreement, the rights of holders of securities granting access to the Company's share capital.

LTI Winning free share grant plan

The Board meeting of 26 April 2023, in application of the aforementioned resolution, set the conditions and criteria for the grant of free shares under a plan involving 281,500 performance shares (the LTI Winning Plan). The main characteristics of this plan are as follows:

- a free grant of a total of 281,500 rights to performance shares in favour of employees and the Chief Executive Officer of the Company subject to meeting the various conditions detailed below, it being specified that at 26 April 2023, the date of free grant of the performance shares, the value of the Company's share was €19.90 per share. This grant will only be finalised if all of the conditions have been fulfilled at the end of the vesting period;
- the LTI Winning free share plan has a vesting period of three (3) years for employees and the Chief Executive Officer. Subject to fulfilment of the cumulative conditions detailed below, the shares will vest to each beneficiary at the end of this three (3) year period:
  - presence condition:
    - each beneficiary must, throughout the vesting period for these rights to the free grant of performance shares, be an employee or executive officer within the meaning of Article L. 225-197-1-II of the French Commercial Code or retired from the Company or the companies or economic interest groups affiliated with the Company within the meaning of Article L. 225-197-2 of the French Commercial Code,
  - performance condition:
    - the performance condition as defined in the plan will determine the number of performance shares that vest to the beneficiary based on the performance criteria assessed over three consecutive fiscal years,

    - for the Winning plan, it is based on organic growth in Company revenue (25% weight) and profit margin (operating profitability) (75% weight), it being noted that this condition will be assessed for each of the performance criteria by the average annual attainment rate for these criteria based on the objectives (threshold and target) set by the Board of Directors during the initial Board meetings each year following the publication of results,
  - guaranteed minimum (not applicable to the Chief Executive Officer):
    - each plan beneficiary will obtain annually, regardless of the final results of the performance conditions for the year in question, at least 50% of performance shares. If, at the end of the year in question, over 50% of the performance conditions are fulfilled, the plan beneficiary will be granted the higher number of performance shares,
  - performance shares are only deemed to have vested if the following two conditions are met (i) the vesting period has expired and (ii) the presence condition is satisfied;
- the shares delivered will be existing shares held by the Company at the end of the vesting period and/or shares that have been newly created at the latest at the end of the vesting period;
- this free share grant is open to all employees, including the Chief Executive Officer. Accordingly, an incentive bonus was paid to employees in order to comply with the laws and regulations in force and, in particular, Article L. 22-10-60 of the French Commercial Code.

During the fiscal year ended 31 December 2023, the Company and its affiliates did not set up any new share subscription option plans.

In addition to free share grants, the following tables indicate options exercised during the year by executive officers and the top 10 employees that are not Company officers.

IV. Free shares granted during the fiscal year ended 31 December 2024

LTI NEXT free share grant plan

The Board meeting of 16 May 2024, in application of the aforementioned resolution, set the conditions and criteria for the grant of free shares under a plan involving 251,500 performance shares (the LTI Next Plan). The main characteristics of this plan are as follows:

- a free grant of a total of 251,500 rights to performance shares in favour of employees and the Chief Executive Officer of the Company subject to meeting the various conditions detailed below, it being specified that at 16 May 2024, the date of free grant of the performance shares, the value of the Company's share was €24.70 per share. This grant will only be finalised if all of the conditions have been fulfilled at the end of the vesting period;
- the LTI Next free share plan has a vesting period of three (3) years for employees and the Chief Executive Officer. Subject to fulfilment of the cumulative conditions detailed below, the shares will vest to each beneficiary at the end of this three (3) year period:
  - presence condition:
    - the beneficiary must, throughout the vesting period for these rights to the free grant of performance shares, be a senior executive or executive officer within the meaning of Article L. 225-197-1-II of the French Commercial Code or retired from the Company or the companies or economic interest groups affiliated with the Company within the meaning of Article L. 225-197-2 of the French Commercial Code,
  - performance condition:
    - the performance condition as defined in the plan will determine the number of performance shares that vest to the beneficiary based on the performance criteria assessed over three consecutive fiscal years,
    - for the LTI Next plan, it is based on organic growth in Company revenue and profit margin (operating profitability), it being noted that this condition will be assessed for each of the performance criteria by the average annual attainment rate for these criteria based on the objectives (threshold and target) set by the Board of Directors during the initial Board meetings each year following the publication of results,
  - guaranteed minimum (not applicable to the Chief Executive Officer):
    - each plan beneficiary will obtain annually, regardless of the final results of the performance conditions for the year in question, at least 50% of performance shares.
If, at the end of the year in question, over 50% of the performance conditions are fulfilled, the plan beneficiary will be granted the higher number of performance shares,
  - performance shares are only deemed to have vested if the following two conditions are met (i) the vesting period has expired, and (ii) the presence condition is satisfied;
- the shares delivered will be existing shares held by the Company at the end of the vesting period and/or shares that have been newly created at the latest at the end of the vesting period;
- this free share grant is open to all employees, including the Chief Executive Officer. Accordingly, an incentive bonus was paid to employees in order to comply with the laws and regulations in force and, in particular, Article L. 22-10-60 of the French Commercial Code.

Deputy CEO free share grant plan

The Board meeting of 23 October 2024, in application of the aforementioned resolution, set the conditions and criteria for the grant of free shares under a plan involving 30,000 performance shares (the LTI Deputy CEO Plan). The main characteristics of this plan are as follows:

- a free grant of a total of 30,000 rights to performance shares in favour of the Deputy Chief Executive Officer of the Company subject to meeting the various conditions detailed below, it being specified that at 23 October 2024, the date of free grant of the performance shares, the value of the Company's share was €24.70 per share. This grant will only be finalised if all of the conditions have been fulfilled at the end of the vesting period;
  - the LTI Deputy CEO free share plan has a vesting period of three (3) years for the Deputy Chief Executive Officer. Subject to fulfilment of the cumulative conditions detailed below, the shares will vest to him at the end of this three (3) year period:
  - presence condition:
    - the beneficiary must, throughout the vesting period for these rights to the free grant of performance shares, be a senior executive or executive officer within the meaning of Article L. 225-197-1-II of the French Commercial Code or retired from the Company or the companies or economic interest groups affiliated with the Company within the meaning of Article L. 225-197-2 of the French Commercial Code,
  - performance condition:
    - the performance condition as defined in the plan will determine the number of performance shares that vest to the beneficiary based on the performance criteria assessed over three consecutive fiscal years,
    - for the Deputy CEO plan, it is based on organic growth in revenue and profit margin (operating profitability) of the SBS activity branch, it being noted that this condition will be assessed for each of the two performance criteria by the average annual attainment rate for these criteria based on the objectives (threshold and target) set by the Board of Directors during the initial Board meetings each year following the publication of results,
  - performance shares are only deemed to have vested if the following two conditions are met (i) the vesting period has expired, and (ii) the presence condition is satisfied;
- the shares delivered will be existing shares held by the Company at the end of the vesting period and/or shares that have been newly created at the latest at the end of the vesting period;
- an incentive bonus was paid to employees in order to comply with the laws and regulations in force and, in particular, Article L. 22-10-60 of the French Commercial Code.

Stock options exercised during the fiscal year by each executive officer

Name of executive officer	Plan no. and date	Number of options exercised during the fiscal year	Exercise price
Patrick Donovan	N/A	N/A	N/A
Eric Bierry	N/A	N/A	N/A
TOTAL	**N/A**	**N/A**	**N/A**

Stock options granted to the top 10 employees (non-Company officers) and options exercised by them	Total number of options granted/shares subscribed or purchased	Weighted average price *(In euros)*	Plan no. 1	Plan no. 2
Options granted during the fiscal year by the issuer and any Company within the option grant scope to the 10 employees of the issuer, and of any Company within this scope, who received the highest number of options granted (aggregate information)	N/A	N/A	N/A	N/A
Options held on the issuer and the companies referred to above, exercised during the fiscal year by the 10 employees of the issuer and these companies, who purchased or subscribed the highest number of options (aggregate information)	N/A	N/A	N/A	N/A

5 Consolidated financial statements

5.1 Consolidated income statement

(in thousands of euros)	Notes	2024	2023
Revenue	**4.1**	**461,878**	**318,976**
Employee costs	5.1	-266,778	-179,558
Purchase and external expenses	4.2	-94,733	-63,778
Taxes and duties		-4,057	-2,876
Depreciation and amortisation, provisions and impairment	4.3	-11,660	-11,832
Other current operating income and expenses		3,076	1,881
Profit on operating activities		**87,725**	**62,813**
As a % of revenue		***19.0%***	***19.7%***
Share-based payment expense	5.4	-6,140	-4,183
Amortisation of allocated intangible assets	4.4	-8,560	-3,197
Profit from recurring operations		**73,026**	**55,432**
As a % of revenue		***15.8%***	***17.4%***
Other operating income and expenses	4.5	-11,653	-7,862
Operating profit		**61,373**	**47,570**
As a % of revenue		***13.3%***	***14.9%***
Cost of net financial debt	11.1	-10,158	-4,624
Other financial income and expenses	11.2	-4,565	-161
Income tax expense	6.1	-7,398	-6,951
Profit for the year from continuing operations		**39,251**	**35,834**
PROFIT FOR THE YEAR		**39,251**	**35,834**
As a % of revenue		***8.5%***	***11.2%***
of which attributable to non-controlling interests		84	6
of which attributable to owners of the Company		**39,167**	**35,828**

Net income per share – attributable to owners of the Company

(in euros)	Notes	2024	2023
Basic earnings per share	13.9	1.67	1.71
Diluted earnings per share	13.9	1.62	1.66

5.2 Statement of comprehensive income

(in thousands of euros)	Notes	2024	2023
Consolidated profit for the year		**39,251**	**35,834**
Other comprehensive income:			
Actuarial gains and losses on pension plans	5.3	413	-1,509
Tax impact		44	391
Sub-total items that will not be reclassified subsequently to profit or loss		**457**	**-1,118**
Share attributable to non-controlling interests		10	–
Translation adjustments	13.7	14,506	-7,113
Sub-total items that may not be reclassified subsequently to profit or loss		**14,516**	**-7,113**
Total other comprehensive income, net of tax		14,973	-8,231
TOTAL COMPREHENSIVE INCOME		**54,224**	**27,603**
of which attributable to non-controlling interests		94	6
of which attributable to owners of the Company		54,130	27,596

5.3 Consolidated statement of financial position

Assets

(in thousands of euros)	Notes	31/12/2024	31/12/2023
Goodwill	8.1	497,356	302,122
Intangible assets	8.3	192,302	5,138
Property, plant and equipment	8.4	19,414	9,289
Lease right-of-use assets	9.1	45,856	17,820
Non-current financial and other assets	7.1	16,792	13,098
Deferred tax assets	6.3	32,231	20,104
Non-current assets		**803,951**	**367,571**
Inventories and work in progress		4,535	–
Trade receivables and related accounts	7.2	293,532	178,009
Other current receivables	7.3	97,399	32,331
Cash and cash equivalents	11.3	41,437	16,682
Current assets		**436,904**	**227,022**
TOTAL ASSETS		**1,240,855**	**594,593**

Equity and liabilities

(in thousands of euros)	Notes	31/12/2024	31/12/2023
Share capital		59,492	43,267
Capital reserves		223,714	113,380
Consolidated and other reserves		209,905	153,785
Profit (loss) for the year		39,167	35,828
Equity – share attributable to owners of the Company		**532,279**	**346,260**
Non-controlling interests		**109**	**11**
TOTAL EQUITY	**13**	**532,388**	**346,271**
Financial debt – long-term portion	11.4	264,365	87,995
Lease liabilities – long-term portion	9.2	44,904	19,689
Deferred tax liabilities	6.3	45,031	4,378
Retirement benefits and similar commitments	5.3	34,866	8,886
Other non-current liabilities including long-term provisions	7.4	5,461	3,268
Non-current liabilities		**394,627**	**124,217**
Financial debt – short-term portion	11.4	27,380	4,278
Lease liabilities – short-term portion	9.2	9,447	4,037
Trade accounts payable	7.5	28,672	11,313
Deferred income	7.6	88,631	49,060
Other current liabilities	7.7	159,710	55,418
Current liabilities		**313,841**	**124,105**
TOTAL LIABILITIES		**708,468**	**248,322**
TOTAL EQUITY AND LIABILITIES		**1,240,855**	**594,593**

5.4 Consolidated statement of changes in equity

(in thousands of euros)	Share capital	Capital reserves	Treasury shares	Reserves and consolidated profit	Other comprehensive income	Attributable to: owners of the Company	Attributable to: non-controlling interests	Total
At 31 December 2022	**43,267**	**113,380**	**-11,946**	**144,008**	**39,098**	**327,807**	**9**	**327,816**
Capital transactions	–	–	–	–	–	–	–	–
Share-based payments	–	–	–	3,631	–	3,631	–	3,631
Transactions in treasury shares	–	–	-1,206	-3,172	–	-4,378	–	-4,378
Ordinary dividends	–	–	–	-8,402	–	-8,402	–	-8,402
Changes in scope of consolidation	–	–	–	–	–	–	–	–
Other movements	–	–	–	11	-6	5	-5	–
Transactions with shareholders	**–**	**–**	**-1,206**	**-7,932**	**-6**	**-9,143**	**-5**	**-9,148**
Profit for the year	–	–	–	35,828	–	35,828	6	35,834
Other comprehensive income	–	–	–	–	-8,231	-8,231	–	-8,231
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**–**	**–**	**–**	**35,828**	**-8,231**	**27,596**	**6**	**27,603**
At 31 December 2023	**43,267**	**113,380**	**-13,152**	**171,903**	**30,861**	**346,260**	**11**	**346,271**
Capital transactions	16,225	110,334	–	1,704	–	128,263	–	128,263
Share-based payments	–	–	–	5,244	–	5,244	–	5,244
Transactions in treasury shares	–	–	305	-1,996	–	-1,691	–	-1,691
Ordinary dividends	–	–	–	–	–	–	–	–
Changes in scope of consolidation	–	–	–	–	–	–	–	–
Other movements	–	–	–	72	–	72	4	75
Transactions with shareholders	**16,225**	**110,334**	**305**	**5,024**	**–**	**131,889**	**4**	**131,892**
Profit for the year	–	–	–	39,167	–	39,167	84	39,251
Other comprehensive income	–	–	–	–	14,963	14,963	10	14,973
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**–**	**–**	**–**	**39,167**	**14,963**	**54,130**	**94**	**54,224**
At 31 December 2024	**59,492**	**223,714**	**-12,847**	**216,094**	**45,825**	**532,279**	**109**	**532,388**

5.5 Consolidated statement of cash flows

(in thousands of euros)	Notes	2024	2023
Consolidated profit (including share attributable to non-controlling interests)		**39,251**	**35,834**
Net charges to depreciation, amortisation and provisions		18,432	19,315
Unrealised gains and losses relating to changes in fair value		-1,433	—
Share-based payment expense	5.4	5,244	3,631
Gains and losses on disposal		1,517	-2,220
Cash from operations after cost of net financial debt and tax		**63,012**	**56,560**
Cost of net financial debt	11.1	10,158	4,624
Income tax expense (including deferred tax)	6.1	7,398	6,951
Cash from operations before cost of net financial debt and tax (A)		**80,568**	**68,135**
Tax paid (B)		-11,743	-3,045
Changes to operating working capital requirements (including liabilities related to employee benefits) (C)	12.2	-37,128	-32,943
Net cash from operating activities (D) = (A + B + C)		**31,697**	**32,147**
Purchases of intangible assets and PP&E	8.4	-11,932	-2,427
Proceeds from sale of intangible assets and PP&E		45	—
Proceeds from sale of non-current financial assets		—	14
Impact of changes in the scope of consolidation	8.1	-304,403	-10,198
Change in loans and advances granted		127	-186
Other cash flows from investing activities		3,223	170
Net cash from (used in) investing activities (E)		**-312,940**	**-12,627**
Proceeds from shareholders for capital increases		128,263	—
Purchases and proceeds from disposal of treasury shares	13.2	-1,716	-4,782
Dividends paid to shareholders of the parent company	13.6	—	-8,402
Proceeds from borrowings	11.4	264,123	22,182
Repayment of borrowings	11.4	-68,264	-18,749
Change in lease liabilities	4.2	-8,043	-7,203
Net interest paid (including finance leases)		-9,472	-3,725
Other cash flows relating to financing activities		-205	-425
Net cash from (used in) financing activities (F)		**304,687**	**-21,104**
Effect of foreign exchange rate changes (G)		408	-196
NET CHANGE IN CASH AND CASH EQUIVALENTS (D + E + F + G)		**23,852**	**-1,779**
Opening cash position		16,529	18,308
Closing cash position	11.3	40,381	16,529

5.6 Notes to the consolidated financial statements

Contents

This is the fourteenth publication for the Axway Group since its IPO on the NYSE Euronext in Paris on 14 June 2011.
The Board of Directors' meeting of 26 February 2025 approved the consolidated financial statements of the Group for fiscal year 2024.
The Notes to the financial statements form an integral part of the consolidated financial statements.

Note 1 Accounting policies

The consolidated financial statements were prepared in accordance with prevailing accounting policies and principles at 31 December 2024 as presented below.

Our accounting principles are written in blue against a beige background to identify them clearly, as follows:

"Accounting policies, judgements and estimates"

The following table summarises the accounting policies, judgements and estimates disclosed in the Notes to the consolidated financial statements:

Notes	Accounting policies, judgements and estimates
(1.0)	Accounting policies
(1.3)	Acquisition of most of SBS's activities
(1.4)	International tax reform – Pillar 2
(1.5)	Impacts of amendments to IAS 1, *Presentation of financial statements: Non-current liabilities with covenants*
(1.6)	Impacts of environmental risks on the consolidated financial statements
(1.7)	Significant estimates and accounting judgements
(1.8)	Format and translation of financial statements
(2.1)	Consolidation methods
(3.0)	Segment reporting
(4.1)	Revenue recognition
(5.3)	Employee benefits
(5.4)	Share-based payments
(6.0)	Income tax expense
(7.1)	Non-current financial and other assets
(7.2)	Trade receivables and related accounts
(7.6)	Deferred income
(8.1)	Goodwill
(8.1)	Business combinations
(8.2)	Impairment tests
(8.3)	Other intangible assets
(8.4)	Property, plant and equipment
(9.0)	Leases
(10.0)	Provisions
(11.2)	Other financial income and expense
(11.3)	Cash and cash equivalents
(11.4)	Financial debt
(11.6)	Financial instruments recorded in the balance sheet
(13.2)	Treasury shares
(13.9)	Earnings per share

The accounting methods have been applied consistently for all fiscal years presented.

1.1 Basis of preparation

The consolidated financial statements for the fiscal year ended 31 December 2024 were prepared in accordance with IFRS standards published by the IASB and adopted by the European Union. These standards are available on the European Commission website:

https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/Company-reporting-and-auditing/Company-reporting_en

1.2 Application of new standards and interpretations

1.2.1 New mandatory standards and interpretations

The new standards, amendments to existing standards and interpretations adopted by the European Union and of mandatory application in fiscal years beginning on or after 1 January 2024 are as follows:

- amendments to IAS 1, Presentation of the financial statements: *Non-current liabilities with covenants*, addressing the classification of a liability as current or non-current;
- amendments to IAS 7 and IFRS 7, *Reverse factoring - Supplier finance arrangements*, addressing improvements to the transparency of supplier finance arrangements and their effects on a Company's liabilities, cash flows and exposure to liquidity risk;
- amendments to IFRS 16, *Lease liability in a sale and leaseback,* clarifying the subsequent measurement of a liability resulting from such a transaction.

The amendments to IFRS 7 and IFRS 16 have no material impact on the consolidated financial statements for the year ended 31 December 2024 and no disclosures are therefore provided in the notes to the consolidated financial statements.

1.2.2 Standards and interpretations published by the IASB and adopted by the EU but not applied in advance

The Group has elected not to apply in advance the texts published by the IASB and adopted by the European Union, with an application date after 1 January 2024. The main standards, amendments and interpretations concerned are:

- amendment to IAS 21, *Lack of exchangeability*, of mandatory application from 1 January 2025, on how to determine the spot rate of a currency at the measurement date when it lacks exchangeability.

1.2.3 Standards and interpretations published by the IASB, not adopted by the EU and not applied in advance

The Group has elected not to apply in advance the texts published by the IASB and not yet adopted by the European Union, with an application date after 1 January 2024. The main standards, amendments and interpretations concerned are:

- IFRS 14 Regulatory deferred accounts;
- amendments to IFRS 7 and IFRS 9, *Classification and measurement of financial instruments*;
- IFRS 18, *Presentation and disclosure of financial statements*;
- IFRS 19, *Subsidiaries without public accountability - Disclosures*.

1.3 Acquisition of most of SBS's activities

SBS – On 2 September 2024, Axway announced the successful completion of the acquisition of SBS (formerly Sopra Banking Software), establishing one of France's top enterprise software publishers, with leading positions in banking and financial services. (see Axway press release here).

This major step in the Company's development not only marks a change in dimension, but also initiates a transformative alliance project aimed at delivering substantial value to all its stakeholders.

The acquisition was financed by a share capital increase with retention of preferential subscription rights for a gross amount of €131 million, combined with new credit facilities totalling €200 million secured with partner banks, enabling completion of the acquisition for an initial enterprise value of €330 million. After adjustment, the final enterprise value was €310.5 million and €304.4 million net of cash acquired (see Note 8.1.2, Determining goodwill for business combinations).

1.4 International tax reform – Pillar 2

The 74Software Group’s initial conclusions were presented in Note 1.4, International tax reform – Pillar 2, of Chapter 5, Consolidated Financial Statements, of the 2023 Universal Registration Document.

The aim of this international tax reform is to impose a 15% minimum tax on profits in regions where international groups operate. At this stage, the 74Software Group would be impacted by this tax reform through its holding Company Sopra GMT whose consolidated revenue exceeds €750 million.

As disclosed in Chapter 7, Section 7.2.5, 74Software share capital and shares, of the 2024 Universal Registration Document, Sopra GMT is the holding Company of 74Software and Sopra Steria Group. It exercises control over the 74Software Group through its direct and indirect holding (under the shareholders’ agreement) of over half of the share capital and exercisable voting rights.

The acquisition of most of SBS’s activities does not change the conclusions drawn at 31 December 2024.

This reform enters into effect in fiscal years beginning on or after 1 January 2024 as follows:

- **during the transitional period encompassing fiscal years 2024, 2025 and 2026 :** the transitional CbCR safe harbour are applied by combining 74Software Group entities with Sopra Steria Group entities in each jurisdiction where the groups operate. 74Software Group does not expect the financial impact to be material during this period;
- **after the transitional period:** based on the regulation as it currently stands, the transitional safe harbour will no longer apply from fiscal year 2027. 74Software Group anticipates the payment of additional tax in Ireland as this jurisdiction benefits from a low nominal tax rate. The 74Software Group anticipates the payment of additional tax in Bulgaria and Romania of a non-material amount. These countries benefit from either a low nominal tax rate or special tax deductions but would qualify for exclusion measures due to their payroll and investment levels. With the exception of these three jurisdictions, the Group’s entities are located in jurisdictions where the tax rate exceeds the Pillar 2 rate. At 31 December 2024, the Group recognised the initial impacts of Pillar 2 in its consolidated financial statements for a non-material amount.

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1.5 Impact of the amendments to IAS 1, "Presentation of the financial statements: Non-current liabilities with covenants"

The amendments to IAS 1 concern the classification of debts with covenants.

Clarifications focus on how to assess the classification of these debts as current or non-current in the balance sheet. The aim is to clarify the right to defer settlement for at least 12 months.

The assessment **depends solely on compliance with conditions at the reporting date** while:

- compliance with the conditions will be tested again in the next 12 months;
- these conditions may no longer be complied with in the next 12 months based on information at the reporting date.

A liability is **classified irrespective of the Company's intentions.** In particular, where the Company has the right not to repay a liability for at least 12 months it is classified as non-current, even if the Company has the intention to repay it early (or settles the liability after the reporting date but before the approval of the accounts).

The amendment is applied retrospectively in accordance with IAS 8.

In the first half of 2024, the Group signed a Bank Loan agreement comprising a €120 million 5-year amortising term loan, due 60% on maturity ("Tranche A") and an €80 million 3-year non-amortising term loan ("Tranche B"). At the reporting date, a current financial liability totalling €12 million is presented in the balance sheet.

In addition, the Group has a €125 million multi-currency revolving credit facility (RCF) at 31 December 2024. At the reporting date, the credit facilities drawn by 74Software Group (€87 million) are presented in full in non-current financial liabilities in the balance sheet, in accordance with the conditions at the reporting date.

Retrospective application does not involve any changes in the presentation of the Group balance sheet.

1.6 Inclusion of climate risks

The Group considers that climate change does not currently influence the financial statements, given the nature of its activities. In addition, the trajectory to reduce emissions by 2028 is detailed in Section 3.1.3.5 ("Risk management and internal controls in terms of ESG reporting (ESRS2 GOV-5)"). In 2024, this environmental commitment had a non-material impact on the financial statements.

1.7 Significant estimates and accounting judgements

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

The preparation of financial statements implies the use of estimates and assumptions in measuring certain consolidated balance sheet assets and liabilities and certain income statement items.

Management is also required to exercise judgement in the application of the Group's accounting policies.

Such estimates and judgements, which are continually updated, are based both on historical information and on reasonable expectations of future events based on the circumstances. However, given the uncertainty implicit in assumptions as to future events, the related accounting estimates may differ from the actual results.

1.7.1 Significant assumptions and accounting estimates

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

The main assumptions and accounting estimates liable to leave scope for material adjustments to the carrying amount of assets and liabilities in subsequent periods are as follows:

Note	Critical accounting policies
(4.1)	Revenue recognition
(5.3)	Measurement of retirement benefit commitments
(6.0)	Measurement of deferred tax assets
(8.1)	Measurement of goodwill
(10.0)	Measurement of provisions

1.7.2 Significant judgements in the application of accounting policies

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

With the exception of those policies requiring accounting estimates, no judgement exercised by Management has had a material impact on the amounts recognised in the financial statements.

1.8 Format and translation of financial statements

1.8.1 Format of the financial statements

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

The consolidated financial statements of 74Software are presented in accordance with recommendation no. 2020-01 of 6 March 2020 issued by the *Autorité des normes comptables* (French Accounting Standards Authority) on the format of consolidated financial statements prepared in accordance with international accounting standards.

The format of the income statement has been adapted to improve the presentation of the Company's performance: a line item Profit on operating activities has been positioned before *Profit from recurring operations*. This indicator is used internally by Management to assess the Company's performance. It is equal to *Profit from recurring operations* before:

- the share-based payment expense for free share grants;
- amortisation of allocated intangible assets.

Operating profit is then obtained by adding *Profit from recurring operations* and *Other operating income and expenses*. The latter comprises unusual, abnormal, infrequent or unexpected operating income and expenses, of a material amount, presented separately in the income statement to facilitate understanding of the performance of recurring operations.

Finally, the Group highlights EBITDA in the Change in net debt. EBITDA is equal to *Profit on operating activities,* excluding charges to depreciation, amortisation and provisions included in the latter indicator.

1.8.2 Foreign currency translation

a. Functional and presentation currencies

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Items presented in the financial statements of each entity included in the scope of consolidation are measured using the currency of the primary economic environment in which each entity operates, *i.e.* its "functional currency".
The consolidated financial statements are presented in euros, the functional and presentation currency of the parent company 74Software SA.

b. Translation of the financial statements of foreign subsidiaries

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Group subsidiaries' functional currencies are their local currencies in which most of their transactions are denominated. The accounts of all entities included in the scope of consolidation whose functional currency differs from the Group's presentation currency are translated into euros as follows:

- assets and liabilities are translated at year-end exchange rates;
- income, expenses and cash flows are translated at average rates for the period;
- all resulting foreign exchange gains and losses are recorded as a separate component of equity under Other comprehensive income and are stored in translation reserves in shareholders' equity (see Note 13.7).

Foreign exchange gains and losses arising on the translation of net investments in foreign operations are recorded as a separate component of equity under Translation reserves in accordance with IAS 21. Foreign exchange gains and losses on inter-Company loans are considered an integral part of the Group's net investment in the foreign subsidiaries in question.

When a foreign operation is divested, the applicable accumulated translation gain or loss is transferred to the income statement as part of the gain or loss arising on disposal.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the operation and, as such, are translated at the closing rates applying at the reporting date.

Hyperinflation

The Lebanese economy is a hyperinflation economy. IAS 29, *Financial Reporting in Hyperinflationary Economies*, defines the restatements required in this situation. The functional currency of the Group subsidiary in this country is the US dollar and, as such, the standard does not require any restatements.

The following exchange rates were used to translate the main foreign currencies in the Group:

	Average rate for the period		Period-end rate	
€1/currency	**2024**	**2023**	**2024**	**2023**
Swedish krona	11.4325	11.4788	11.4590	11.4788
US dollar	1.0824	1.0813	1.0389	1.0813
Australian dollar	1.6397	1.6288	1.6772	1.6288
Hong Kong dollar	8.4454	8.4650	8.0686	8.4650
Singapore dollar	1.4458	1.4523	1.4164	1.4523
Swiss franc	0.9526	0.9718	0.9412	0.9718
Romanian leu	4.9746	4.9467	4.9743	4.9467
Bulgarian lev	1.9558	1.9558	1.9558	1.9558
Pound sterling	0.8466	0.8698	0.8292	0.8698
Real (Brazil)	5.8283	5.4010	6.4253	5.4010
Indian rupee	90.5563	89.3001	88.9335	89.3001

c. Translation of foreign currency transactions

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Transactions denominated in foreign currencies are translated to entities' functional currencies at rates applying on the transaction date.

Foreign exchange gains and losses arise either on settlement or on the translation of foreign currency denominated monetary assets and liabilities at closing rates. They are recognised in profit or loss, with the exception of amounts recognised directly in shareholders' equity with respect to cash flow hedging or hedging of the net investment in a foreign operation.

Note 2 Methods and scope of consolidation

2.1 Consolidation methods

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

74Software is the consolidating Company.

The companies over which 74Software has full control are fully consolidated. The Group controls an issuer when it is exposed to or is entitled to variable returns due to its ties with the issuer and has the ability to affect the amount of these returns due to its authority over the entity. The Group therefore controls an issuer if, and only if, the following conditions are satisfied:

- the Group has authority over the issuer; and
- the Group is exposed to or is entitled to variable returns due to its ties with the issuer; and
- the Group has the ability to exercise its authority over the issuer in such a way as to affect the amount of the returns it obtains from it.

74Software does not exert significant influence or joint control over any Company. 74Software does not, directly or indirectly, control any special purpose entity.

Inter-Company transactions, as well as balances and unrealised profits on transactions between Group companies are eliminated on consolidation.

The financial statements of all consolidated companies are prepared to 31 December. These accounts have, where applicable, been restated to ensure the consistency of accounting and valuation rules applied by the Group.

The scope of consolidation is presented in Note 17.

2.2 Principal acquisitions

Newly-consolidated entities

In 2024, the Group completed the following acquisition:

SBS – On 2 September 2024, the Group completed the acquisition of SBS (formerly Sopra Banking Software), establishing one of France's top enterprise software publishers, with leading positions in banking and financial services. SBS's activities are consolidated in the 74Software financial statements from 1 September 2024. Assets acquired and liabilities assumed are valued at -€74.2 million, with goodwill of €189.4 million. In addition, net assets acquired include the recognition of the following intangible assets: customer bases for €78.0 million and technologies for €105.2 million.

A breakdown of net assets acquired and goodwill recognised in 2024 is presented in Note 8.1.2.

In 2023, the Group performed the following acquisitions:

- Advalvas: on 15 March 2023, the Group acquired the entire share capital of Advalvas Europe NV in Belgium. Assets acquired and liabilities assumed were valued at €2.8 million, with goodwill of €3.4 million (see Note 8.1.2);
- Cycom: on 19 October 2023, the Group acquired the entire share capital of Cycom Finances in France. Assets acquired and liabilities assumed were valued at €1.8 million, with goodwill of €2.5 million. At the same time, Axway sold Cycom Finances' consulting business to KPMG France. Cycom Finances is merged into the Axway Software SA financial statements from 1 November 2023 (see Note 8.1.2).

2.3 Other changes in scope

Deconsolidated entities

Axway Software China in China and Dxchange in India were liquidated during the first half of 2024.

No entities were deconsolidated in 2023.

2.4 Company's name change

On 6 December 2024, the Extraordinary General Meeting of Axway shareholders held in Annecy and chaired by Pierre Pasquier, approved a change in the Company's name from Axway Software to **74Software**. This decision led to a corresponding amendment to Article 3 of the Company's Article of Association, "Company name".

The stock market name and ticker symbol for the Company's shares were also changed accordingly to 74Software and 74SW.

The creation of 74Software represents an important step in the development of the new group combining the strengths of Axway and SBS. This parent entity will centralise the functions and services common to its product portfolio and its different brands.

A press release was issued on the change in the Company name:

https://investors.axway.com/sites/default/files/related_files/06122024_Axway_74S_PR_Report_EGM_EN_Final.pdf.

Note 3 Segment reporting

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Pursuant to IFRS 8, segment reporting is based on internal management information used by 74Software's Management. The Group is managed on a basis that reflects both its businesses and the geographical spread of its activities. The sectors presented correspond to two divisions: Axway and SBS.

The Group is a classified as a two sector group in that Revenue, Profit on operating activities, Profit from recurring operations and Operating profit can be calculated for each of the two divisions. The chief operating decision maker regularly reviews the following information:

Axway division

- revenue by business line and by geographical area; and
- consolidated Profit on operating activities.

SBS division

- revenue by business line and by geographical area; and
- consolidated Profit on operating activities.

3.1 Revenue by business line

Axway

(in thousands of euros)	2024		2023	
Product revenue	**293,945**	**89.1%**	**282,449**	**88.5%**
Recurring revenue	**283,705**	**86.0%**	**273,625**	**85.8%**
Maintenance & support	*68,404*	*20.7%*	*86,993*	*27.3%*
Customer-managed software	*163,585*	*49.6%*	*139,627*	*43.8%*
Own-managed software	*51,715*	*15.7%*	*47,005*	*14.7%*
Licenses	**10,240**	**3.1%**	**8,824**	**2.8%**
Services	**35,818**	**10.9%**	**36,527**	**11.5%**
TOTAL AXWAY REVENUE	**329,763**	**100%**	**318,976**	**100%**

In 2024, Customer-Managed Subscription contracts generated upfront revenue of €104.8 million recognised on the signature of these contracts, up 12.1% on 2023 (€93.5 million).

The change in the presentation of Group revenue in the consolidated financial statements reflects the new, more detailed segmentation of renewable contracts, highlighting the split between maintenance and support, customer-managed subscription and 74Software-managed subscription activities. The previous format mainly distinguished between licenses, subscriptions, maintenance and service activities.

Presentation of the revenue breakdown by business line, using the format adopted in the 2023 Universal Registration Document.

(in thousands of euros)	2024		2023	
Licenses	10,240	3.1%	8,824	2.8%
Subscription	215,300	65.3%	186,632	58.5%
Maintenance	68,404	20.7%	86,993	27.3%
Services	35,818	10.9%	36,527	11.5%
TOTAL AXWAY REVENUE	**329,763**	**100%**	**318,976**	**100%**

SBS

(in thousands of euros)	2024			2023
Product revenue	**96.266**	**72.5%**	**236,366**	**70.8%**
Recurring revenue	**78.759**	**59.3%**	**191,463**	**57.3%**
Maintenance & support	*44.741*	*33.7%*	*131,764*	*39.5%*
Customer-managed software	*8.702*	*6.6%*	*4,843*	*1.5%*
Own-managed software	*25.316*	*19.1%*	*54,856*	*16.4%*
Licenses	**17.507**	**13.2%**	**44,903**	**13.4%**
Services	**36.441**	**27.5%**	**97,543**	**29.2%**
TOTAL SBS REVENUE	**132.707**	**100%**	**333,910**	**100%**

Axway & SBS

(in million of euros)	2024 published (SBS 4 months)				2024 pro forma (12 months)				2023 pro forma (12 month)			
	Axway 12 months	SBS 4 months	Group adjust-ments	74S published	Axway 12 months	SBS 12 months	Group adjust-ments	74S published	Axway 12 months	SBS 12 months	Group adjust-ments	74S published
Product revenue	**294**	**96**	**-1**	**390**	**294**	**252**	**-2**	**544**	**282**	**236**	**-2**	**517**
Recurring revenue	**284**	**79**	**-1**	**362**	**284**	**215**	**-2**	**497**	**274**	**191**	**-1**	**464**
Maintenance & support	*68*	*45*	*—*	*113*	*68*	*127*	*-1*	*195*	*87*	*132*	*—*	*218*
Cust-managed software	*164*	*9*	*—*	*172*	*164*	*21*	*-1*	*183*	*140*	*5*	*-1*	*144*
Own-managed software	*52*	*25*	*—*	*77*	*52*	*67*	*—*	*119*	*47*	*55*	*—*	*102*
Licenses	**10**	**18**	**—**	**28**	**10**	**37**	**—**	**47**	**9**	**45**	**-1**	**53**
Services	**36**	**36**	**—**	**72**	**36**	**110**	**—**	**146**	**37**	**98**	**—**	**134**
TOTAL AXWAY & SBS REVENUE	**330**	**133**	**-1**	**462**	**330**	**362**	**-2**	**690**	**319**	**334**	**-2**	**651**

The Group's main clients account for 10% or less of revenue individually. 74Software's dependency on these main clients is low.

3.2 Revenue by region

Axway

(in thousands of euros)	2024		2023	
Europe	167,629	50.8%	170,265	53.4%
of which France	*80,301*	*24.4%*	*94,301*	*29.6%*
of which UK	*11,110*	*3.4%*	*8,830*	*2.8%*
Americas	137,449	41.7%	126,563	39.7%
of which United States	*122,264*	*37.1%*	*114,103*	*35.8%*
Middle East & Africa	4,770	1.4%	4,466	1.4%
Asia & Pacific	19,914	6.0%	17,682	5.5%
TOTAL AXWAY REVENUE	**329,763**	**100%**	**318,976**	**100%**

SBS

(in thousands of euros)	2024		2023	
Europe	93,453	70.4%	238,954	71.6%
of which France	*42,262*	*31.8%*	*105,079*	*31.5%*
of which UK	*31,005*	*23.4%*	*69,850*	*20.9%*
Americas	5,130	3.9%	10,338	3.1%
of which United States	*4,697*	*3.5%*	*8,511*	*2.5%*
Middle East & Africa	28,974	21.8%	69,930	20.9%
Asia & Pacific	5,150	3.9%	14,689	4.4%
TOTAL SBS REVENUE	**132,707**	**100%**	**333,910**	**100%**

Axway & SBS

(in million of euros)	2024 published (SBS 4 months)				2024 pro forma (12 months)				2023 pro forma (12 months)			
	Axway 12 months	SBS 4 months	Group adjust-ments	74S published	Axway 12 months	SBS 12 months	Group adjust-ments	74S published	Axway 12 months	SBS 12 months	Group adjust-ments	74S published
Europe	168	93	-1	260	168	253	-2	419	170	239	-2	408
of which France	*80*	*42*	*-1*	*122*	*80*	*116*	*-2*	*195*	*94*	*105*	*-2*	*198*
of which UK	*11*	*31*	*—*	*42*	*11*	*82*	*—*	*93*	*9*	*70*	*—*	*79*
Americas	137	5	—	143	137	13	—	150	127	10	—	137
of which United States	*122*	*5*	*—*	*127*	*122*	*11*	*—*	*134*	*114*	*9*	*—*	*123*
Middle East & Africa	5	29	—	34	5	81	—	85	4	70	—	74
Asia & Pacific	20	5	—	25	20	16	—	36	18	15	—	32
TOTAL AXWAY & SBS REVENUE	**330**	**133**	**-1**	**462**	**330**	**362**	**-2**	**690**	**319**	**334**	**-2**	**651**

3.3 Segment results

Axway

(in thousands of euros)	2024		2023	
Revenue	329,763	—%	318,976	—%
Gross profit	241,786	73.3%	231,750	72.7%
Profit on operating activities	68,974	20.9%	62,813	19.7%

SBS

(in thousands of euros)	2024		2023	
Revenue	132,707	—%	333,910	—%
Gross profit	79,026	59.5%	192,417	57.6%
Profit on operating activities	18,751	14.1%	22,149	6.6%

Axway & SBS

(in million of euros)	2024 published (SBS 4 months)				2024 pro forma (12 months)				2023 pro forma (12 months)			
Gross profit	Axway 12 months	SBS 4 months	Group adjust-ments	74S published	Axway 12 months	SBS 12 months	Group adjust-ments	74S published	Axway 12 months	SBS 12 months	Group adjust-ments	74S published
Revenue	330	133	-1	462	330	362	-2	690	319	334	-2	651
Gross profit	242	79	—	320	242	207	—	449	232	192	—	424
PROFIT ON OPERATING ACTIVITIES	**69**	**19**	**—**	**88**	**69**	**25**	**—**	**94**	**63**	**22**	**—**	**85**

3.4 Non-current assets by region

Axway

(in thousands of euros)	2024		2023	
France	105,973	29.7%	91,991	26.5%
International	250,294	70.3%	255,476	73.5%
TOTAL AXWAY* NON-CURRENT ASSETS	**356,267**	**100.0%**	**347,467**	**100.0%**

* *Excluding financial instruments, deferred tax assets, and assets relating to post-employment benefits.*

SBS

(in thousands of euros)	2024	
France	384,767	92.4%
International	31,790	7.6%
TOTAL NON-CURRENT ASSETS SBS*	**416,557**	**100.0%**

* *Excluding financial instruments, deferred tax assets, and assets relating to post-employment benefits.*

Note 4 Operating profit

The comments on operating profit presented below concern the consolidated financial statements, which include 12 months of activity for Axway and four months of activity for SBS in 2024.

In 2024, 74Software generated revenue of €461.9m up 4.0% organically. Profit on operating activities was €87.7m, representing 19.0% of revenue, compared with 19.7% in 2023 for the Axway scope alone.

Product revenue growth and change in business model

Product revenue recorded adjusted organic growth of 4.5%, driven by Axway (+4.0%) and SBS (+6.1%), highlighting the robust demand for the Group's software products. In line with 74Software's expectations, License revenue and Maintenance & Support revenue continued to drop, while Customer Managed and Own Managed Subscription revenue grew strongly.

Product revenue represented 84% of total Group revenue during the year, with a majority of recurring revenue (93% of Product revenue).

- Axway product revenue continued to shift from Maintenance & Support (-21.3%) to Customer Managed and Axway Managed subscriptions, with the transformation of the business model. Customer Managed and Axway Managed subscriptions grew by 17.3% and 9.3%, respectively. Upfront revenue recognised in accordance with IFRS on Customer Managed subscriptions totalled €104.8 million;
- SBS recorded strong organic growth of 6.1% in product revenue for four months of activity, despite a sharp decline in License revenue (-24.9%) as the focus for new offerings shifted to Customer Managed or SBS Managed offerings, which jumped by 325.3% and 20.3%, respectively. This growth primarily stems from new offerings for existing and new customers. Upfront revenue recognised in accordance with IFRS on Customer Managed subscriptions totalled €8.7 million, while revenue recognised in respect of SBS Managed subscriptions totalled €25.3 million (+22.1%).

Services revenue was driven by SBS

Services revenue increased by 1.6%.

- Axway: Services revenue fell by 1.9%, representing 11% of Axway revenue;
- SBS: Services revenue for four months of activity increased by 5.5% to €36.4 million, or 27% of SBS revenue;

This difference reflects Axway's and SBS's distinct business models, as well as the more complex implementation projects required for banking applications compared to more technical infrastructure software.

Growth in ARR (Annual Recurring Revenue), boosted by strong demand for the offerings of both companies

ARR is a key indicator for Axway and SBS and is calculated using slightly different methodologies in each Company.

At the end of 2024, they are :

- Axway: ARR increased by 7.4% to €246 million ;
- SBS: ARR increased by 11.8% to €225 million.

Profit on operating activities

Profit on operating activities is €87.7 million for the period, or 19.0% of revenue including four months of SBS activity, compared to 19.7% in 2023.

In summary, the following points are of note in 2024:

- product revenue reported adjusted organic growth of 4.5%, driven by Axway (+4.0%) and SBS (+6.1%), highlighting robust demand for the Group's software products;
- Axway's Customer Managed and Axway Managed subscriptions grew 17.3% and 9.3%, respectively;
- SBS reported strong organic growth in product revenue of 6.1%;
- profit on operating activities is €87.7 million, representing 19.0% of revenue;
- the Product gross margin is 79.6%, down slightly compared to 81.4% in 2023;
- the Services gross margin rose sharply from 9.2% to 14.9%;
- Axway and SBS both contributed to the overall improvement;
- operating expenses total €233.1 million (50.5% of revenue), down on 2023 (52.9% of revenue).

4.1 Revenue

4.1.1 Revenue recognition

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Revenue is recognised in accordance with IFRS 15, *Revenue from Contracts with Customers*.

Services provided within the scope of the Group's software package operations include:

- the right of use under license of software packages;
- Software as a Service Subscription services;
- maintenance;
- ancillary services: installation, settings, adaptation, training.

a. In general, separate contracts are concluded with customers for licenses and maintenance on the one hand, and ancillary services on the other hand.

In this situation, the various elements comprising contracts are accounted for as follows:

I. License revenue

License revenue is recognised immediately on delivery, as license sale agreements constitute, in substance, a sale of rights. Delivery is considered to have taken place when all contractual obligations have been fulfilled. They are fulfilled when any remaining services to be provided are insignificant and are not liable to challenge the customer's acceptance of goods delivered or services rendered.

II. Maintenance revenue

Maintenance revenue is recognised *prorata temporis*, and is generally billed in advance.

III. Services revenue

Where services are billed on a time-spent basis, revenue is recognised as the services are performed, *i.e.* usually when invoiced. Where services are provided under fixed-price contracts, revenue is recognised using the percentage-of-completion method described in paragraph f. below.

b. Services provided under a Software as a Service contract

The supplier transfers control of the service progressively to the customer and hence, recognises revenue progressively: "the customer simultaneously receives and consumes all of the benefits provided by the entity's performance as the entity performs". In addition, the Customer Managed offering, which satisfies growing customer demand, is subject to a specific revenue recognition method detailed below.

The Customer Managed offering is a Hybrid Integration Platform offer sold to customers as a range of services including:

- on-premise components, hosted by the customer;
- Software as a Service components, hosted by Axway.

Three separate performance obligations have therefore been identified: License, Maintenance and Subscription. Pursuant to IFRS 15, revenue is recognised using three different methods.

IV. On-premise services

On-premise services are recognised on delivery, that is on the transfer of control of the on-premise license. These components are hosted by the customer, in the same way as traditional licenses. Revenue is therefore recognised using the same model as for traditional on-premise licenses, that is:

- a license component (performance obligation recognised in full on the transfer of control and the provision of the keys); and
- a maintenance component (performance obligation recognised over the contract term).

V. Software as a Service Subscription services

Software as a Service related services such as updates, maintenance and hosting by Axway are recognised on a straight-line basis over the contract term (single performance obligation).

The contract transaction price is allocated to each performance obligation based on list prices. If the contract transaction price includes a discount on the list price, this discount is applied proportionally to the revenue allocated to each performance obligation comprising the contract.

c. Contracts comprising distinct performance obligations (license, maintenance, ancillary services, etc.) may sometimes be negotiated on a fixed-price basis

In this situation, the contract transaction price is allocated to each performance obligation as follows: revenue attributable to the license is equal to the difference between the total contract amount and the fair value of its other components, *i.e.* maintenance and ancillary services.

The fair value of the other components is determined based on list prices applied in the case of a separate sale or alternatively, based on selling prices determined based on Management's best estimates. The residual amount attributed to the license is recognised at the time of delivery.

d. In fairly rare instances, ancillary services may be considered essential to the operation of a software package or the delivery of the Software as a Service solution

This may arise on the sale of software packages for very complex projects, where completion may be subject to particular risks. The project is then examined as a whole and is the focus of specific monitoring by the Quality Department. It is accounted for using the percentage of completion method described in paragraph e below.

Where preliminary work is performed that is considered essential to the implementation of the Software as a Service solution, the contract is considered as a whole and revenue is recognised progressively over the contract term as described in paragraph b above.

Technical assistance, consulting, training and projects provided on an ongoing contract basis.

These services are recognised as they are performed, *i.e.* in general at the time of invoicing.

Operations are reviewed at each reporting date:

- services rendered but not yet, or only partially, invoiced are measured on the basis of billable time and the contractual billing rates. They are recognised in revenue and are recorded in the balance sheet under Trade receivables in Customer contract assets;
- services billed but not yet fully rendered are deducted from invoiced revenue and recorded in the balance sheet in *Deferred income.*

e. Services covered by fixed-price contracts

Under such contracts the Group commits itself to a price, a result and a deadline. Revenue and profit generated by a contract are recognised based on a technical assessment, in line with the Group's quality procedures, of the contract's degree of completion.

f. Contract balances in the Statement of financial position

Services rendered but not yet, or only partially, invoiced are recorded in the balance sheet under *Trade receivables* in *Customer contract assets*. Services billed but not yet fully rendered (Customer contract liabilities) are recorded in the balance sheet in Deferred income for the portion less than one year and in Other non-current liabilities for the portion more than one year. Customer contract assets and liabilities are presented net for each individual contract.

g. Assets recognised in respect of costs of obtaining or fulfilling contracts with customers

Costs of obtaining contracts: sales commission on Subscription revenue

The costs of obtaining a contract are capitalised if two conditions are met: the costs would not have been incurred if the contract had not been obtained and they can be recovered. Sales commission can therefore be capitalised if it is specifically and uniquely tied to obtaining the contract and it is not granted on a discretionary basis.

The costs of obtaining a contract are capitalised and deferred in Prepaid expenses (Other current receivables) and released to profit and loss to match revenue recognition. They never result in the recognition of revenue.

Costs of fulfilling a contract: Subscription contract preparation phase

The costs of fulfilling or implementing a contract are costs directly related to the contract. They are necessary to satisfying performance obligations in the future and are expected to be recovered. They do not meet the criteria defined in the general principles to constitute a separate performance obligation.

Subscription contracts require preparation phases (functional integration, implementation of the technical environment) in order to access a target operating phase. These phases do not represent separate performance obligations but are costs of implementing the contract. They are capitalised and recognised in Prepaid expenses (*Other current receivables*).

The costs of fulfilling or implementing a contract are capitalised and deferred in Prepaid expenses (Other current receivables) and released to profit and loss to match revenue recognition.

4.1.2 Revenue by business line

The breakdown by business line is presented in Note 3.1 “Revenue by business line”.

4.1.3 Revenue by geographical area

The breakdown by region is presented in Note 3.2 “Revenue by region”.

4.2 Purchases and external expenses

4.2.1 Purchases

(in thousands of euros)	2024	2023
Purchases of subcontracting services	38,772	22,943
Purchases not for inventory of equipment and supplies	1,336	1,563
Purchases and change in stock of merchandise	1,206	179
TOTAL PURCHASES	**41,314**	**24,685**

SBS purchases totalled €17.4 million in 2024, while Axway purchases totalled €23.9 million, a slight decrease of 3% compared to 2023.

74Software reported a gross margin of 69.3% in 2024, based on 12 months’ activity for Axway and four months’ activity for SBS.

Axway’s gross margin is 73.3% in 2024, up slightly on 2023 (72.7%). SBS’s gross margin for four months’ activity is 59.5% in 2024.

4.2.2 External expenses

(in thousands of euros)	2024		2023	
Rent and rental charges	12,423	23.3%	9,791	25.0%
Lease expenses – IFRS 16 adjustment	-7,733	-14.5%	-6,515	-16.7%
Maintenance and repairs	13,814	25.9%	11,423	29.2%
External personnel	149	0.3%	164	0.4%
Remuneration of intermediaries and fees	11,018	20.6%	7,316	18.7%
Advertising and public relations	3,999	7.5%	2,293	5.9%
Travel and entertainment	7,172	13.4%	4,010	10.3%
Telecommunications	1,548	2.9%	1,136	2.9%
Sundry	11,029	20.6%	9,476	24.2%
TOTAL EXTERNAL EXPENSES	**53,419**	**100.0%**	**39,093**	**100.0%**

SBS external expenses totalled €10.2 million in 2024, while Axway expenses totalled €43.2 million.

4.3 Depreciation and amortisation, provisions and impairment

(in thousands of euros)	2024	2023
Amortisation of intangible assets	363	361
Depreciation of property, plant and equipment	4,103	4,044
Depreciation of Right-of-use – IFRS 16	7,119	5,723
Depreciation and amortisation	**11,585**	**10,128**
Impairment of current assets net of unused reversals	-465	1,642
Provisions for contingencies and losses net of unused reversals	540	63
Provisions and impairment	**75**	**1,705**
TOTAL DEPRECIATION AND AMORTISATION, PROVISIONS AND IMPAIRMENT	**11,660**	**11,832**

The application of IFRS 16, Leases, led to a charge to depreciation of right-of-use assets of €7.1 million in 2024, a marked increase on the charge of €5.7 million recognised in 2023, due to the acquisition of SBS (€2.7 million).

4.4 Amortisation of allocated intangible assets

This item corresponds to the amortisation expense for intangible assets obtained as a result of Company acquisitions of €8.6 million in 2024, comprising €2.8 million in respect of Customer bases and €5.7 million in respect of Technologies (see Note 8.3). In 2023, amortisation totalled €3.2 million, including €0.6 million for Customer bases and €2.6 million for Technologies.

Intangible assets acquired with AdValvas and Cycom Finances are measured and recognised in the financial statements from fiscal year 2024 (see Note 8.1.2) and amortised where appropriate.

4.5 Other operating income and expenses

(in thousands of euros)	2024	2023
Expenses related to business combinations (fees, commission, etc.)	-3,035	-687
Net restructuring and reorganisation costs	-6,920	-3,800
Other operating income and expenses	-1,698	-3,375
TOTAL	**-11,653**	**-7,862**

In 2024, the Group performed several material non-current transactions representing a total expense of €11.7 million, as follows:

1. expenses relating to the acquisition of SBS (€2.8 million)
2. restructuring plan (€6.9 million): implemented in France (€0.3 million) and in several SBS entities (€6.6 million).

Other operating income and expenses break down as follows:

1. workday cloud implementation costs (€1.1 million);
2. provision for contingencies relating to the payment of sales tax in Brazil (€0.5 million);
3. costs relating to the termination of the W Tour office lease in France (€0.2 million).

Note 5 Employees and commitments towards employees

5.1 Employee costs

(in thousands of euros)	2024	2023
Salaries	212,298	147,165
Social security contributions	58,252	35,018
Research tax credits	-6,342	-3,789
Employee profit-sharing	1,810	1,292
Net expense for post-employment and similar benefit obligations	760	-129
TOTAL EMPLOYEE COSTS	**266,778**	**179,558**

Employee costs represent 57.8% of 2024 revenue, up on 2023 (56.3%). They increased 48.6% in absolute terms due to the integration of four months of SBS activities. The average number of employees increased accordingly from 1,495 in 2023 to 2,588 in 2024.

SBS impact: employee costs between the acquisition date and the year end totalled €81.2 million.

5.2 Workforce

Number of employees at 31 December	2024	2023
France	1,503	432
International	3,284	1,033
TOTAL	**4,787**	**1,465**

The 3,322 increase in employee numbers at 31 December 2024 is mainly due to the inclusion of SBS's workforce.

SBS impact: SBS had 3,338 employees at the year end.

Average number of employees	2024	2023
France	789	435
International	1,799	1,061
TOTAL	**2,588**	**1,495**

The 1,093 increase in the average number of employees is mainly due to the inclusion of SBS employees from 1 September 2024.

SBS impact: SBS had an average of 1,131 employees between the acquisition date and the year end.

5.3 Retirement benefits and similar commitments

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

a. Short-term employee benefits and defined-contribution post-employment benefits

The Group recognises the amount of short-term employee benefits, as well as the contributions due in respect of mandatory state-sponsored pension plans, under Employee costs. As the Group has no commitments beyond these contributions, no provision was recognised for these plans.

b. Defined-benefit post-employment plans and other long-term employee benefits

These plans relate mainly to France, for the payment of retirement termination payments in accordance with collective bargaining agreements. The collective agreement applicable to 74Software SA does not indicate a ceiling for retirement benefits.

The Group, which provides for the cost of the future benefits based on the conditions below, bears the defined-benefit plans directly.

The Group uses the projected unit credit method to determine the value of its defined-benefit obligation. Under this method each period of service gives rise to an additional unit of benefit rights and each unit is valued separately to obtain the final obligation.

The above calculations incorporate various actuarial assumptions relating to matters such as the estimated periods of future service of employees, future salary levels, life expectancy and employee turnover.

The resulting benefit obligation is then discounted using an appropriate interest rate for first-rate corporate bonds denominated in the payment currency and with a maturity approximating the estimated average maturity of the benefit obligation.

A change in these estimates and hypotheses may lead to a significant change in the amount of the commitment.

The amount of the provision recognised for retirement benefits and similar commitments corresponds to the present value of the defined-benefit obligation. Actuarial gains and losses result from changes in the value of the discounted defined-benefit obligation and include on the one hand, the effects of differences between previous actuarial assumptions and actual data, and on the other hand, the effect of changes in actuarial assumptions.

Actuarial gains and losses are recognised in full in shareholders' equity for all of the Group's defined-benefit plans, pursuant to IAS 19 revised.

There are no pension commitments, medical coverage, or long service awards. No new benefits or changes in regime resulting from legal, collective-bargaining or contractual provisions occurred during the fiscal year.

Retirement provisions primarily concern the defined-benefit plan in France which is not financed by plan assets.

In France, the defined-benefit plan relates to the payment of retirement termination benefits. The Group provides for its commitments to employees in accordance with the provisions of the Syntec collective bargaining agreement on retirement plans, as amended in 2004 pursuant to the retirement reform measures introduced by the Law of 21 August 2003. The provision for retirement benefits is assessed on an actuarial basis.

(in thousands of euros)	2024	2023
Provisions for pensions and retirement benefits	33,883	8,030
Other long-term employee benefits	982	856
TOTAL RETIREMENT BENEFITS AND SIMILAR COMMITMENTS	**34,866**	**8,886**

Retirement benefits and similar commitments break down as follows:

(in thousands of euros)	01/01/2024	Change in scope of consolidation	Charge for the year	Reversals for the year (provisions used)	Reversals for the year (unused provisions)	Other movements	Actuarial gains (losses)	31/12/2024
74Software SA	7,963	—	794	-157	—	—	633	9,232
Axway Gmbh (Germany)	30	—	120	-2	—	-115	—	34
Axway Bulgaria	38	—	8	—	—	4	—	50
SBS Software France	—	16,482	649	-393	—	—	552	17,291
SBS UK	—	—	—	—	—	—	—	—
SBS Ivory Coast	—	166	170	—	—	—	—	336
SBS Cameroon	—	457	88	-65	—	—	-87	393
SBS Tunisia	—	27	1	—	—	—	—	28
Cassiopae Solutions Private Ltd India	—	2,963	444	-260	—	-127	—	3,020
SBS Med (Lebanon)	—	3,281	—	-1	—	220	—	3,500
Total retirement benefit and similar commitments	**8,030**	**23,376**	**2,275**	**-878**	**—**	**-17**	**1,097**	**33,883**
Impact (net of expenses incurred)					**—**			
Profit from recurring operations			1,569	-875	—			
Net financial income (expense)			706	-3	—			
TOTAL			**2,275**	**-878**	**—**			

SBS impact: The consolidation of SBS's activities led to a significant increase in retirement benefit and similar commitments.
SBS France retirement benefit commitments totalled €16,482 thousand at the acquisition date. In the absence of any significant differences in actuarial assumptions, the provision for retirement benefits was included in 74Software's financial statements without restatement.

c. Actuarial assumptions used to calculate the provision for retirement benefits in France

The following main actuarial assumptions were adopted for the 74Software SA and SBS Software plans:

	31/12/2024		31/12/2023
	74Software SA	SBS Software	Axway Software
Benchmark for discounting	Source : Bloomberg	Source : iBox	Source : Bloomberg
Discount rate for commitments	3.28%	3.40%	3.30%
Future salary growth rate	2.50%	2.50%	2.50%
Age at retirement	67 years	67 years	67 years
Mortality table	INSEE 2020-2022	INSEE 2020-2022	INSEE 2018-2020

Turnover tables are established for each relevant Company by five-year age brackets and are updated at each year-end to reflect data on employee departures for the past five years.

d. Table of changes in the provision for retirement benefits in France

(in thousands of euros)	Present value of unfunded obligations	Net commitments recognised in the balance sheet	Taken to the consolidated of income statement
At 31 December 2022	**6,686**	**6,686**	**373**
Change in scope of consolidation	—	—	—
Past service cost	400	400	400
Net interest expense	259	259	259
Benefits paid to employees	-511	-511	-511
Other movements	-390	-390	-390
Actuarial gains (losses)	1,520	1,520	—
At 31 December 2023	**7,963**	**7,963**	**-243**
Change in scope of consolidation	16,482	16,482	—
Past service cost	938	938	938
Net interest expense	503	503	503
Benefits paid to employees	-547	-547	-547
Other movements	—	—	—
Actuarial gains (losses)	1,185	1,185	—
At 31 December 2024	**26,523**	**26,523**	**893**

e. Analysis of actuarial gains (losses) recognised in France

Actuarial gains (losses) result solely from changes in the present value of the obligation, in the absence of plan assets.

These gains (losses) include the effects of changes in actuarial assumptions and the difference between actuarial assumptions applied and actual experience.

An actuarial loss of €1,185 thousand was recognised in 2024.

Experience adjustments on plan liabilities are presented in the table below:

(in thousands of euros)	31/12/2024	31/12/2023
Current value of defined benefit obligations	26,523	7,963
Experience adjustments on plan liabilities	225	580
Experience adjustments on plan liabilities (as % of commitments)	0.85%	7.28%

The following table presents a breakdown by maturity of retirement benefit commitments in France, discounted at 3.28% (74Software SA) and 3.40% (SBS Software):

(in thousands of euros)	31/12/2024
Present value of theoretical benefits to be paid by the employer:	
■ less than one year	496
■ from 1 to 2 years	169
■ from 2 to 3 years	129
■ from 3 to 4 years	888
■ from 4 to 5 years	1,359
■ from 5 to 10 years	7,570
■ from 10 to 20 years	11,140
■ more than 20 years	4,773
TOTAL COMMITMENT	**26,523**

f. Sensitivity testing of the discount rates for retirement benefits in France

A +/-0.50 point change in the discount rate would impact 74Software SA and SBS Software retirement benefit liabilities in the amount of -€1,652 thousand/+€1,805 thousand, respectively.

g. Other long-term benefits

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Other long-term benefits mainly comprise:

- long-term paid absences, such as seniority leave or sabbatical leave;
- long-service awards or other seniority benefits;
- incentive payments and bonuses payable twelve months or more after the end of the period during which the employees provided the corresponding services;
- employee profit-sharing liabilities recognised at the discounted present value of the obligation at the reporting date. In the year the profit-sharing is allocated, the difference between the present value of the profit-sharing and the nominal amount to be paid to the employees at the end of the lock-in period is recognised in liabilities through an additional employee cost. This difference is reversed and recognised as a reduction in financial expenses over the following five years;
- deferred compensation paid twelve months or more after the end of the period in which it was earned.

All expenses relating to other long-term benefits, including changes in actuarial assumptions, are recognised immediately in the income statement in Employee costs for services rendered and in Other financial income and expenses for the unwinding of the discount.

Other long-term benefits may include seniority benefits in Germany and termination benefits in Italy.

SBS impact: SBS's impact on these liabilities is not material.

5.4 Share-based payments

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

The Group applies IFRS 2 for free share grants to employees.

Free 74Software shares are granted to certain employees subject to their presence in the Group at the vesting date and with or without Group performance conditions. The benefit granted under these free share grant plans represents additional compensation that is valued and recognised in the financial statements.

The IFRS 2 expense recognised for a free share grant plan is equal to the fair value of shares granted to employees multiplied by the probable number of shares to be delivered to the beneficiaries who will be present on the vesting date (this number of shares is revised during the vesting period depending on estimated changes in employee turnover).

The fair value of free shares is determined on the date of grant based on the market price of the share adjusted to take into account the characteristics and conditions of the share grant. This amount is not reassessed later in the event of changes in the fair value.

The expense corresponding to the benefit granted to employees in the form of free shares is recognised in net profit on a straight-line basis over the vesting period under the heading Share-based payment expense.

In 2024, an expense of €6.1 million (€4.2 million in 2023) was recognised in respect of free shares granted to employees, including the Chief Executive Officer, including employer social security contributions of €0.9 million.

The new plan granted in 2024 to Axway employees represents an expense of €0.9 million for the period. Current free share grant plans are presented below:

Plans	LTI Plan FOCUS - 2021	LTI Plan ACHIEVE - 2022	LTI Plan WINNING - 2023	LTI Plan NEXT - 2024	LTI Plan DC - 2024
Description	Free shares granted to the Axway Leadership team, members of the Executive Committee and other individuals considered key for the Axway Group				Free shares granted to the Deputy Chief Executive Officer
Grant date	July 2021	July 2022	April 2023	May 2024	October 2024
Number of shares that may be granted	240,000	265,000	281,500	251,500	30,000
Performance measurement duration	3 years	3 years	3 years	3 years	3 years
Performance measurement period	Jan-21 to Dec-23	Jan-22 to Dec-24	Jan-23 to Dec-25	Jan-24 to Dec-26	Jan-24 to Dec-26
Vesting period	July-21 to March-24	July-22 to March-25	May-23 to March-26	May-24 to March-27	Oct-24 to March-27
Presence condition	Present in Group throughout the vesting period (applicable for all LTI plans)				
Performance-based conditions	Level of performance (Rule of 40 – organic growth in signatures plus Profit on operating activities and API Amplify revenue growth)	Level of performance (organic growth in revenue and Profit on operating activities) of Axway			Level of performance (organic growth in revenue and Profit on operating activities) of SBS
Number of potential shares that may be granted at 1 January 2024	113,131	244,166	270,500	—	—
Number of shares granted in 2024	—	—	—	281,500	30,000
Number of shares cancelled in 2024	-8,883	10,000	15,333	48,667	—
Number of shares vested in 2024	122,014	—	—	—	—
Number of potential shares that may be granted at 31 December 2024	—	234,166	255,167	232,833	30,000
INCOME/(EXPENSE) RECOGNISED IN THE INCOME STATEMENT FOR THE FISCAL YEAR IN THOUSANDS OF EUROS	**-555**	**-1,748**	**-1,467**	**-854**	**-53**

Patrick Donovan received 30,000, 30,000, 30,000 and 30,000 shares respectively under the LTI Focus, Achieve, Winning and Next plans, as Chief Executive Officer of the Group. Eric Bierry received 30,000 shares under the LTI DC plan, as Deputy Chief Executive Officer of the Group.

The corresponding expense in 2024 is detailed in Note 5.5, Compensation of senior executives.

SBS impact:

The plans allocated to SBS employees represent an expense of €0.6 million for 2024 (four months) and comprise.

- the 3-year “June 2022” plan; the grant period ends on 30 June 2025;
- the 3-year “June 2023” plan; the grant period ends on 30 June 2026.

5.5 Compensation of senior executives (related parties)

The items shown in the table below concern the directors and Executive Management.

(in thousands of euros)	31/12/2024	31/12/2023
Short-term employee benefits[(1)]	2,451	1,956
Share-based compensation benefits	669	588
TOTAL COMPENSATION OF SENIOR EXECUTIVES	**3,120**	**2,544**

(1) Short-term employee benefits include the fixed and variable components of compensation, as well as benefits in kind and directors' fees.

2024

The Board of Directors' meeting of 26 February 2025 recommended the payment of the following variable compensation in respect of fiscal year 2014:

- €883 thousand to Patrick Donovan, as Chief Executive Officer of 74Software;
- €311 thousand to Eric Bierry, as Deputy Chief Executive Officer of 74Software from 2 September 2024.

The General Meeting of 20 May 2025 will vote on this compensation based on the amounts proposed by the Board of Directors, after taking account of the Compensation Committee's recommendations.

The General Meeting of 16 May 2024 set the amount of directors' fees to be shared among directors at €330 thousand.

Share-based compensation benefits concern the valuation of services rendered and compensated through the grant of performance shares in 2024 to Patrick Donovan in the amount of €616 thousand and to Eric Bierry in the amount of €53 thousand, whose plan commenced at the year end.

2023

The Board of Directors' meeting of 21 February 2024 recommended the payment of variable compensation of €910.4 thousand to Patrick Donovan for fiscal year 2023. The General Meeting of 16 May 2024 voted on this variable compensation based on an amount proposed by the Board of Directors, after taking account of the Compensation Committee's recommendations.

The General Meeting of 11 May 2023 set the amount of directors' fees to be shared among directors at €330 thousand.

Share-based compensation benefits concern the valuation of services rendered by Patrick Donovan and compensated through the grant of performance shares in 2023.

Note 6 Income tax expense

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Current tax

The Group determines its current tax expense in accordance with prevailing tax legislation in the countries where the Group's subsidiaries conduct their activities and generate taxable revenue. The tax legislation applied is that enacted or substantially enacted at the reporting date.

Deferred tax

Deferred tax is recognised on all timing differences between the carrying amount of assets and liabilities in the consolidated balance sheet and their tax base.

Deferred tax assets are only recognised if their realisation by the Company is probable through the existence of expected taxable profits in future periods within a reasonable time period.

They are reviewed at each reporting date.

Tax assets and liabilities are valued using tax rates enacted or substantially enacted and applicable in the fiscal periods during which the assets will be realised or the liabilities settled. Their impact is recognised in deferred tax in the income statement unless it relates to items recognised directly in Other comprehensive income, in which case it is also recognised in gains and losses recognised directly in equity.

Deferred tax assets and liabilities are offset, irrespective of their maturity, when:

- the Group is legally entitled to offset current tax assets and liabilities; and
- the deferred tax assets and liabilities concern the same tax entity.

6.1 Analysis of income tax expense

(in thousands of euros)	2024	2023
Current tax	-8,819	-2,487
Deferred tax	1,421	-4,464
TOTAL INCOME TAX EXPENSE	**-7,398**	**-6,951**

In 2024, the current tax expense concerns several jurisdictions: SBS Limited in the United Kingdom (€1.5 million), SBS France (€1.0 million), SBS Belgium (€0.9 million), SBS in India (€0.6 million), 74Software SA in France (€0.6 million), Axway Inc. in the USA (€0.5 million) and Axway GmbH in Germany (€1.1 million). In France, 74Software SA reported a tax profit and the current tax expense includes the CVAE corporate value-added contribution of €0.3 million. In the United States, Axway Inc is profitable and the current tax expense is limited to State taxes of €0.5 million.

In 2024, the change in the deferred tax expense was due to:

- additional tax losses carried forward of +€1.9 million capitalised in loss-making subsidiaries of the Axway scope based on tax planning projections. Tax losses carried forward were capitalised in the amount of +€1.5 million in 2023;
- the recognition of an additional deferred tax liability (IFRS 15) on temporary timing difference relating to IFRS 15 for -€4.3 million for the Axway scope.

SBS impact: SBS activities had little impact on deferred taxes in 2024 (+€1.1 million).

6.2 Reconciliation of the theoretical and effective tax

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

The Group operates in several countries with different tax legislation and tax rates. The weighted average local tax rate of Group companies can, therefore, vary year-on-year based on the relative amount of taxable results. These impacts are reflected in the “Tax rate differences” line.

(in thousands of euros)	2024	2023
Net profit	39,251	35,834
Income taxes	-7,397	-6,951
Impairment of goodwill	—	—
Profit (loss) before tax	46,648	42,785
Theoretical tax rate	**25.83%**	**25.83%**
Theoretical tax expense	**-12,049**	**-11,051**
Reconciliation		
Permanent differences	989	281
Impact of losses for the year not capitalised	-5,129	-454
Use of non-capitalised tax loss carry forwards	4,975	—
Impact of research tax credits	1,591	979
CVAE reclassification (net of tax)	-261	-222
Capitalisation of prior year tax loss carry forwards	1,797	3,186
Tax rate differences – France/Other countries	1,558	856
Other	-869	-525
Actual tax charge	**-7,397**	**-6,951**
EFFECTIVE TAX RATE	**15.86%**	**16.25%**

The reconciliation of the theoretical and effective tax expense is based on the tax rate payable in France at Group parent Company level. This rate comprises the corporate tax rate of 25.00%, plus the social contribution on profits of 3.3% representing an overall rate of 25.83%.

In 2024, the effective tax rate is 15.86%, comparable to 2023 (16.25%).

6.3 Deferred tax assets and liabilities

6.3.1 Change in net deferred tax

(in thousands of euros)	31 December 2024	31 December 2023
At 1 January	15,725	20,382
Changes in scope of consolidation	-31,113	1
Tax - income statement impact	1,421	-4,453
Tax - shareholders' equity impact	-60	392
Translation adjustments	1,186	-586
Other	41	-11.6
AT 31 DECEMBER	**-12,800**	**15,725**

The income tax income recognised in the income statement of +€1.4 million is presented in Note 6.1.

Income tax charged directly to equity reflects the tax impact of actuarial gains and losses on retirement commitments for €0.1 million.

SBS impact: Deferred tax assets acquired and deferred tax liabilities assumed totalled €6.5 million at the acquisition date. Deferred taxes assets and liabilities relating to restatements to the opening net position totalled -€37.3 million. (See Note 8.1.2).

6.3.2 Breakdown of net deferred tax by type

(in thousands of euros)	31 December 2024	31 December 2023
Differences related to consolidation adjustments		
Actuarial gains and losses on retirement benefit commitments	-650	-45
Amortisation of revalued software packages	1,486	936
Fair value of amortisable allocated intangible assets	-42,629	-395
Tax-driven provisions	-247	-15
Capitalised tax losses	22,646	19,683
Customer contract assets (IFRS 15)	-26,101	-23,227
Assets and liabilities on lease commitments (IFRS 16)	186	-390
Other	-1,605	-1,247
Temporary differences from tax returns		
Provision for retirement benefits	9,106	2,105
Provision for "Organic" tax	799	23
Capitalised tax losses	18,322	17,219
Provisions for contingencies (Group)	2,750	1,810
Other	4,087	1,078
TOTAL	**-12,800**	**15,725**

Tax losses capitalised on consolidation

Tax losses of €22.6 million capitalised on consolidation are mainly attributable to 74Software SA in France in the amount of €18.7 million. In addition, tax losses of several subsidiaries in the Axway scope were capitalised on consolidation based on the tax planning and the new transfer pricing policy.

Tax losses capitalised in the Company accounts

Tax losses capitalised in the parent Company financial statements total €18.3 million and are attributable to Axway Inc. in the United States for €18.2 million.

Forecasts of future taxable profits, justifying the capitalisation or not of tax losses, were determined on the basis of substantiating evidence quantified in a five-year business plan for the US subsidiary.

Business plans were prepared for all entities in the Axway scope.

SBS impact: At 31 December 2024, the Group retained the capitalisation of tax losses recognised in the accounts of SBS entities for a total of €9.8 million (tax base). Tax losses are not capitalised in the accounts for Sopra Banking Software France.

The following entities have material losses:

74Software SA:

As deferred tax liabilities of €72.3 million (tax base) concern temporary differences, the Group has recognised a deferred tax asset of the same amount. The net deferred tax position of 74Software SA is therefore nil at 31 December 2024. With the application of the transfer pricing policy, we expect a gradual improvement in taxable profits and consumption of prior year tax losses in the medium term. The Group nonetheless considered it prudent to delay the capitalisation of tax losses until after 31 December 2024, after taking into account the possible creation of a tax group with SBS Software France.

74Software SA reported taxable profits of €3.5 million for 2024, returning to profits after several years of tax losses.

Axway Inc.:

Tax losses recognised in the United States are capitalised in the amount of €86.5 million (US$89.8 million) out of a total of €102 million. Tax losses carried forward were capitalised based on expected taxable profits over the coming five years and represent a deferred tax asset of €18.2 million.

Axway Inc. reported a taxable profit of USD 24.0 million for 2024.

Axway Ireland:

At 31 December 2024, the Group did not expect any gradual improvement in taxable profits and consumption of prior year tax losses in the medium term. No tax losses have been capitalised.

SBS Software:

At 31 December 2024, the Group considered it prudent to delay the capitalisation of tax losses until after 31 December 2024, after taking into account the possible creation of a tax group with 74Software SA. No tax losses have been capitalised.

6.3.3 Deferred tax assets not recognised by the Group

(in thousands of euros)	31/12/2024	31/12/2023
Tax losses carried forward	50,139	26,015
Temporary differences	–	–
TOTAL	**50,139**	**26,015**

6.4 Tax loss carried forward expiry schedule

(in thousands of euros)	31/12/2024	31/12/2023
Y+1	3,872	1,546
Y+2	2,562	3,422
Y+3	2,486	1,655
Y+4	2,114	1,611
Y+5 and subsequent years	137,765	116,246
Tax losses carried forward with an expiry date	148,799	124,481
Tax losses which may be carried forward indefinitely	251,922	172,679
TOTAL	**400,721**	**297,160**
Deferred tax basis – capitalised	175,903	158,912
Deferred tax basis – not capitalised	224,817	138,247
Deferred tax - capitalised	40,968	36,901
Deferred tax - not capitalised	50,139	26,015

At 31 December 2024, deferred tax assets not recognised on tax losses carried forward total €50.1 million and concern Axway Inc. in the United States (€3.3 million), 74Software SA in France (€7.3 million), Axway Ireland (€2.5 million), Axway SRL in Italy (€2.6 million), Axway Brazil (€4.2 million) and Axway Romania (€0.9 million).

SBS impact: Deferred tax assets not recognised on tax losses carried forward total €28.7 million. These tax losses mainly concern SBS Software in France (€18.5 million), SBS Maroc (€4.7 million), Samic in Monaco (€1.2 million) and SBS Cote d'Ivoire (€1.1 million).

74Software SA:

At 31 December 2024, capitalised tax losses totalled €18.7 million, while tax losses available for carry forward not capitalised totalled €28.2 million (tax base).

At 31 December 2023, capitalised tax losses totalled €17.5 million, while tax losses available for carry forward not capitalised totalled €33.3 million (tax base).

Axway Inc.:

At 31 December 2024, capitalised tax losses totalled US$18.9 million, while tax losses available for carry forward not capitalised totalled US$16.1 million (tax base).

At 31 December 2023, capitalised tax losses totalled US$18.8 million, while tax losses available for carry forward not capitalised totalled €38.0 million (tax base).

Axway Inc. tax losses carried forward essentially resulted from the acquisition of Cyclone in 2006, Tumbleweed Communications Corp, in 2008, Systar Inc. in 2014 and Appcelerator Inc. in 2016. These losses are subject to an overall time limit (20 years) as well as an annual limit on their use (US$8.1 million) imposed by US tax regulations following a change in shareholding structure. In addition, an annual limit of US$1.4 million (tax base) is applied to Appcelerator losses (US$9.3 million net) pursuant to Section 382.

Axway Inc. in the United States receives research tax credits. These tax credits may be used to pay corporate income tax due in the 20 years following the year in respect of which the tax credits were recognised. Any excess not offset is not reimbursed.

Axway Inc. research tax credits were received each year between 2004 and 2024. At 31 December 2024, we estimate the total amount of available research tax credits at US$15.6 million, to be deducted from American federal taxes. Based on evidence and estimates set out in the business plan, most of these credits will be used between 2025 and 2044.

Note 7 Components of working capital requirements and other financial assets and liabilities

7.1 Non-current financial and other assets

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

The Group classifies its financial assets into the following categories:

- assets measured at fair value through other comprehensive income;
- assets measured at fair value through profit and loss; and
- assets measured at amortised cost.

Classification depends on the purposes for which financial assets are acquired. Based on the management model, management decides on the appropriate classification at the time of initial recognition and reassesses this classification at each interim or annual reporting date.

The financial assets recognised by the Group are as follows:

a. Assets measured at fair value through other comprehensive Income

This category comprises equity investments which the Group has elected to irrevocable classify in this category.

Changes in the fair value of these assets are recognised directly in equity and cannot be reclassified subsequently to the income statement. These assets are not impaired.

The Group currently holds no assets classified in this category.

b. Assets measured at fair value through profit and loss

This category consists of non-derivative financial assets that the Group has elected not to measure at fair value through other comprehensive income. It comprises financial assets held for trading (assets acquired primarily with a view to resale in the near term) and mainly investment securities and other cash equivalents. Changes in the fair value of assets of this category are recognised in the income statement in *Other financial income and expense.*

c. Assets measured at amortised cost (loans and receivables)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They comprise the financial assets arising when the Group remits funds, or provides goods and services, to an individual or entity. Loans and receivables are initially recognised at fair value then subsequently measured at amortised cost using the effective interest method.

The Group has identified within this category:

- long-term loans and receivables classified in non-current financial assets; and
- short-term commercial receivables and other similar amounts. Current trade receivables are initially measured at the nominal value invoiced which generally equates to the fair value of the consideration to be received. Current trade receivables are described in Note 7.2.

d. Impairment of financial assets

At each reporting date, the Group assesses whether there is objective evidence of impairment of a financial asset or group of financial assets. The Group assess the credit risk associated with loans and receivables on issue. They may subsequently be impaired if the Group expects their expected recoverable amount to be less than their net carrying amount. Impairment of commercial receivables is recognised in the income statement and reversed in the event of a favourable change in the recoverable amount in Profit on operating activities. Impairment of loans and deposits is recorded in Other financial income and expense. The procedure for the impairment of commercial receivables is presented in Note 7.2.

(in thousands of euros)	31/12/2024	31/12/2023
Loans and receivables	5,541	2,789
Non-current prepaid expenses	11,251	10,309
TOTAL NON-CURRENT FINANCIAL AND OTHER ASSETS	**16,792**	**13,098**

Non-current prepaid expenses consist of costs of obtaining contracts as presented in Note 4.1 and total €11.3 million at 31 December 2024 compared to €10.3 million at 31 December 2023.

SBS impact: The impact of SBS on these accounts is not material.

(in thousands of euros)	31/12/2024	31/12/2023
Other non-current receivables	837	784
Deposits and other non-current financial assets	3,371	2,004
TOTAL LOANS, DEPOSITS AND OTHER NON-CURRENT FINANCIAL ASSETS – NET VALUE	**4,460**	**2,789**

Deposits and other non-current financial assets consist mainly of guarantees given for leased premises. These deposits do not bear interest and are maintained at their nominal value, as the effect of discounting is not material.

Other non-current receivables concern the market-making agreement with Kepler.

SBS impact: The impact of SBS on these accounts is not material.

7.2 Trade receivables and related accounts

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

This line item comprises short-term commercial receivables and other similar amounts.

Current trade receivables are initially measured at the nominal value invoiced which generally equates to the fair value of the consideration to be received. The impact of discounting would be negligible given that the Group's average credit period is sixty days.

The credit risk analysis pursuant to IFRS 9, Financial instruments, does not identify any significant impact.

The nature of the Group's customers, which exhibit a low credit risk, and the policy of recording a systematic impairment for receivables beyond a certain maturity, enables the Group to take account of the credit risk on trade receivables. The procedure involves 50% impairment of invoices past due more than six months and 100% impairment of invoices past due more than 12 months.

To avoid the overstatement of asset and liability accounts, deferred income concerning periods after 1 January following the reporting date (1 January 2025 for this period) and the corresponding trade receivables not settled at the reporting date (31 December 2024) are offset in the balance sheet.

Services rendered but not yet, or only partially, invoiced are recorded in the balance sheet under Trade receivables in Accrued income (see Note 4.1).

(in thousands of euros)	31/12/2024	31/12/2023
Trade receivables	190,858	74,750
Provision for doubtful receivables	-18,452	-1,023
Trade receivables – net value	172,407	73,727
Customer contract assets	121,126	104,282
TOTAL TRADE RECEIVABLES	**293,532**	**178,009**

DSO for Trade receivables: 145 days

At 31 December 2024, Days Sales Outstanding (DSO) is 145 days for 74Software. At constant scope, DSO is 217 days at this date, up 35 days. The consolidation of SBS's activities (81 days) therefore had a positive impact on 74Software's DSO ratio.

This ratio is calculated by comparing Net trade receivables with revenue generated during the year. The increase can be explained as follows.

Axway's DSO is 217 days. DSO is high due to the "Customer Managed" business model, where 50% of the contract is recognised immediately ("upfront fees") while collection is spread over the contract's multi-year term. It is important to note that Axway's receivables schedule shows a high level of collection (see Note 7.2.1).

7.2.1 Maturity of trade receivables

Maturity of Axway trade receivables

(in thousands of euros)	Carrying amount	Of which: not past due at the reporting date	Of which: not impaired at the reporting date but past due as follows					
			less than 30 days	between 30 and 60 days	between 61 and 90 days	between 91 and 180 days	between 181 and 360 days	more than 360 days
Trade receivables	107,609	90,725	10,235	2,990	1,353	1,558	570	178

Maturity of SBS trade receivables

(in thousands of euros)	Carrying amount	Of which: not past due at the reporting date	Of which: not impaired at the reporting date but past due as follows					
			less than 30 days	between 30 and 60 days	between 61 and 90 days	between 91 and 180 days	between 181 and 360 days	more than 360 days
Trade receivables	83,250	77,495	2,038	660	737	670	1,636	14

7.2.2 Changes in provisions for doubtful receivables

(in thousands of euros)	31/12/2024	31/12/2023
Impairment of trade receivables at start of period	1,023	1,680
Charges	4,675	2,037
Reversal	-7,726	-2,680
Changes in scope of consolidation	20,421	—
Translation adjustments	58	-14
IMPAIRMENT OF TRADE RECEIVABLES AT END OF PERIOD	**18,452**	**1,023**

7.3 Other current receivables

(in thousands of euros)	31/12/2024	31/12/2023
Employees and social security bodies	1,668	471
Tax receivables (other than income tax)	45,562	7,666
Income tax	17,820	3,738
Other receivables	4,801	4,178
Advance lease payments – IFRS 16	-65	-14
Prepaid expenses	24,801	16,292
Derivative financial instruments	2,812	—
TOTAL OTHER CURRENT ASSETS	**97,399**	**32,331**

Tax receivables include research tax credits obtained in France of €24.5 million (€5.6 million for 74Software SA and €17.7 million for SBS France) and in Ireland of €1.2 million.

Prepaid expenses are mainly due to the spreading of commission on Subscription revenue. This current prepaid commission represents capitalised costs of obtaining contracts which are presented in Note 4.1.

SBS impact: Sopra Banking Software France research tax credits total €17.7 million at 31 December 2024.

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Tax receivables: research tax credit

CIR research tax credit receivables of 74Software SA in France are sold to Crédit Agricole since 2017. Research tax credit receivables pre-dating 2017 were sold to Natixis.

Financing received for research tax credit receivables sold can be summarised as follows:

(in thousands of euros)

Fiscal year	Year of CIR financed	Amount of CIR financed	CIR receivable finance company	Repaid by the tax authorities: Year	Repaid by the tax authorities: Amount
CIR research tax credit repaid by the tax authorities					
2014	2013	6,538	Natixis	2017	In the amount expected
2015	2014	7,573	Natixis	2018	In the amount expected
2016	2015	8,993	Natixis	2019	In the amount expected
2017	2016	9,068	Crédit Agricole	2020	In the amount expected
2018	2017	10,216	Crédit Agricole	2021	In the amount expected
2019	2018	7,890	Crédit Agricole	2022	In the amount expected
2020	2019	8,254	Crédit Agricole	2023	In the amount expected
2021	2020	7,960	Crédit Agricole	2024	In the amount expected
CIR research tax credit not yet repaid by the tax authorities					
2022	2021	6,295	Crédit Agricole	–	–
2023	2022	4,945	Crédit Agricole	–	–
2024	2023	3,789	Crédit Agricole	–	–

At 31 December 2024, receivables sold to Credit Agricole and not yet repaid by the French tax authorities totalled €15.0 million. The cost of financing is €0.5 million in 2024 (see Note 11.1, Cost of net financial debt).

Analysis of the derecognition of research tax credit receivables

The main criteria for derecognition is the transfer of substantially all the risks and rewards associated with the receivable. While the credit risk and late payment risk are effectively transferred to Credit Agricole, the tax risk is not transferred. In the event the French State challenges the amounts reported, the 74Software Group will be required to reimburse Credit Agricole for the amounts rejected.

Our analysis demonstrated that derecognition is acceptable in that the tax risk is considered immaterial. 74Software was the subject of two tax audits covering fiscal years 2009 to 2011 and fiscal years 2014 to 2016. These audits did not identify any adjustments to the research tax credit amounts reported. The methods for determining projects and expenditure eligible for research tax credits and their review by our teams are unchanged since these tax audits.

On this basis, we consider that the financing of transferred research tax credits can be derecognised.

SBS impact: CIR research tax credit receivables of SBS Software SA are not sold.

7.4 Other non-current liabilities

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Services invoiced but not yet fully rendered (Customer contract liabilities) are recorded in the balance sheet in Other non-current liabilities for the portion more than one year (Deferred income) (see Note 4.1).

(in thousands of euros)	31/12/2024	31/12/2023
Other non-current debts	35	205
Derivative financial instruments	46	–
Customer contract liabilities – non-current	1,994	1,151
Sub-total other non-current liabilities	**2,076**	**1,356**
Other provisions for contingencies and losses – non-current	3,385	10,799
TOTAL OTHER NON-CURRENT LIABILITIES INCLUDING NON-CURRENT PROVISIONS	**5,461**	**12,154**

Movements concern Maintenance revenue and reflect:

- the transfer of prior-year liabilities to current deferred income; and
- the emergence of new liabilities as a result of services invoiced but not yet fulfilled.

The majority of non-current deferred income at 31 December 2023 was transferred to current deferred income in 2024.

Other provisions for contingencies and losses mainly comprise provisions for refurbishment work on the vacated premises of €1.7 million and provisions for long-term customer disputes of €1.1 million (see Note 10).

7.5 Trade accounts payable

(in thousands of euros)	31/12/2024	31/12/2023
Trade payables	15,747	3,590
Accrued expenses	12,926	7,723
TOTAL TRADE ACCOUNTS PAYABLES	**28,672**	**11,313**

SBS impact: SBS entities have trade accounts payable of €15.6 million at 31 December 2024.

7.6 Current deferred income

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Current deferred income, representing customer contract liabilities, is presented in Note 4.1. Movements reflect:

- the recognition of prior-year deferred income in revenue;
- the transfer of prior-year non-current deferred income to current deferred income;
- the emergence of new liabilities as a result of services invoiced but not yet fulfilled.

To avoid the overstatement of asset and liability accounts, the Group offset the following items in the balance sheet:

- deferred income concerning periods after 1 January following the reporting date (1 January 2025 for this period); and
- the corresponding trade receivables not settled at the reporting date (31 December 2024).

(in thousands of euros)	31/12/2024	31/12/2023
Customer contract liabilities	88,631	49,060
TOTAL CURRENT CUSTOMER CONTRACT LIABILITIES	**88,631**	**49,060**

The majority of customer contract liabilities at 31 December 2023 were recognised in revenue in 2024.

Deferred maintenance income decreased €3.0 million in one year. This contraction is due to contract attrition as part of the transformation of the business model. The foreign exchange impact is not material in 2024.

Deferred Subscription income increased €15.1 million between 2023 and 2024. This increase is consistent with the growth in Subscription activities.
SBS impact: SBS entities have deferred income of €27.9 million at 31 December 2024. The business model is based to a significant extent on maintenance activities, generating customer receipts in advance.

7.7 Other current liabilities

(in thousands of euros)	31/12/2024	31/12/2023
Amounts payable on non-current assets	30	–
Advances and payments on account received for orders	310	759
Employee-related liabilities	91,617	36,493
Tax-related liabilities	40,779	9,975
Income tax	16,820	2,180
Other liabilities	10,155	6,011
TOTAL OTHER CURRENT LIABILITIES	**159,710**	**55,418**

The increase in employee-related liabilities (€2.5 million) is due to the increase in provisions for bonuses and commission in respect of material contracts signed at the year end.

SBS impact: SBS entities have other current liabilities of €87.2 million at 31 December 2024.

Note 8 Property, plant and equipment, and intangible assets

8.1 Goodwill

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Goodwill

For each business combination, the Group may elect to recognise under balance sheet assets:

- either partial goodwill (corresponding only to its percentage ownership interest);
- or full goodwill (also including the goodwill corresponding to non-controlling interests).

This choice is made individually for each acquisition. The business combination method is presented in Note 8.1.2.

Should the calculation of goodwill result in a negative difference (in the case of an acquisition conducted under advantageous conditions), the Group recognises the resulting gain as a bargain purchase in profit or loss, after having verified that all assets and liabilities were correctly identified.

Goodwill is allocated to a single cash-generating unit for the purpose of impairment testing under the conditions detailed in Note 8.2.2. Tests are performed whenever there is an indication of impairment loss and systematically at the reporting date (31 December).

Business combinations

The Group applies IFRS 3 (revised) to the identified assets acquired and liabilities assumed as a result of business combinations. The acquisition of an asset or a group of assets that does not constitute a business combination is recognised in accordance with the standards applicable to these assets (IAS 38, IAS 16 and IFRS 9).

Since IFRS 3, revised, entered into mandatory effect on 1 January 2010, the Group applies the following principles:

- transaction costs are immediately expensed under Other operating expenses when they are incurred;
- for each business combination, the Group determines whether to opt for recognition of "full goodwill", *i.e.* including the share of goodwill attributable to non-controlling interests at the acquisition date (measured at fair value), or "partial goodwill", which amounts to measuring the share of goodwill attributable to non-controlling interests in proportion to those interests' share in the fair value of the identifiable net assets acquired;
- any potential price adjustment is estimated at its fair value on the acquisition date. This initial measurement can be adjusted subsequently through goodwill only where there is new information relating to circumstances existing at the acquisition date, and the new measurement is made during the measurement period (12 months). Any adjustment to the financial liability recognised after the measurement period in respect of earn-outs, where it does not meet these criteria, is recognised through Group comprehensive income.

All business combinations are recognised by applying the acquisition method, which consists of:

- measuring and recognising at fair value at the acquisition date the identifiable assets acquired and liabilities assumed. The Group identifies and allocates these items on the basis of contractual provisions, economic conditions and its accounting and management principles and procedures;
- measuring and recognising at the acquisition date the difference referred to as "goodwill" between:
  - the sum of the purchase price for the Company acquired plus the amount of any non-controlling interests in that entity, and
  - the net amount of the recognised identifiable assets acquired and liabilities assumed.

The acquisition date is the date on which the Group effectively obtains control of the Company acquired.

The purchase price of the acquiree corresponds to the fair value, at the acquisition date, of components of consideration remitted to the seller in exchange for control of the acquiree, to the exclusion of any components serving as consideration for any transaction separate from the attainment of control.

If the initial accounting of a business combination can only be determined provisionally before the end of the reporting period in which the combination was performed, the acquirer recognises the combination using provisional values. The acquirer must then recognise adjustments to these provisional values following completion of initial accounting within 12 months of the acquisition date.

8.1.1 Changes in goodwill

The principal movements in 2024 were as follows:

(in thousands of euros)	01/01/2024	Acquisitions	Adjustments on business combinations	Disposals	Impairment	Translation adjustments	Other movements	31/12/2024
Axway	310,599	—	-4,549	—	-8,477	10,382	—	307,956
SBS	—	189,400	—	—	—	—	—	189,400
TOTAL	**310,599**	**189,400**	**-4,549**	**—**	**-8,477**	**10,382**	**—**	**497,356**

Presentation of the change in goodwill using the format adopted in the 2023 Universal Registration Document

(in thousands of euros)	Gross value	Impairment	Net
31 December 2022	**306,265**	**8,473**	**297,792**
Acquisition of Advalvas and Cycom	10,490	—	10,490
Disposals	—	—	—
Translation adjustments	-6,156	4	-6,160
31 December 2023	**310,599**	**8,477**	**302,122**
Acquisition of Advalvas and Cycom	-4,549	—	-4,549
Acquisition of SBS	189,400	—	189,400
Disposals	—	—	—
Translation adjustments	10,330	-52	10,382
31 December 2024	**505,781**	**8,425**	**497,356**

8.1.2 Determining goodwill for business combinations

AdValvas - Measurement of the Advalvas Europe NV goodwill was finalised in the first half of 2024. Pursuant to IFRS 3, revised, the measurement period could not exceed 15 March 2024.

The allocation process performed by the Group in the first half of the year therefore led to the recognition of technology and customer bases in the amount of €1.7 million and €1.4 million, respectively, which will be amortised over 10 and 12 years.

Definitive goodwill relating to the acquisition of Advalvas was determined as follows:

(in thousands of euros)	At 31/12/2024
Purchase price	6.232
Present value of earn-outs	—
Acquisition cost	**6.232**
Net assets acquired, excluding existing goodwill	2.786
GOODWILL (ADVALVAS)	**3.446**

The acquisition of Advalvas Europe NV does not include an earn-out.

Advalvas definitive net assets acquired are as follows:

(in thousands of euros)	Carrying amount in the seller's accounts	Restatements	Fair value
Intangible assets	26	3,127	3,153
Property, plant and equipment	42	—	42
Financial assets	7	—	7
Lease right of use assets	—	244	244
Deferred tax assets	—	-61	-61
Current assets	338	—	338
Cash and cash equivalents	235	—	235
Lease liabilities	—	-247	-247
Deferred tax liabilities	—	-720	-720
Current liabilities	-203	—	-203
NET ASSETS ACQUIRED	**444**	**2,343**	**2,786**

Cycom Finances - Measurement of the Cycom Finances goodwill was finalised in the first half of 2024. Pursuant to IFRS 3, revised, the measurement period could not exceed 19 October 2024.

The allocation process performed by the Group in the first half of the year therefore led to the recognition of technology in the amount of €3 million, which will be amortised over 10 years.

Definitive goodwill relating to the acquisition of Cycom Finances was determined as follows:

(in thousands of euros)	At 31/12/2024
Purchase price	4,264
Present value of earn-outs	—
Acquisition cost	**4,264**
Net assets acquired, excluding existing goodwill	1,768
GOODWILL (CYCOM FINANCES)	**2,496**

The acquisition of Cycom Finances does not include an earn-out.

Cycom Finances definitive net assets acquired are as follows:

(in thousands of euros)	Carrying amount in the seller's accounts	Restatements	Fair value
Intangible assets	3,270	-299	2,970
Current assets	3,543	-2,500	1,043
Cash and cash equivalents	27	—	27
Deferred tax liabilities	—	-767	-767
Current liabilities	-792	—	-792
Non-current liabilities	-715	—	-715
NET ASSETS ACQUIRED	**5,335**	**-3,567**	**1,768**

SBS – 74Software acquired SBS's activities on 2 September 2024.

Pursuant to IFRS 3, goodwill arising on the acquisition of SBS will become definitive at the end of the allocation period on 1 September 2025.

Provisional goodwill breaks down as follows:

(in thousands of euros)	At 31/12/2024
Purchase price	108,365
Present value of earn-outs	6,836
Acquisition cost	**115,201**
Repayment of SBS financial debt	195,346
Enterprise value	**310,547**
Acquisition cost	**115,201**
Net assets acquired, excluding existing goodwill	-210,088
Intangible assets allocated, net of deferred tax	135,889
Total net assets acquired and net liabilities assumed	**-74,199**
GOODWILL (SBS)	**189,400**

The acquisition of SBS does not include an earn-out beyond that already paid. The enterprise value of SBS is €310.5 million and €304.4 million net of cash acquired.

The Group valued SBS technologies and customer bases at 31 December 2024. A breakdown is provided in Note 8.3, Other intangible assets.

SBS provisional net assets are as follows:

(in thousands of euros)	Carrying amount in the seller's accounts	Restatements	Fair value
Intangible assets	64,950	118,241	183,191
Property, plant and equipment	9,246	—	9,246
Financial assets	1,918	—	1,918
Lease right of use assets	31,278	480	31,758
Deferred tax assets	11,031	—	11,031
Current assets	169,194	-17,295	151,899
Cash and cash equivalents	6,159	—	6,159
Financial liabilities	-195,350	—	-195,350
Lease liabilities	-33,375	-304	-33,679
Provisions for pensions and related commitments	-20,614	-2,786	-23,400
Provisions for risks and expenses >1 year	-2,085	-807	-2,892
Other non-current liabilities	-323	—	-323
Deferred tax liabilities	-4,496	-36,116	-40,613
Current liabilities	-174,251	1,109	-173,143
NET ASSETS ACQUIRED	**-136,719**	**62,520**	**-74,199**

8.1.3 Translation adjustments

Changes in exchange rates on goodwill relate mainly to fluctuations in the euro against the following currencies:

Change euro/currency (in thousands of euros)	31/12/2024	31/12/2023
USD	10,946	-6,194
SEK	-564	41
Other currencies	—	-7
TOTAL	**10,382**	**-6,160**

8.2 Impairment tests

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Cash-generating units

Under IAS 36, *Impairment of assets*, an impairment test must be conducted at each reporting date where there is indication of impairment of an asset. Where there is such an indication, the entity must estimate the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, an entity must also:

- test annually intangible assets with indefinite useful lives;
- test annually the impairment of goodwill acquired in a business combination.

In practice, impairment testing is most relevant to goodwill, which comprises the main portion of 74Software's consolidated balance sheet non-current assets.

Impairment testing is performed at the level of the cash generating units (CGU's) to which assets are allocated. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The 74Software Group strategy is founded on two leading brands, Axway and SBS. 74Software considers that the Group is composed of two CGUs - the Axway CGU and the SBS CGU, as these two publishers generate largely independent cash flows.

74Software will perform impairment tests on Axway and SBS CGU assets from the fiscal year ended 31 December 2024.

Axway CGU

The Axway Group delivers IT solutions enabling the automatic management of data exchange within and outside companies.

Axway has developed partly by external growth in recent years. The main acquisitions are presented in Chapter 1.1, 74Software’s history

All of the products developed, whether internally through research and development or resulting from acquisitions are integrated in a common technical platform.

The Axway Group has therefore developed a catalogue of largely independent products through acquisitions and investment in research and development. Purchased products were developed and integrated with other purchased products or products developed internally.

Axway products do not target a specific market. There is no active market for each Group asset. All Axway products target all markets where Axway operates and all Axway customers regardless of location. Our customers are often international groups who purchase Axway products for all their subsidiaries.

In view of the global nature of products and markets, a breakdown by country of the contribution to Axway results would not be meaningful. Cash inflows from business in different countries are not therefore considered to be independent from cash inflows generated by the activities of other countries. Axway as a whole is therefore considered as the smallest grouping of assets that generates broadly independent cash inflows. In other words, as Axway operates as a global software developer on a global market, it is treated as a single cash-generating unit for the purposes of impairment testing.

Axway has chosen to operate as a global software developer whose main markets are the USA and Europe. We are positioned in a highly integrated business sector: the development and marketing of a suite of infrastructure software enabling data exchange within and outside companies. Our sales teams are organised by country, region, vertical, programme or expertise within or outside a country's traditional borders. Our Marketing Department is responsible for strategic management and the go-to-market for all of Axway, supporting marketing campaigns conducted at both global and local level. The product development teams and the customer support teams are located across nine countries, with each team responsible for several products. Our intellectual property, both purchased and developed, is constantly integrated into new product offerings or the unified platforms. We do not therefore monitor any separate cash-generating units, other than at consolidated level. Axway is therefore treated as a single cash-generating unit for the purposes of impairment testing.

SBS CGU

SBS operates in several segments related to banking and financial services, delivering the following core activities:

- Specialised Finance (SF): provides a financing platform for specialist players such as car dealers and digital asset auditors, combining portfolio management and audit;
- Modular comprising:
  - Digital Engagement: delivers a platform for use in digital banking (open banking, multi-channel services),
  - Digital Core: offers modular and cloud-native banking core solutions to modernise banking tools,
  - Regulatory: develops reporting software for the management of complex regulatory obligations;

- Integrated Core:
  - SAB: core banking solution for mid-sized French banks (Tier 3-4),
  - CBS V4 (formerly Thaler), mainly targeting retail banks,
  - amplitude, targeting retail banks;
- Banking Components (BC): delivers a range of modular banking components to meet the specific needs of French financial institutions;
- Specialised Markets (SMS): integrates solutions for the UK market, with a focus on Mortgage Servicing Systems (MSS), used by institutions such as Royal Bank of Scotland.

SBS's activities form a CGU as they share key characteristics: they target the banking and financial sector, focus on digital and technological solutions, and operate under similar models (SaaS/Licensing). In addition, they address complementary needs (core-banking, reporting, specialised financing), creating functional and commercial synergies and strengthening their cohesion as a unified economic entity. Cash flows are independent of Axway CGU cash flows.

Methods for measuring value-in-use

In accordance with IAS 36, where the carrying amount of a cash-generating unit to which goodwill has been allocated is tested for impairment and exceeds its fair value less costs to sell (or where it is not possible to determine fair value less costs to sell), the carrying amount of the CGU is compared to its value-in-use.

The value-in-use is determined by discounting future cash flows (DCF method).

A five-year business plan was drafted in order to reflect, over an appropriate period, the impacts of the transformation of our economic model, from a model based on the sale of licenses to a Subscription model. A declining growth rate was then applied progressively over the extrapolation period as authorised by IAS 36.33 (c). The perpetual growth rate is not therefore immediately applicable after the five-year business plan, but is applied to the terminal value calculated based on the last year of the extrapolation period.

The discounted cash flow method is applied using forecast five-year business plans and trend assumptions for working capital and investment.

The terminal value of the CGU was calculated based on the last flows modelled, using two major financial parameters: the perpetual growth rate and the discount rate.

By discounting these cash flows we obtain the enterprise value. The equity value is then calculated by deducting debt and adding cash and cash equivalents.

Measurement of impairment losses

Impairment losses are recognised to the extent of any excess of a CGU's carrying amount over its recoverable amount. Impairment losses are first allocated against goodwill and are charged to the income statement in Other operating income and expenses. Impairment losses on goodwill cannot be reversed.

At 31 December 2024, there is no indication that an asset or CGU may have suffered an impairment loss. The revenue and operating financial performance of each of these CGUs are in line with Management expectations. In addition, 74Software's fair value based on its market capitalisation at 31 December 2024 is €804.6 million (€821.0 million less 2% selling costs), which exceeds the value of consolidated equity.

Pursuant to IAS 36, Impairment of Assets, the value in use of 74Software's CGUs need not necessarily be determined at 31 December 2024. Nonetheless, in accordance with AMF recommendations and to further strengthen its transparency, 74Software determined the value in use of its two CGUs at 31 December 2024.

The new asset impairment test methodology set-out in IAS 36 and described below was adapted to the level of risk.

This methodology is based on the definition of a single scenario estimated respectively by Axway and SBS Management, under the responsibility of 74Software Executive Management.

These scenarios and the associated projections underpinned the guidance published in the context of the share capital increase performed in July 2024. Adjustments made to the business plans for these impairment tests were not material.

Test carried out

The business plans mainly comprise internal data defined by Axway and SBS management based on their knowledge of the markets where Axway and SBS operate and taking account of the economic outlook.

2024 impairment tests are based on five-year business plans (2025-2029).

Axway CGU scenario

In accordance with the Group methodology, the 2024 impairment test on non-current assets grouped together in the Axway cash-generating unit, was performed in two stages:

1. for years 1 to 5, the scenario presented by Axway in its impairment tests is based on a business plan with a revenue mix progressively more favourable to Axway Managed over the medium term than Customer Managed. It is recalled that under the Axway Managed model revenue is recognised over the contract term, while under the Customer Managed model approximately 50% of revenue is recognised on contract signature and the remainder is spread over the contract term. Impairment tests were performed based on the following operating assumptions:
   - organic revenue growth of 2.0% per year,
   - gradual increase in Profit on operating activities, with a range of 20.5% to 22.5% over the period 2025 to 2029,
   - transformation costs of €3 million per year;
2. from year 6 onward: cash flows are calculated by applying a perpetual growth rate of 2.17% to the last modelled flow in 2029. This rate reflects forecast long-term real economic growth, adjusted for forecast long-term inflation.

SBS CGU scenario

In accordance with the Group methodology, the 2024 impairment test on non-current assets grouped together in the SBS cash-generating unit, was performed in two stages:

1. for years 1 to 5, the scenario presented by SBS in its impairment tests is founded on a business plan based on the following operating assumptions:
   - organic revenue growth of between 2.1% and 6.4% per year,
   - gradual increase in Profit on operating activities from 9.3% in 2025 to 20% in 2029,
   - transformation costs of €17million over the 5-year period.
2. from year 6 onward: cash flows are calculated by applying a perpetual growth rate of 2.17% to the last modelled flow in 2029. This rate reflects forecast long-term real economic growth, adjusted for forecast long-term inflation.

For fiscal year 2024, the value-in-use of the Axway CGU calculated according to the discounted cash flow method was €688 million, with a discount rate of 9.46% and a perpetual growth rate of 2.17%.

For fiscal year 2024, the value-in-use of the SBS CGU calculated according to the discounted cash flow method was €543 million, with a discount rate of 11.10% and a perpetual growth rate of 2.17%.

Value (in millions of euros)

Axway	Discount rate			SBS	Discount rate		
Perpetual growth rate	**8.46%**	**9.46%**	**10.46%**	**Perpetual growth rate**	**10.10%**	**11.10%**	**12.10%**
1.67%	763	646	556	1.67%	595	515	451
2.17%	820	688	587	2.17%	631	543	473
2.67%	887	736	623	2.67%	672	574	497

- The discount rate reflects the uniform average of analysts' weighted average cost of capital components and intermediary approaches. It also includes IFRS 16 lease liabilities.
- The WACC used for Axway CGU impairment tests is 9.46%, which is the average of the WACC of the intermediate approaches defined below and the analysts' average.
- The WACC used for SBS CGU impairment tests is 11.1%, which is the specific WACC of the activity, used for the purchase price allocation process finalised in December 2024.
- The perpetual growth rate is equal to the uniform average of analysts' rates.

The recoverable amount of Axway's CGU is therefore €688 million and corresponds to its value-in-use taking into account the net debt. The carrying amount of the Axway CGU is equal to the value of its intangible assets, property, plant and equipment and WCR at 31 December *i.e.* €483.6 million. Based on the above, the recoverable amount is higher than the carrying amount, and it was not therefore necessary to recognise any impairment of the goodwill and intangible assets allocated to the Axway cash-generating unit at 31 December 2024.

The recoverable amount of the SBS CGU is therefore €543 million and corresponds to its value-in-use taking into account net debt. The carrying amount of the SBS CGU is equal to the value of its intangible assets, property, plant and equipment and WCR at 31 December *i.e.* €412.9 million. Based on the above, the recoverable amount is higher than the carrying amount, and it was not therefore necessary to recognise any impairment of the goodwill and intangible assets allocated to the Axway cash-generating unit at 31 December 2024.

At 31 December 2024, the headroom for each CGU is as follows:

Value (in millions of euros)	Axway	SBS
Value of assets tested	484	413
Value in use	688	543
HEADROOM	**204**	**130**

For fiscal year 2023, impairment testing led to the retention of goodwill values. The recoverable amount of Axway's CGU was €624 million. Market capitalisation less costs to sell was €353 million compared to consolidated shareholders' equity of €346 million.

Impairment testing carried out at the end of 2022, 2023 and 2024 did not lead to the recognition of an impairment loss.

Sensitivity tests on the discount rate

In addition to these sensitivity tests, the Group considers that:

- a 2.36 point increase in the discount rate would be necessary for the recognition of the first euro of impairment for Axway assets;
- a 2.05 point increase in the discount rate would be necessary for the recognition of the first euro of impairment for SBS assets.

8.3 Other intangible assets

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Assets purchased separately

Assets purchased separately comprise software packages recorded at purchase cost and amortised on a straight-line basis over one to ten years depending on their estimated useful lives.

Assets acquired as part of a business combination

These assets comprise software packages, customer bases, brands and distributor relations. They are recognised at fair value on the allocation of the purchase price of entities acquired in business combinations. These assets are amortised on a straight-line basis over 5 to 15 years, depending on their estimated useful lives.

Assets generated internally

In application of IAS 38, *Intangible assets*:

- all research expenses are recognised as charges in the year they are incurred;
- software package development costs are capitalised if the six following conditions are satisfied:
  - it must be technically feasible to complete development of the intangible asset so that it will be available for use or sale,
  - the Group must have the intention of completing development of the intangible asset and of using or selling it,
  - the Group must be able to use or sell the intangible asset,
  - the Group must be able to demonstrate that the intangible asset will generate probable future economic benefits,
  - the Group must provide adequate technical, financial and other resources to complete the development and to use or sell the intangible asset,
  - the Group must be able to measure reliably the expenditure attributable to the intangible asset during its development.

No development expenses for software packages are recognised under intangible assets if any one of the above conditions are not met.

In view of the specific nature of the software development business, the determining criteria is the technical feasibility of completing the product and the manner in which the asset will generate probable future economic benefits.

The risks and uncertainties inherent to software development do not allow the technical feasibility of a product to be demonstrated before a demo version that can be shown to a prospective customer is available. The differences between a demo version and the final version are generally minor, which means that the costs incurred in this development phase, which may be capitalised, are not significant.

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Changes in intangible assets are presented below:

(in thousands of euros)	Customer base	Technologies	Brands	Capitalised development expenses	Other	Total
Gross value						
31 December 2022	**38,768**	**40,135**	**272**	**—**	**19,020**	**98,194**
Translation adjustments	-559	-955	-9	—	-49	-1,572
Acquisitions	—	—	—	—	141	141
Disposals	—	—	—	—	—	—
Other movements	—	—	—	—	—	—
Changes in scope of consolidation	—	—	—	—	212	212
31 December 2023	**38,209**	**39,180**	**262**	**—**	**19,324**	**96,975**
Translation adjustments	831	1,445	—	—	83	2,360
Acquisitions	—	—	—	6,244	796	7,041
Disposals	—	—	—	—	-1,272	-1,272
Other movements	—	—	—	-5,771	5,785	13
Changes in scope of consolidation	79,390	109,908	—	-18	13,447	202,727
31 December 2024	**118,430**	**150,533**	**262**	**456**	**38,162**	**307,826**
Impairment						
31 December 2022	**36,782**	**33,284**	**272**	**—**	**19,173**	**89,510**
Translation adjustments	-559	-769	-9	—	-87	-1,425
Charge	610	2,587	—	—	369	3,566
Reversal	—	—	—	—	—	—
Other movements	—	—	—	—	—	—
Changes in scope of consolidation	—	—	—	—	187	187
31 December 2023	**36,833**	**35,101**	**262**	**—**	**19,641**	**91,838**
Translation adjustments	832	1,417	—	1	230	2,479
Charge	2,813	5,746	—	261	116	8,936
Reversal	—	—	—	—	-1,271	-1,271
Other movements	—	—	—	—	25	25
Changes in scope of consolidation	—	—	—	—	13,547	13,547
31 December 2024	**40,478**	**42,264**	**262**	**261**	**32,255**	**115,524**
Net value						
31 December 2023	**1,376**	**4,079**	**—**	**—**	**-317**	**5,137**
31 December 2024	**77,952**	**108,269**	**—**	**194**	**5,908**	**192,302**

This line item mainly includes intangible assets (customer bases, technologies, brands) allocated during the purchase price allocation process following business combinations. Amortisation of these allocated intangible assets is recorded in Profit from recurring operations.

In 2024, the Group identified new assets following the acquisition of Advalvas, Cycom and SBS, as follows :

(in thousands of euros)	Customer base	Technologies	Total
Advalvas	1,390	1,737	3,127
Cycom	—	2,970	2,970
SBS	78,000	105,200	183,200
TOTAL	**79,390**	**109,907**	**189,297**

Allocated intangible assets break down as follows:

	Residual periods of amortisation
Systar – Customer base (purchased in April 2014)	1.3
Appcelerator – Technologies (purchased in January 2016)	0.1
DXchange – Technologies (purchased in June 2022)	7.5
Advalvas - Customer base (purchased in March 2023)	10.3
Advalvas - Technologies (purchased in March 2023)	8.3
Cycom - Technologies (purchased in October 2023)	8.8
SBS - Customer base (purchased in September 2024)	12.7
SBS - Technologies (purchased in September 2024)	9.7

For Axway's products, no expenditure incurred in developing solutions and software packages has been capitalised, either in 2024 or in prior years.

For SBS's products, expenditure incurred in developing solutions and software packages (Banking) capitalised in intangible assets totalled €7.0 million in 2024 and represented a net carrying amount of €6.8 million at 31 December 2024. This expenditure solely concerns the SBS offering.

Development expenses expressed as a percentage of revenue are as follows:

	2024			2023		
	Development expenses recognised in the income statement	Revenue	% of revenue	Development expenses recognised in the income statement	Revenue	% of revenue
Axway	61.2	329.8	18.6%	60.1	319.0	18.8%
SBS (4 months in 2024)	39.4	132.7	29.7%	—	—	—%
Consolidation	0.0	-0.6	—%	—	—	—%
74SOFTWARE	**100.6**	**461.9**	**21.8%**	**—**	**—**	**—%**

8.4 Property, plant and equipment

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Property, plant and equipment essentially comprise fixtures and fittings, office furniture and equipment and IT facilities.

Items of property, plant and equipment are measured at acquisition cost less accumulated depreciation and any impairment losses. No items have been revalued.

Depreciation is calculated on a straight-line basis over the expected useful lives of each non-current asset category.

Depreciation is calculated based on the asset acquisition cost after deducting any residual value. Residual asset values and expected useful lives are reviewed at each reporting date.

IT facilities are scrapped each year after taking inventory. The amount of these assets is recorded in disposals. Assets scrapped on exiting premises where the lease is not renewed are also included in disposals.

	Expected useful lives of various PP&E categories
Fixtures and fittings	3 to 10 years according to the lease terms
IT facilities	3 to 5 years
Furniture and office equipment	5 to 10 years

(in thousands of euros)	Furniture, fixtures and fittings	IT facilities	Total
Gross value			
31 December 2022	**14,299**	**27,145**	**41,445**
Translation adjustments	-192	-259	-450
Acquisitions	232	2,054	2,286
Disposals	-487	-2,055	-2,542
Other movements	—	-18	-18
Changes in scope of consolidation	80	118	199
31 December 2023	**13,933**	**26,987**	**40,919**
Translation adjustments	622	819	1,441
Acquisitions	2,894	2,019	4,914
Disposals	-6,766	-3,310	-10,076
Other movements	-269	269	—
Changes in scope of consolidation	16,904	17,046	33,950
31 December 2024	**27,318**	**43,830**	**71,148**
Depreciation			
31 December 2022	**7,318**	**21,653**	**28,971**
Translation adjustments	-55	-216	-271
Charge	1,391	2,652	4,043
Reversal	—	—	—
Other movements	795	-2,065	-1,270
Changes in scope of consolidation	43	113	157
31 December 2023	**9,493**	**22,137**	**31,630**
Translation adjustments	353	682	1,035
Charge	1,520	2,571	4,092
Reversal	-1,280	—	-1,280
Other movements	-5,575	-2,872	-8,448
Changes in scope of consolidation	11,288	13,416	24,704
31 December 2024	**15,799**	**35,935**	**51,733**
Net value			
31 December 2023	**4,439**	**4,850**	**9,289**
31 December 2024	**11,519**	**7,896**	**19,414**

In 2024, Group investments in property, plant and equipment totalled €4.9 million and concerned IT facilities (central systems, workstations and networks) for €2.0 million.

SBS impact: Other movements concern property, plant and equipment acquired together with SBS activities.

Note 9 Leases

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Leases are recognised in the balance sheet at the lease start date, which is the date at which the lessor makes the underlying asset available to the lessee. Leases lead to the recognition of a Lease right-of-use asset in balance sheet assets and a Lease liability in balance sheet liabilities.

The lease liability is equal to the present value of future minimum lease payments discounted over the lease term at either the implicit rate in the lease, or the incremental borrowing rate of the lessee. The contract term takes into account firm periods and any renewal or termination options that are reasonably certain to be exercised.

At the lease start date, the lease right-of-use asset is equal to the lease liability. This value is potentially corrected for any initial direct costs incurred to obtain the contract, payments in advance, advantages received from the lessor at that date and any costs that the lessee will be required to incur to dismantle and remove the underlying asset.

Future minimum lease payments include fixed lease payments, variable lease payments that depend on an index or a rate, residual value guarantees and the price of exercising a purchase option and termination or non-renewal penalties, where the Group reasonably expects to exercise or not exercise these options. Certain of these amounts may change during the course of the lease, resulting in an upward or downward revaluation of the lease liability and the right-of-use asset. The payments do not include any service components potentially included in the lease which continue to be expensed to income.

In the balance sheet, Lease liabilities are split between current and non-current liabilities. Lease right-of-use assets are depreciated on a straight-line basis over the lease term or the useful life of the underlying asset, if the lease transfers ownership of the asset to the lessee or if the lessee is reasonably certain to exercise a purchase option.

In the income statement, depreciation is included in Depreciation and amortisation, provisions and impairment under Profit on ordinary activities. The net interest on the lease liability is presented separately in *Other financial income and expense.*

In the statement of cash flows, depreciation is included in Depreciation and amortisation, provisions and impairment under Net cash from (used in) operating activities. The change in the lease liability (lease payments made) and the net interest on the lease liability are recorded under Net cash from (used in) financing activities.

Finally, by exception, short-term leases of a period of less than 12 months and leases of low value assets with an individual value of less than US$5,000, are expensed directly to income and not therefore restated in the balance sheet. Similarly, variable lease payments based on use of the underlying asset or revenue generated by use of the underlying asset are expensed directly to income.

9.1 Lease right-of-use assets by category

(in thousands of euros)	Leased properties	Leased vehicles	Leased IT facilities	Total
Gross value				
31 December 2023	**38,770**	**1,339**	**590**	**40,699**
Change in scope of consolidation	40,580	7,612	7,980	56,171
Acquisitions	1,654	797	–	2,452
Disposals – assets scrapped	-14,639	-731	–	-15,369
Other movements	-4	21	–	17
Translation adjustments	1,422	29	–	1,451
31 December 2024	**67,783**	**9,068**	**8,570**	**85,420**
Depreciation				
31 December 2023	**-22,023**	**-806**	**-49**	**-22,878**
Change in scope of consolidation	-14,843	-3,926	-5,644	-24,414
Charge	-5,624	-952	-545	-7,121
Disposals – assets scrapped	14,580	713	–	15,293
Other movements	–	31	–	31
Translation adjustments	-465	-10	–	-475
31 December 2024	**-28,376**	**-4,950**	**-6,238**	**-39,564**
Net value				
31 December 2023	**16,747**	**533**	**541**	**17,821**
31 December 2024	**39,407**	**4,117**	**2,332**	**45,857**

SBS impact: Changes in the scope of consolidation concern right-of-use assets acquired together with SBS activities. The assumption of these leases had a non-material impact on SBS opening shareholders' equity.

9.2 Debt maturity of lease liabilities

in thousands of euros)	Carrying amount	Current	Non- current	Breakdown of non-current liabilities: 1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Lease liabilities	54,351	9,447	44,904	8,735	8,038	7,279	5,041	15,812

SBS impact: The increase in lease liabilities is due to leases assumed on the acquisition of SBS activities.

Note 10 Provisions

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

A provision is recognised when an obligation exists with respect to a third party originating prior to the reporting date and when the loss or liability is probable and may be reliably estimated.

As provisions are estimated based on risks or future expenses, their amounts are uncertain and may be adjusted in future periods. Provisions are discounted if the impact of discounting is material.

In the specific case of restructurings, an obligation is recognised when the restructuring has been announced and a detailed plan prepared or implementation commenced. These costs essentially comprise severance payments, early retirement payments, the cost of notice periods not worked, the cost of training individuals prior to departure and other costs relating to site closures.

Non-current assets scrapped and impairments of inventory and other assets directly relating to restructuring measures are also recognised in restructuring costs.

10.1 Current and non-current provisions

(in thousands of euros)	01/01/2024	Change in scope of consolidation	Charge for the year	Reversals for the year (provisions used)	Reversals for the year (unused provisions)	Other movements	31/12/2024
Provisions for disputes	988	1,509	703	-833	-132	113	2,348
Provisions for guarantees	120	–	20	–	–	–	140
Other provisions for contingencies	370	1,329	28	-15	–	22	1,735
Sub-total provisions for contingencies	**1,477**	**2,838**	**752**	**-847**	**-132**	**135**	**4,223**
Tax provisions	2,879	110	505	–	–	-520	2,974
Provisions for restructuring	917	–	–	-925	–	11	4
Other provisions for losses	1,264	54	1	-1,191	–	–	128
Sub-total provisions for losses	**5,060**	**164**	**507**	**-2,115**	**–**	**-509**	**3,107**
TOTAL	**6,538**	**3,002**	**1,258**	**-2,962**	**-132**	**-374**	**7,330**
Impact (net of expenses incurred)	–	–	–	–	–	–	–
Profit from recurring operations	–	–	752	–	-132	–	–
Operating profit	–	–	505	–	–	–	–
Net financial income (expense)	–	–	–	–	–	–	–
Income taxes	–	–	1	–	–	–	–
TOTAL	**–**	**–**	**1,258**	**–**	**-132**	**–**	**–**

Provisions for disputes relate to labour arbitration proceedings and employee severance payments in Axway for €966 thousand (€988 thousand at 31 December 2023) and in SBS for €275 thousand. Provisions for customer disputes total €1,107 thousand in the SBS France financial statements.

Provisions for guarantees reflect an obligation to our customers in Germany to cover potential guarantee risks of €140 thousand.

Other provisions for contingencies cover costs relating to SBS UK premises (€1,377 thousand), 74Software SA premises in France (€263 thousand) and Axway Inc. premises in the United States (€48 thousand).

Tax provisions cover risks relating to a sales tax in Brazil for €2,861 thousand.

Other provisions for losses comprise seniority provisions in Germany for €75 thousand.

10.2 Contingent liabilities

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

To the extent that a loss or liability is not probable or may not be reliably estimated, a contingent liability is disclosed by the Group in commitments given.

There are no contingent liabilities at 31 December 2024.

Note 11 Financing and management of financial risks

11.1 Cost of net financial debt

(in thousands of euros)	2024	2023
Income from cash management	3,223	170
Interest expense	-12,148	-4,122
Cost of net financial debt	**-8,925**	**-3,952**
Net interest on lease liabilities	-1,233	-672
TOTAL COST OF NET FINANCIAL DEBT	**-10,158**	**-4,624**

The €8.0 million rise in interest expenses is due to the increase in debt to finance the SBS acquisition.

Financial expenses also include research tax credit research financing costs of €492 thousand in 2024.

The discounting of the DXchange earn-out represented an expense of €376 thousand in 2024

11.2 Other financial income and expense

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Foreign exchange gains and losses mainly relate to commercial transactions denominated in foreign currencies.

Foreign exchange gains and losses relating to inter-Company loans are considered an integral part of the Group's net investment in the foreign subsidiaries in question. These foreign exchange gains and losses are recorded as a separate component of equity under the heading *Translation reserves* in accordance with IAS 21.

(in thousands of euros)	2024	2023
Foreign exchange gains and losses	**-3,379**	**940**
Reversal of provisions	-1	-2
Proceeds from disposals of financial assets	—	14
Other financial income	92	—
Total foreign exchange gains/losses and other financial income	**-3,287**	**952**
Charges to provisions	-103	1
Discounting of retirement benefit commitments	-607	-370
Change in the value of derivatives	—	—
Other financial expenses	-569	-744
Total other financial expense	**-1,279**	**-1,113**
TOTAL OTHER FINANCIAL INCOME & EXPENSE	**-4,565**	**-161**

A breakdown of the line item, Discounting of retirement benefit commitments, is presented in Note 5.3.

The increase in foreign exchange losses is partly due to the depreciation of the Brazilian real for €2.4 million.

11.3 Cash and cash equivalents

ACCOUNTING POLICIES, JUDGEMENTS AND ESTIMATES

Cash and cash equivalents comprise cash, bank demand deposits, other highly liquid investments with initial maturities not exceeding three months and bank overdrafts. Bank overdrafts are included in Financial debt - short-term portion.

In accordance with IAS 7, cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

UCITS classified by the AMF (French Financial Markets Authority) as “monetary” and “short-term monetary” are presumed to satisfy the four key criteria already mentioned. Eligibility of the other cash UCITS as “cash equivalents” has not been presumed: an analysis of compliance with the four criteria cited is required.

Cash equivalents are recognised at fair value; changes in fair value are recognised in the income statement in Other financial Income and expense.

Net cash and cash equivalents include available liquid funds (cash and positive bank balances), investment securities that meet the definition of cash equivalents, bills of exchange presented for collection and due before the reporting date and temporary bank overdrafts.

(in thousands of euros)	31/12/2024	31/12/2023
Cash equivalents	4,802	9
Cash	36,635	16,674
Cash and cash equivalents	**41,437**	**16,682**
Bank overdrafts	-1,057	-153
TOTAL	**40,381**	**16,530**

Cash and cash equivalents (excluding bank overdrafts) of €41.4 million at 31 December 2024 are held €18.2 million by the parent Company and €23.2 million by subsidiaries, including net cash of €6.9 million held by SBS entities, €5.3 million held by Axway Inc. in the United States and €11.1 million held by other Axway subsidiaries.

11.4 Financial debt – Net debt

ACCOUNTING POLICIES

Financial debt essentially comprises:

- bank borrowings: bank borrowings are initially recognised at fair value net of transaction costs and subsequently recognised at amortised cost; any difference between the principal amount borrowed (net of transaction costs) and the amount repayable is recognised in the income statement over the term of the borrowings using the effective interest rate method;
- bank overdrafts;
- other various financial debt; these mainly concern earn-out clauses representing a change in the initial acquisition price of a Company.

The portion of financial debt due within 12 months from the reporting date is classified in current liabilities.

(in thousands of euros)	Current	Non- current	31/12/2024	31/12/2023
Bank borrowings	26,341	258,556	284,897	86,843
Other financial debt	868	5,810	6,677	5,306
Bank overdrafts	171	–	171	124
Financial debt	**27,380**	**264,365**	**291,746**	**92,273**
Cash equivalents	-4,802	–	-4,802	-9
Cash	-36,635	–	-36,635	-16,674
Net debt	**-14,057**	**264,365**	**250,308**	**75,590**

Reconciliation with the cash flow statement

Opening bank borrowings	**86,843**	**82,627**
Cash flow movements:		
■ Proceeds from borrowings	264,123	22,182
■ Repayment of borrowings	-68,264	-18,749
Non-cash movements	2,195	783
Closing bank borrowings	**284,897**	**86,843**

At 31 December 2024, bank borrowings total € 284.9 million.

Bank loans secured to finance the acquisition of SBS activities total €200 million and €195.1 million net of financing costs. They are recorded in proceeds from borrowings in 2024.

Draw-downs on the Revolving Credit Facility (RCF) total €69 million and were repaid in the amount of €68 million.

In addition, the Group recognised a debt of €5.3 million in respect of the variable earn-out payable to the seller of DXchange in India. Movements in this earn-out did not impact cash in 2024.

Comments on bank loans relating to the acquisition of SBS

At 31 December 2024, the loan facility set up by the 74Software Group was drawn €200 million for the acquisition of SBS. It is recorded in the consolidated balance sheet in current borrowings for €12 million and long-term borrowings for €188 million, that is €184.4 million net of bank commission.

A detailed description of these loan facilities is presented in Note 11.5.

Comments on the RCF

At 31 December 2024, €38 million (30%) of the €125 million RCF was available.

In 2024, further draw-downs were performed on the RCF for a total of €69 million.

In 2023, further draw-downs were performed on the RCF for a total of €22 million. The US$18 million draw-down was repaid.

A detailed description of the RCF is presented in Note 11.5.

Comments on other financial debt relating to the earn-out

In 2022, the Group recognised a debt of €4.8 million in respect of the variable earn-out payable to the former shareholders of DXchange in India. This earn-out was valued based on a 5-year progressive business plan for the DXchange technology covering the period 2023 to 2027. This earn-out may therefore vary upwards or downwards depending on actual revenue generated by the purchased technology. The earn-out will be paid progressively over the period 2024 to 2028. Future amounts were discounted at a rate of 9.0% at the acquisition date.

At 31 December 2024, this earn-out was revalued by +€0.5 million to take account of the following:

- payments made in respect of 2024 (€0 million);
- the updated business plan (€0 million);
- discounting (€0.5 million);
- The earn-out is €5.3 million at 31 December 2024.

11.5 Bank covenants

The 74Software Group has undertaken to comply with bank covenants in the context of bank loans as follows:

Bank loans

On 23 May 2024, the 74Software Group signed a Bank Loan agreement comprising a €120 million 5-year amortising term loan, due 60% on maturity ("Tranche A") and an €80 million 3-year non-amortising term loan ("Tranche B"). Tranche A will be repaid over 5 years as follows: €12 million each year and €72 million on maturity. It also includes a €100 million unconfirmed non-amortising tranche with a minimum maturity of 5-years. This tranche is available for 36 months and is intended for acquisition financing.

Contractual interest rates are calculated based on EURIBOR plus an annual margin of 2.60% (Tranche A) and 2.20% (Tranche B).

The financing is subject to all standard restrictions, such as baskets and thresholds, including but not limited to acquisitions, disposals, net debt, guarantees and pledges, and dividend payments, as well as standard early repayment clauses, including a change in control, illegality, sales proceeds or new debt issues (where proceeds will be allocated solely to the repayment of tranche B).

At 31 December 2024, the debt facility secured by the 74Software Group was drawn €200 million for the acquisition of SBS. The loan facility is recorded in the consolidated balance sheet in current borrowings for €12 million and long-term borrowings for €188 million, that is €184.4 million net of bank commission.

Revolving Credit Facility (RCF)

74Software has a multi-currency Revolving Credit Facility (RCF) contracted with six banks.

This 5-year €125 million bullet financing seeks to increase Axway's financial flexibility while guaranteeing its capacity to finance an external growth strategy.

This RCF agreement was initially signed in July 2014. It was followed on 30 January 2019 by an "Amendments and maturity extension" agreement reducing the margin scale and relaxing the financial covenants, after approval by the Board of Directors on 25 October 2018. The initial maturity of July 2021 was extended to January 2024 and then to January 2026. The renegotiation of the agreement in 2022 enabled a further extension of the maturity to April 2027.
This financing offers the Group increased flexibility for acquisitions of less than €50 million, with no prior documentation now required. In addition, the most recent renegotiation in 2022 provides 74Software with more leeway with regards to limits on dividend distributions.

The Revolving Credit Facility (RCF) retains a central role in the 74Software Group's strategy for financing future acquisitions. It is an extremely flexible financing tool, enabling dynamic cash management.

During the drawdown period, interest is payable at Euribor plus a spread adjusted every six months to reflect the change in the Net debt/EBITDA ratio. The impacts of IFRS 16 are excluded from these ratios.

These lines are subject to a use and non-use fee.

Bank covenants and financial ratios at 31 December 2024

(in thousands of euros)	2024	2023	
Net debt	250,308	75,590	
Consolidated EBITDA	87,204	63,362	R1 < 3,25
Leverage Ratio : Net debt / Consolidated EBITDA	**2.87**	**1.19**	
Net debt	250,308	75,590	
Equity	539,952	349,872	R3 < 1
Gearing Ratio : Net debt / Equity	**0.46**	**0.22**	

Bank covenants must be tested before 30 April 2025 at the latest. Relevant debt outstandings total €287 million and no objective items suggest that the Group will be unable to comply with the covenants.

The two financial ratios which must be met under the covenants are:

- "net debt/consolidated EBITDA" ratio below 3.25 at 31 December 2024 and then 3.00 throughout the term of the loan;
- "net debt/equity" ratio below 1.0 throughout the term of the loan.

Details of the Consolidated EBITDA calculation is presented in Note 15.3, Commitments received - Covenants and Bank overdrafts.

At 31 December 2024, the two financial ratios are met under the covenants.

11.6 Financial instruments recorded in the balance sheet

ACCOUNTING POLICIES

Derivatives are initially recognised at fair value on the date of signing the contract. They are later revalued at their fair value. The accounting treatment of the associated profit or loss depends on whether the derivative has been designated as a hedging instrument and, if so, on the nature of the hedged item.

The Group designates a number of derivatives as:

- hedges of the fair value of assets or liabilities recognised in the balance sheet or of firm forward commitments (fair value hedge); or
- hedges of a specific risk associated with an asset or liability recognised or a future, highly probable transaction (cash flow hedge); or
- hedges of a net investment in a foreign operation (net investment hedge).

The fair value of a hedging derivative instrument is classified as:

- a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; and
- a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Changes in the fair value of derivative instruments that qualify for hedge accounting impact shareholders' equity.

Derivatives held for trading purposes are classified as current assets or liabilities if settled within a year of the reporting date, otherwise they are classified under non-current assets or liabilities. The Group also classifies derivatives as speculative instruments when they cannot qualify as designated and effective hedging instruments within the meaning of IFRS 9. The changes in their fair value are recorded in the income statement in Other financial income and expense.

a. At 31 December 2024

(in thousands of euros)	31/12/2024 Carrying amount	Fair value	Assets and liabilities at fair value through profit and loss	Available-for-sale assets	Loans, receivables and other liabilities	Financial debt at amortised cost	IFRS 16 lease liabilities	Derivatives at fair value through profit and loss	Derivatives at fair value through shareholders' equity
			Breakdown by class of derivative instrument						
Financial assets	16,792	16,792	–	–	16,792	–	–	–	–
Trade receivables	293,532	293,532	–	–	293,532	–	–	–	–
Other current receivables	72,598	72,598	–	–	72,598	–	–	–	–
Cash and cash equivalents	41,437	41,437	37,530	3,908	–	–	–	–	–
FINANCIAL ASSETS	**424,360**	**424,360**	**37,530**	**3,908**	**382,922**	**–**	**–**	**–**	**–**
Financial debt – long-term portion	264,365	264,365	–	–	–	264,365	–	–	–
Lease liabilities – long-term portion	44,904	44,904	–	–	–	–	44,904	–	–
Other non-current liabilities	40,326	40,326	–	–	40,326	–	–	–	–
Financial debt – short-term portion	27,380	27,380	–	–	–	27,380	–	–	–
Lease liabilities – short-term portion	9,447	9,447	–	–	–	–	9,447	–	–
Trade accounts payable	28,672	28,672	–	–	28,672	–	–	–	–
Other current liabilities	159,710	159,710	–	–	159,710	–	–	–	–
FINANCIAL LIABILITIES	**574,806**	**574,806**	**–**	**–**	**228,709**	**291,746**	**54,351**	**–**	**–**

The fair value of trade receivables, other current receivables, trade accounts payable and other current liabilities is the same as the carrying amount, owing to their very short settlement periods.

b. At 31 December 2023

(in thousands of euros)	31/12/2023 Carrying amount	Fair value	Assets and liabilities at fair value through profit and loss	Available-for-sale assets	Loans, receivables and other liabilities	Financial debt at amortised cost	IFRS 16 lease liabilities	Derivatives at fair value through profit and loss	Derivatives at fair value through shareholders' equity
			Breakdown by class of derivative instrument						
Financial assets	13,098	13,098	–	–	13,098	–	–	–	–
Trade receivables	178,009	178,009	–	–	178,009	–	–	–	–
Other current receivables	16,039	16,039	–	–	16,039	–	–	–	–
Cash and cash equivalents	16,682	16,682	16,682	–	–	–	–	–	–
FINANCIAL ASSETS	**223,828**	**223,828**	**16,682**	**–**	**207,146**	**–**	**–**	**–**	**–**
Financial debt – long-term portion	87,995	87,995	–	–	–	87,995	–	–	–
Lease liabilities – long-term portion	19,689	19,689	–	–	–	–	19,689	–	–
Other non-current liabilities	12,154	12,154	–	–	12,154	–	–	–	–
Financial debt – short-term portion	4,278	4,278	–	–	–	4,278	–	–	–
Lease liabilities – short-term portion	4,037	4,037	–	–	–	–	4,037	–	–
Trade accounts payable	11,313	11,313	–	–	11,313	–	–	–	–
Other current liabilities	55,418	55,418	–	–	55,418	–	–	–	–
FINANCIAL LIABILITIES	**194,883**	**194,883**	**–**	**–**	**78,885**	**92,273**	**23,726**	**–**	**–**

11.7 Management of financial risks

11.7.1 Credit risk

Credit risks are detailed in Note 7.2, Trade receivables, in the paragraphs “Maturity of trade receivables” and “Changes in provisions for doubtful receivables”.

11.7.2 Liquidity risk

According to the definition given by the French Financial Markets Authority (AMF), liquidity risk arises when assets have a longer term than liabilities. This can result in an inability to repay short-term debt if the Company is unable to sell the asset in question or obtain bank credit lines.

The following table shows the non-discounted contractual cash flows of consolidated net debt at 31 December 2024:

(in thousands of euros)	Carrying amount	Total contractual flows	Less than a year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years
Bank borrowings	284,897	335,500	27,459	26,585	189,227	16,896	75,333	–
Other financial debt	6,677	8,367	1,049	827	2,089	4,402	–	–
Bank overdrafts	171	171	171	–	–	–	–	–
Financial debt	**291,746**	**344,038**	**28,679**	**27,412**	**191,316**	**21,298**	**75,333**	**–**
Cash and cash equivalents	-41,437	-41,437	-41,437	–	–	–	–	–
CONSOLIDATED NET DEBT	**250,308**	**302,600**	**-12,759**	**27,412**	**191,316**	**21,298**	**75,333**	**–**

11.7.3 Market risks

a. Interest rate risk

The Group Finance Department, in liaison with partner banking institutions, manages interest rate risk.

Hedging of borrowings

No hedges were entered into in 2022, 2023 or 2024.

Summary of exposure to interest rate risk

The table below shows the Group’s exposure to interest rate risk based on commitments at 31 December 2024:

At 31 December 2024	Interest rate	31/12/2024	Less than 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years
Cash and cash equivalents	Fixed rate	41,437	41,437	–	–	–	–	–
	Floating rate	–	–	–	–	–	–	–
Financial assets	**Fixed rate**	**41,437**	**41,437**	**–**	**–**	**–**	**–**	**–**
	Floating rate	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Bank borrowings	Fixed rate	-474	-252	-150	-40	-32	–	–
	Floating rate	-335,026	-27,207	-26,435	-189,187	-16,864	-75,333	–
Other financial debt	Fixed rate	-1,355	-868	–	–	-487	–	–
	Floating rate	-7,012	-181	-827	-2,089	-3,915	–	–
Bank overdrafts	Fixed rate	–	–	–	–	–	–	–
	Floating rate	-171	-171	–	–	–	–	–
Financial liabilities	**Fixed rate**	**-1,829**	**-1,120**	**-150**	**-40**	**-519**	**–**	**–**
	Floating rate	**-342,209**	**-27,559**	**-27,262**	**-191,276**	**-20,779**	**-75,333**	**–**
Net position before hedging	**Fixed rate**	**39,609**	**40,318**	**-150**	**-40**	**-519**	**–**	**–**
	Floating rate	**-342,209**	**-27,559**	**-27,262**	**-191,276**	**-20,779**	**-75,333**	**–**
Net exposure after hedging	**Fixed rate**	**39,609**	**40,318**	**-150**	**-40**	**-519**	**–**	**–**
	Floating rate with cap and floor	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	Floating rate	**-342,209**	**-27,559**	**-27,262**	**-191,276**	**-20,779**	**-75,333**	**–**

b. Foreign exchange risk

Foreign exchange risk arises mainly from the currency translation of financial statements of companies based in the USA, Brazil, the UK and Sweden. No specific hedges have been arranged for this type of risk.

The exposure to risk arising from trade transactions is limited, as entities mainly carry out business in their own country and currency.

Furthermore, as part of its inter-Company transactions, the Group is exposed to the risk of currency fluctuations in respect of:

- the invoicing of services provided by a centre located in Romania. The impact of these currency fluctuations on profit or loss is in principle negligible in view of the regularity of settlements;
- the invoicing of license fees by the Group to subsidiaries operating in a functional currency other than the euro;
- borrowings and loans in foreign currencies related to inter-Company financing. The impact of these currency fluctuations is taken to shareholders' equity. These financial flows are not systematically hedged.

At 31 December 2024, the net carrying amount of assets and liabilities recognised by Group entities in a currency other than their functional currency was as follows:

Inter-Company commercial transactions

(in thousands of euros)	AUD	BRL	EURO	GBP	SGD	USD	CHF	TND	MAD	AED	Other	Total
Assets	1,268	1,855	39,141	20,189	3,438	53,586	219	8,254	27,751	4,717	8,586	169,003
Liabilities	217	475	43,854	16,929	118	41,350	736	8,254	27,751	4,855	7,054	151,592
Net position before hedging	**1,051**	**1,380**	**-4,713**	**3,261**	**3,320**	**12,236**	**-517**	**–**	**–**	**-138**	**1,531**	**17,411**
Net position after hedging	**1,051**	**1,380**	**-4,713**	**3,261**	**3,320**	**12,236**	**-517**	**–**	**–**	**-138**	**1,531**	**17,411**

Sensitivity analysis

(in thousands of euros)	AUD	BRL	EURO	GBP	SGD	USD	CHF	TND	MAD	AED	Other	Total
Currency change assumption (appreciation)	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	–
Net impact on profit	**53**	**69**	**-236**	**163**	**166**	**612**	**-26**	**–**	**–**	**-7**	**77**	**871**
Impact on shareholders' equity	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

Current accounts

(in thousands of euros)	AUD	BRL	EURO	GBP	SGD	USD	CHF	TND	MAD	AED	Other	Total
Assets	–	–	681	4,253	–	45,225	131	–	1,872	–	3,208	55,370
Liabilities	1,413	–	-605	2,042	75	29,432	–	–	1,872	–	6,279	40,509
Net position before hedging	**-1,413**	**–**	**1,286**	**2,211**	**-75**	**15,793**	**131**	**–**	**–**	**–**	**-3,071**	**14,861**
Net position after hedging	**-1,413**	**–**	**1,286**	**2,211**	**-75**	**15,793**	**131**	**–**	**–**	**–**	**-3,071**	**14,861**

Sensitivity analysis

(in thousands of euros)	AUD	BRL	EURO	GBP	SGD	USD	CHF	TND	MAD	AED	Other	Total
Currency change assumption (appreciation)	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	–
Net impact on profit	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Impact on shareholders' equity	**-71**	**–**	**64**	**111**	**-4**	**790**	**7**	**–**	**–**	**–**	**-154**	**743**

c. Equity risk

The Group does not hold any shares for investment purposes or stakes in listed companies.

(in euros)		Number of treasury shares purchased	Average price	Total
Treasury shares purchased under the share buyback programmes authorised by General Meeting	Market-making agreement	19,820	25.8	511,059
	Treasury shares purchased to remunerate free share grant plans	619,283	19.9	12,335,559
TOTAL AT DECEMBER 2024		**639,103**	**20.1**	**12,846,618**
Shareholders' equity impact (see Consolidated statement of changes in equity)				-12,846,618
Number of treasury shares as a % of Axway share capital				2.15%

All transactions in treasury shares are recognised directly in shareholders' equity.

Given the small number of treasury shares held (2.15% of the share capital), the Group is not exposed to any material equity risk. In addition, as the value of treasury shares is deducted from equity, movements in the share price do not impact the consolidated income statement.

Note 12 Cash flows

12.1 Change in net debt

(in thousands of euros)	31/12/2024	31/12/2023
Net debt at 1 January (A)	**75,590**	**69,485**
Cash from operations after cost of net financial debt and tax	**63,012**	**56,560**
Cost of net financial debt	10,158	4,624
Income tax expense (including deferred tax)	7,398	6,951
Cash from operations before cost of net financial debt and tax	**80,568**	**68,135**
Income taxes paid	-11,743	-3,045
Changes in working capital requirements	-37,128	-32,943
Net cash from operating activities	**31,697**	**32,147**
Change related to investing activity	-11,887	-2,427
Lease payments	-8,043	-7,203
Net interest paid	-9,472	-3,725
Available net cash flow	**2,295**	**18,792**
Impact of changes in the scope of consolidation	-304,403	-10,198
Financial investments	127	-186
Dividends	—	-8,402
Share capital increase for cash	128,263	—
Other changes	301	-1 133
Total net change during the year (B)	**-175,133**	**-5,909**
Impact of changes in exchange rates	415	-196
Net debt at 31 December (A - B)	**250,308**	**75,590**

Unlevered FCF	74Software	Axway
(in thousands of euros)	2024	2023
Available net cash flow	2,295	18,792
Net interest paid	9,472	3,725
Reorganisation and restructuring costs paid	14,568	4,648
Unlevered FCF	**26,335**	**27,165**

12.2 Reconciliation of WCR with the cash flow statement

The change in WCR represented a cash outflow of -€37.1 million in 2024. At constant scope, the change in Away division WCR continued to improve, with a cash outflow of -€24.5 million compared to -€32.9 million in 2023.

The change in WCR breaks down as follows:

- the increase in customer contract assets relating to the Customer Managed Subscription offer impacted WCR in the amount of -€7.1 million in 2024, compared to -€28.8 million in 2023 and -€27.3 million in 2022. Recurring Customer Managed invoicing has begun to cover the increase in new Customer Managed signatures which automatically generates additional financing requirements, explaining the decrease in the impact on WCR;
- the increase in deferred income due to the increase in Axway Managed Subscription contracts which generate deferred income and offset Maintenance contract attrition. This increase positively impacts WCR in the amount of +€8.8 million.

In addition to the impact of the change in business model, we note:

- the level of collections, with trade receivables impacting WCR by -€29.1 million; At the end of 2024, the invoicing campaign was more dynamic than in 2023, generating an increase in customer outstandings. This reflects the Subscription business model which involves recurring invoicing, in particular, at the year-end. Customer receipts are anticipated in early 2025;
- the costs of obtaining contracts paid in advance (commission), impacting WCR by -€4.3 million;
- the +€5.0 million increase in current liabilities, partly due to the increase in the provision for variable compensation.

To complete this analysis:

- an analysis of DSO is presented in Note 7.2, Trade receivables;
- an analysis of the derecognition of research tax credit receivables is presented in 7.3, Other current receivables.

SBS impact: The SBS activity generated working capital requirements of -€12.6 million over four months. SBS deferred income is consumed during the year-end period (-€51 million), while customer receipts are collected but to a lesser extent (€34 million).

(in thousands of euros)	2024	2023	Net change	Of which: Items not included in WCR	of which: WCR items	Change in WCR items without cash impact		Impact on Cash flow statement
						Foreign exchange	Other	
Non-current assets	**11,251**	**10,309**	**942**	**—**	**942**	**174**	**108**	**-660**
Trade receivables and related accounts	293,532	178,009	115,524	—	115,524	3,233	107,908	-4,383
- Trade receivables	172,407	73,727	98,679	—	98,679	2,116	82,894	-13,670
- Customer contract assets	121,126	104,282	16,844	—	16,844	1,117	25,014	9,287
Other current receivables	101,934	32,331	69,604	—	52,709	504	54,487	-14,613
Current assets	**395,467**	**210,340**	**185,127**	**—**	**168,233**	**3,737**	**162,395**	**-18,996**
TOTAL ASSETS	**406,718**	**220,649**	**186,070**	**—**	**169,175**	**3,911**	**162,503**	**-19,655**
Non-current liabilities	**-9,530**	**-2,212**	**-7,319**	**—**	**-7,319**	**-457**	**-6,455**	**407**
Trade payables	-28,672	-11,313	-17,360	—	-17,360	2,291	-19,323	327
Advances and payments on account received for orders	-310	-759	449	—	449	-27	—	-476
Deferred income	-88,631	-49,060	-39,571	—	-39,571	-1,941	-80,738	-43,109
Other current liabilities	-159,398	-54,659	-104,739	-15,798	-88,941	-789	-62,917	25,378
Current liabilities	**-277,011**	**-115,791**	**-161,220**	**-15,798**	**-145,422**	**-466**	**-162,979**	**-17,880**
TOTAL LIABILITIES	**-286,541**	**-118,002**	**-168,539**	**-15,798**	**-152,741**	**-923**	**-169,433**	**-17,473**
TOTAL WCR	**120,177**	**102,646**	**17,531**	**-15,798**	**16,435**	**2,988**	**-6,930**	**-37,128**

12.3 Other cash flows

Net cash from operating activities amounted to €31.7 million in 2024, with cash from operations before cost of net financial debt and tax of €80.6 million. The application of IFRS 16 had a favourable impact of €7.1 million on this line item.

Axway generated net cash from operating activities of €39.0 million, while SBS generated net cash from operating activities of -€7.1 million for four months of activity.

Net cash used in investing activities of -€312.9 million concerns the acquisition of SBS activities in the amount of €304.4 million, net of cash acquired.

Net cash from (used in) financing activities totalled -€304.7 million. Three main flows explain this change:

- the share capital increase for €128.3 million, net of issue costs (€2.3 million net of taxes);
- new bank borrowings for +€264.1 million and the repayment of borrowings for -€68.3 million, including new credit facilities secured to finance the acquisition of SBS of €195.1 million (€200 million less fees of €4.9 million);.
- the share buyback programme for -€1.7 million;

In addition, the change in IFRS 16 lease liabilities represented a flow of €8.0 million.

Note 13 Equity and earnings per share

Changes in consolidated shareholders' equity are presented in Chapter 5.4, Statement of changes in consolidated shareholders' equity.

13.1 Changes in the share capital

At 31 December 2023, the share capital stood at €43,267,194, and comprised 21,633,597 fully paid-up shares with a par value of €2.00 each.

The Group issued 8,112,597 new shares in 2024. This share capital increase was performed with retention of preferential subscription rights for a gross amount of €130,612,812 in the context of the SBS acquisition (see the regulatory webpage on the transaction: https://investors.axway.com/en/rights-issue). The share capital was increased by €16,225,194.

At 31 December 2024, the share capital therefore stood at €59,492,388, comprising 29,746,194 fully-paid up shares with a par value of €2.00 each.

13.2 Transactions in treasury shares

ACCOUNTING POLICIES

All 74Software shares held by the parent Company or one of its subsidiaries are deducted from shareholders' equity at their acquisition cost.

At 31 December 2024, 639,103 treasury shares with a value of €12.8 million, are deducted from consolidated equity. They comprise:

- 19,820 shares held under the market-making agreement;
- 619,283 Axway shares purchased on the market for delivery as share-based payments (see Note 5.4). All these treasury shares will be granted to beneficiaries in 2025, 2026 and 2027.

13.3 Share subscription option plans

The option exercise period for the 2011 and 2013 grant plans expired on 18 November 2021.

13.4 Free share plans

An expense of €6.1 million was recorded in 2024 in respect of free share grant plans (see Note 5.4), including employer social security contributions of €0.9 million. The expense excluding employer social security contributions was taken to Group equity in the amount of €5.2 million.

13.5 Capital reserves

(in thousands of euros)	31/12/2024	31/12/2023
Share issue, merger and contribution premiums	223,714	113,380
Legal reserve	5,949	4,245
TOTAL	**229,664**	**117,625**

The share capital increase of €130.6 million gross in 2024 (€128.7 million net of costs) included share issue premiums of €110.8 million.

€1.7 million was charged to the legal reserve to bring it to 10% of the share capital.

13.6 Dividends

The General Meeting of Axway Software held on 16 May 2024 to approve the 2023 financial statements, decided not to distribute a dividend. This decision took into account the planned acquisition of a significant stake in SBS's activities.

Due to the acquisition of SBS's activities in 2024, 74Software's Board of Directors has chosen not to propose a dividend distribution for fiscal year 2024.

13.7 Translation reserves

In accordance with the principles disclosed in Note 1.5.2., translation reserves comprise translation gains and losses between the functional currencies of the Group entities and the presentation currency and the impact of net investment hedges of foreign operations. Movements are recognised in Other comprehensive income. These translation reserves are also impacted by divestments of foreign operations.

At 31 December 2024, translation reserves break down by currency as follows:

(in thousands of euros)	31/12/2024	31/12/2023
USD	48,191	36,698
SEK	-5,495	-4,792
RON	-519	-545
Other currencies	3,373	-317
TOTAL	**45,550**	**31,044**

13.8 Capital management objectives, policy and procedures

The Company's capital consists solely of the items disclosed in the balance sheet. There are no financial liabilities considered as components of capital and, conversely, there are no shareholders' equity components not considered to be part of the Company's capital.

The Company is subject to a single external capital constraint concerning its net financial debt to equity ratio. Pursuant to the covenants stipulated in the syndication contract, this ratio must remain below 1 throughout the loan period (see Note 11.5).

The Group entered into a market-making agreement to ensure the liquidity of transactions and regular trading of its shares, and to avoid share price fluctuations that are not justified by market trends. The liquidity account enabling the intermediary to carry out transactions under the contract stands at €1.1 million.

Treasury shares are detailed in Note 13.2.

13.9 Earnings per share

ACCOUNTING POLICIES

Earnings per share as stated in the income statement are calculated on the basis of Net income – attributable to owners of the Company, as follows :

a. Basic earnings per share

Basic earnings per share are based on the weighted-average number of shares outstanding during the fiscal year, calculated according to the dates when the funds arising from share issues for cash are received. For share issues for contributions-in-kind, it is calculated from the date on which the new companies are consolidated for the first time.

b. Diluted earnings per share

Diluted earnings per share are calculated by adjusting net income – attributable to owners of the Company and the weighted-average number of shares outstanding for the diluting effect of exercising share subscription option plans in force at the end of the fiscal year. The share buyback at market price method is applied, based on the average share price throughout the year.

(in euros)	2024	2023
Net profit – attributable to owners of the Company (a)	39,166,795	35,827,654
Weighted average number of ordinary shares outstanding (b)	24,448,624	21,633,597
Weighted average number of treasury shares (c)	986,218	653,743
Weighted average number of ordinary shares outstanding excluding treasury shares (d) = (b) — (c)	23,462,406	20,979,854
BASIC EARNINGS PER SHARE (A/D)	**1.67**	**1.71**

(in euros)	16/7/1905	2023
Net profit – attributable to owners of the Company (a)	39,166,795	35,827,654
Weighted average number of ordinary shares outstanding (d)	23,462,406	20,979,854
Weighted average number of securities taken into account in respect of dilutive items (e)	752,166	627,797
Weighted average number of shares taken into account to calculate diluted net earnings per share (f) = (d) + (e)	24,214,572	21,607,651
DILUTED EARNINGS PER SHARE (A/F)	**1.62**	**1.66**

The only potentially dilutive instruments are the free shares granted under free performance share grant plans within the 74Software scope (see Note 5.4.)

Treasury shares are detailed in Note 13.2.

Only potentially dilutive ordinary shares are considered in the calculation of diluted earnings per share, excluding all shares with an accretive effect.

Note 14 Related-party transactions

14.1 Transactions with Sopra Steria Group, Sopra Steria Group affiliate companies and Sopra GMT

The tables below detail the transactions between the Axway Group and Sopra Steria Group SA, the companies of the Sopra Steria Group, and the Sopra GMT holding Company.

(in thousands of euros)	31/12/2024	31/12/2023
Transactions with Sopra Steria Group		
Sale of goods and services	3,173	1,089
Purchase of goods and services	-10,108	-236
Operating receivables	1,887	432
Operating payables	-4,710	—
Transactions with Sopra Steria Group affiliates		
Sale of goods and services	3,669	2,457
Purchase of goods and services	-12,916	-8,503
Operating receivables	7,000	1,462
Operating payables	-7,854	-667
Transactions with Sopra GMT		
Purchase of goods and services	-1,445	-964
Operating payables	-133	-245

Sub-contracting purchases from Sopra India totalled €8.8 million in 2024, up on 2023 (€8.1 million). Purchases from Sopra Steria Group are up €9.9 million, following the signature of a transitional services agreement in 2024 for the transfer of SBS's activities to 74Software.

14.2 Subsidiaries and equity investments

Transactions and balances between74Software SA and its subsidiaries were fully eliminated on consolidation. All subsidiaries are fully consolidated.

14.3 Relationships with other related parties

There are no relationships with other related parties to be taken into consideration.

Note 15 Off-balance sheet commitments

15.1 Contractual obligations given

The Group leases some of its IT facilities, office fixtures and fittings and premises under operating lease contracts. Related lease payments totalled €5.6 million in 2024 and €5.6 million in 2023.

At 31 December 2024, future minimum annual payments under these non-cancellable leases not included in the valuation of IFRS 16 lease liabilities were as follows:

(in thousands of euros)	Operating leases
2025	1,833
2026	388
2027	852
2028	854
2029	638
2030 and beyond	4,817
TOTAL MINIMUM FUTURE LEASE PAYMENTS	**9,382**

15.2 Commitments given related to recurring operations

	Commitment per period				
(in thousands of euros)	Less than a year	From 1 to 5 years	More than 5 years	31/12/2024	31/12/2023
Bank guarantees/deposits on leased premises	–	30	258	289	626
Bank guarantees for completion bonds	–	4,240	–	4,240	108
Collateral, guarantees, mortgages and sureties	–	3,898	–	3,898	2,601
Severance pay for termination of CEO's duties	–	–	1,203	1,203	684
TOTAL COMMITMENTS GIVEN RELATED TO RECURRING OPERATIONS	**–**	**8,168**	**1,461**	**9,630**	**4,019**

The Board of Directors' meeting of 20 February 2019 validated severance pay for termination of Patrick Donovan's duties, equal to one year's fixed and variable compensation totalling US$1,250 thousand (€1,203 thousand euro equivalent at the exchange rate at 31 December 2024).

15.3 Commitments received – Covenants and Bank overdrafts

(in thousands of euros)	31/12/2024	31/12/2023
Unused multi-currency revolving credit facility	38,000	39,000
Unused overdraft line	–	20,000
TOTAL COMMITMENTS RECOGNISED	**38,000**	**59,000**

74Software has a €125 million multi-currency revolving credit facility. €39.0 million of this facility was available at 31 December 2024 (see Note 11.4).

Two financial ratios must be met under the covenants associated with the revolving credit facility. These ratios are detailed in Note 11.5 on bank covenants.

At 31 December 2024, the Group complied with all the covenants and commitments included in this contract including the following points:

- the impacts of IFRS 16 are excluded from these ratios;
- the net debt figure used in these calculations does not include employee profit-sharing liabilities;
- consolidated EBITDA is calculated as follows:

12 consecutive months	74Software - Consolidated EBITDA 12 consecutive months
Profit on operating activities as presented in the Group consolidated financial statements	94,047
Adding back	
Net depreciation and provisions as presented in the Group consolidated financial statements	20,999
excluding the depreciation of right-of-use assets (Lease IFRS16) or	-12,674
excluding the depreciation of fixed assets	-6,339
including	
Other operating income and expenses as presented in the Group consolidated financial statements	-17,653
excluding	
(I) restructuring costs up to a maximum total amount of €6,000,000 for the 30 June 2024, 31 December 2024, 30 June 2025 and 31 December 2025 test dates; and	6,000
(II) transaction costs for the 30 June 2024, 31 December 2024 and 30 June 30, 2025 test dates	2,825
FINANCIAL COVENANTS - CONSOLIDATED EBITDA	**87,204**

15.4 Collateral, guarantees and surety

No collateral, guarantees or sureties had been granted by Axway at 31 December 2024.

Note 16 Events after the reporting period

Between 1 January 2025 and the date of the Board of Directors' meeting, there were no significant events likely to impact the financial statements.

Note 17 List of consolidated companies at 31 December 2024

Company	Country	% control	% held	Consolidation method
Axway				
Axway Software	France	—%	—%	Parent company
Axway Distribution France SAS	France	100%	100%	FC
Axway SAS	France	100%	100%	FC
Axway UK Ltd	United Kingdom	99.998%	99.998%	FC
Axway Ireland	Ireland	100%	100%	FC
Axway Nordic AB	Sweden	100%	100%	FC
Axway GmbH	Germany	100%	100%	FC
Axway BV	Netherlands	100%	100%	FC
Axway Belgium	Belgium	99.9%	99.9%	FC
Axway Srl	Italy	100%	100%	FC
Axway Software Iberia	Spain	100%	100%	FC
Axway Software do Brasil LTDA	Brazil	99.9982%	99.9982%	FC
Axway Romania Srl	Romania	100%	100%	FC
Axway Bulgaria EOOD	Bulgaria	100%	100%	FC
Axway Inc.	United States	100%	100%	FC
Axway Pte Ltd	Singapore	100%	100%	FC
Axway Ltd	Hong Kong	100%	100%	FC
Axway Pty Ltd	Australia	100%	100%	FC
Axway Switzerland	Switzerland	100%	100%	FC
Dxvmt Technologies Private Limited	India	99%	99%	FC
SBS				
Sopra Banking Software Morocco	Morocco	100%	100%	FC
Sopra Banking Software	France	100%	100%	FC
Sopra Software Cameroun	Cameroon	95%	95%	FC
Sopra Banking Gabon	Gabon	100%	100%	FC
Sopra Banking Cote d'Ivoire	Cote d'Ivoire	100%	100%	FC
Sopra Banking Software Ltd	United Kingdom	100%	100%	FC
Sopra Banking Software Belgium	Belgium	100%	100%	FC
Sopra Banking Software Luxembourg	Luxembourg	100%	100%	FC
Sopra Financial Solutions Netherlands B.V	Netherlands	100%	100%	FC
Sopra Banking Software (succursale)	Iceland	100%	100%	FC
Steria Medshore	Morocco	100%	100%	FC
Field Solutions Investment Ltd	United Kingdom	100%	100%	FC
Cassiopae Ltd	United Kingdom	100%	100%	FC
SBS Solutions India	India	99.95%	99.95%	FC
Sopra Financial Solutions Iberia	Spain	100%	100%	FC
Sopra Banking Software Senegal	Senegal	100%	100%	FC
Apak Group Ltd	United Kingdom	100%	100%	FC
Sopra Banking Software US	United States	100%	100%	FC
SAMIC	Monaco	99.6%	99.6%	FC
Sopra Banking Software Tunisia	Tunisia	99.99%	99.99%	FC
SAB Atlas	Morocco	100%	100%	FC
SAB Pacifique (succursale)	Polynesia	100%	100%	FC
SAB Med	Lebanon	98%	98%	FC
Sopra Financial Solutions FZCO	Dubai	100%	100%	FC
Sopra Banking Software Ireland Ltd	Ireland	100%	100%	FC

FC: Full Consolidation.

Note 18 Statutory Auditors' fees

	Fees for Statutory Auditors and members of their networks											
	Forvis Mazars						Aca Nexia					
	Amount (excl. VAT)			%			Amount (excl. VAT)			%		
(in thousands of euros)	2024	2023	2022	2024	2023	2022	2024	2023	2022	2024	2023	2022
Statutory audit fees												
■ Issuer	331	175	198	22%	35%	39%	224	140	155	29%	62%	73%
■ Fully consolidated subsidiaries	627	286	294	42%	57%	59%	246	50	46	32%	22%	22%
Sub-total	**958**	**461**	**492**	**64%**	**91%**	**98%**	**470**	**190**	**201**	**61%**	**84%**	**95%**
Fees for certifying sustainability information												
■ Issuer	42			3%			42			5%		
■ Fully consolidated	—			—%			—			—%		
Sub-total	**42**			**3%**			**42**			**5%**		
Fees for other non-audit services												
■ Issuer(*)(**)	432	45	10	29%	9%	2%	210	31	10	27%	14%	5%
■ Fully consolidated	68	—	—	5%	—%	—%	43	4	—	6%	2%	—%
Sub-total	**499**	**45**	**10**	**33%**	**9%**	**2%**	**253**	**35**	**10**	**33%**	**16%**	**5%**
TOTAL	**1,499**	**505**	**502**	**100%**	**100%**	**100%**	**765**	**225**	**211**	**100%**	**100%**	**100%**

(*) Including: the report on related-party transactions, the review of the Management report, the audit completion letter and the certificate on financial ratios, etc.

(**) Including fees of €0.6 million for diligences performed in the context of the acquisition (Forvis Mazars: €0.4 million and Aca Nexia: €0.2 million).

5.7 Statutory Auditors' report on the consolidated financial statements

This is a translation into English of the Statutory Auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This Statutory Auditors' report includes information required by French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended 31 December 2024

To the General Meeting of 74Software,

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying consolidated financial statements of 74Software for the year ended 31 December 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

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

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements Section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de deontologie*) for Statutory Auditors, for the period from 1 January 2024 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

Justification of our assessments – Key audit matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Revenue recognition for licenses and Customer Managed subscription contracts

(Note 4.1.1 to the consolidated financial statements)

Risk identified

The Group's activity comprises several business lines including license sales and sales of Customer Managed subscription contracts. At 31 December 2024, the Group's licensing revenue amounted to €27.7 million, representing 5.9% of consolidated revenue. Customer Managed subscription revenue amounted to €172.3 million, representing 37.3% of consolidated revenue.

As a rule, licensing revenue is recognised immediately upon delivery, which is considered completed when all contractual obligations have been fulfilled, i.e. when any remaining services to be provided are non-material and not liable to call into question the customer's acceptance of goods supplied.

Sometimes, contracts comprising multiple components (license, maintenance, ancillary services, etc.) may be negotiated on a fixed-price basis. In this situation, the amount of revenue attributable to the license is equal to the difference between the total contract amount and the fair value of the other performance obligations.

Customer Managed subscription contracts are a hybrid offer comprising three separate performance obligations: license, maintenance and subscription. The contract price must be allocated to each performance obligation and revenue is recognised in accordance with the method applicable to each obligation.

In this context, the audit risks concern in particular the correct separation of fiscal years and the rules and procedures for apportioning revenue to the different performance obligations. Revenue recognition for these business lines is considered a key audit matter in view of their material significance in the Group's financial statements, and, in particular, their impact on operating profit.

Our response

Our audit approach is based on the assessment of the internal control procedures put in place by the Group in order to verify the measurement, reality and proper separation of fiscal years for licensing revenue and Customer Managed subscription revenue, as well as substantive audit procedures.

Our work included the following, in particular:

- Reviewing the design of internal control and testing the effectiveness of key controls in the revenue recognition policy;
- Conducting substantive tests, by sampling or other selection methods, on the revenue from licensing contracts and Customer Management subscription contracts signed during the fiscal year in order to verify the reality and measurement of revenue, and the correct separation of fiscal years.

In particular, we reconciled the recognised amount with the contract data, and verified the application of the procedure for apportioning the price of multiple-component contracts among the different performance obligations.

We examined the proof of delivery and the terms and procedures for payment.

We also assessed the appropriateness of the disclosures in Note 4.1.1 “Revenue recognition” to the consolidated financial statements.

Recognition of material acquisitions

(Notes 1.3, 2.2 and 8.1 to the consolidated financial statements)

Risk identified

As disclosed in Notes 1.3 “Acquisition of most of SBS’s activities” and 2.2 “Principal acquisitions” to the consolidated financial statements, the Group acquired SBS in 2024. Note 8.1 “Goodwill” sets out the method of recognising business combinations. The Group applies IFRS 3 (revised), Business Combinations, to the assets acquired and liabilities assumed comprising a company. All business combinations are recognised by applying the acquisition method, which consists of:

- Measuring and recognising at fair value at the acquisition date the identifiable assets acquired and liabilities assumed. The Group identifies and allocates these items on the basis of contractual provisions, economic conditions and its accounting and management principles and procedures;
- Measuring all non-controlling interests in the company acquired either at their fair value or based on their share of the fair value of identifiable assets acquired and liabilities assumed;
- Measuring and recognising at the acquisition date the difference, known as goodwill, between the acquisition price of the company acquired plus the amount of non-controlling interests and the net amount of identifiable assets acquired and liabilities assumed.

We considered the recognition and presentation of these transactions to be a key audit matter given the material amount of assets acquired and liabilities assumed and the judgement necessary for the identification and measurements of these assets and liabilities in accordance with the provisions of IFRS 3 (revised), and in particular estimating the fair value of intangible assets and property, plant and equipment.

Our response

Our work included the following, in particular:

- Reviewing legal documentation relating to these acquisitions;
- Assessing the application of the provisions of IFRS 3 (revised) and the implementation of this standard (particularly determining the acquisition price, identifying the assets and liabilities and measuring the resulting goodwill);
- Analysing the consistency of the accounting principles and methods of the sub-groups acquired with Group practices;
- Performing diligences on the consolidated balance sheet of the sub-group acquired at the acquisition date (material subsidiaries and consolidation processes of the sub-group);
- Based on the independent expert’s reports on the provisional allocation of goodwill and with the assistance of our own valuation experts, assessing the nature of its procedures and conclusions and the assumptions underlying the remeasurement of the assets acquired and the liabilities assumed with regard to the criteria set out in the applicable accounting standards.

Finally, we assessed the appropriateness of the financial information disclosed in the notes to the consolidated financial statements with respect to this acquisition (determination of the price, the assets acquired and liabilities assumed, IFRS 3 (revised) disclosure requirements, etc.).

Measurement and impairment of goodwill

(Notes 8.1 and 8.2 to the consolidated financial statements)

Risk identified

For the purposes of its development, the Group has conducted targeted external growth operations entailing the recognition of several goodwill items.

These goodwill items, corresponding to the difference between the price paid and the fair value of the assets acquired and liabilities assumed, are described in Note 8.1 "Goodwill" to the consolidated financial statements. Goodwill is allocated to the cash generating units (CGUs) identified in the 74Software Group, namely Axway and SBS.

Management ensures at each year end, and whenever indication of an impairment loss is identified, that the net carrying amount of such goodwill, recognised in the balance sheet at €297.8 million at 31 December 2022, €302.1 million at 31 December 2023 and €497.4 million at 31 December 2024, is not greater than its recoverable amount.

A cash generating unit's recoverable amount is the higher of its fair value (generally market value) less costs to sell, and its value-in-use. The value-in-use is determined by discounting future cash flows. The impairment test procedure applied and details of the assumptions adopted are presented in Note 8.2 "Impairment tests" to the consolidated financial statements. At 31 December 2024, the impairment test performed did not identify any impairment loss on the goodwill recognised.

The determination of the recoverable amount of goodwill, which is particularly material with regard to the balance sheet total, relies very largely on management judgement; this concerns in particular the definition of the cash generating units, the perpetual growth rate adopted for the cash flow forecasts and the discount rate applied. We therefore considered the measurement of goodwill and the implementation of impairment tests as a key audit matter.

Our response

Our work included the following, in particular:

- Examining the compliance of the methodology applied by the Group with current accounting standards and, in particular, ascertaining whether the allocation of the assets to the sole CGU identified is comprehensive;
- Verifying that fair value less costs to sell is based on the closing share price;
- Assessing the reasonableness of the assumptions used to determine future cash flows with regard to operating data and in light of the economic and financial context in which the Group operates;
- Assessing, with the support of our valuation experts, the consistency of all components of the perpetual growth rate and discount rate;
- Analysing the sensitivity of the value-in-use determined by management to changes in the main assumptions adopted.

Lastly, we verified the appropriateness of disclosures in Notes 8.1 "Goodwill" and 8.2 "Impairment tests" to the consolidated financial statements.

Recoverability of deferred tax assets in respect of tax loss carryforwards

(Notes 6.3 and 6.4 to the consolidated financial statements)

Risk identified

At 31 December 2024, eligible tax losses carried forward amounted to €400.7 million. The Group recognised deferred tax assets in the balance sheet amounting to €41 million in respect of these tax loss carryforwards.

The Group recognises deferred tax using the balance sheet liability method based on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and their tax base. Deferred tax assets relating to tax losses carried forward are recognised if the subsidiaries or the tax consolidation group are likely to have sufficient taxable profits to offset against them.

We considered the recognition and assessment of the recoverability of these deferred tax assets to be a key audit matter, in view of their material amount in the Group financial statements and as the recoverable amount is determined based in particular on future profit forecasts, founded on assumptions, estimates and management assessments.

Our response

We obtained a breakdown of 74Software, Axway Inc., Axway Ireland and SBS Software deferred tax assets and 74Software, Axway Inc. and Axway Ireland taxable profit forecasts. On the basis of this information, we conducted the following procedures:

- We reviewed the calculations and assessed the reasonableness of the main estimates, particularly for the forecasts of future taxable profits;
- We analysed the consistency of the forecasts with the historic performance, transfer pricing policies and the assumptions used to determine the value-in-use of the two CGUs;
- We reviewed the various taxation rates used to determine the deferred tax assets, notably in France and the United States.

Lastly, we verified the appropriateness of disclosures in Notes 6.3 "Deferred tax assets and liabilities" and 6.4 "Tax loss carried forward expiry schedule" to the consolidated financial statements.

Specific verifications

As required by law, we have also verified in accordance with professional standards applicable in France the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Other legal and regulatory information

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the annual financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2 I of the French Monetary and Financial Code (*Code monetaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

Both Aca Nexia and Forvis Mazars were appointed Statutory Auditors of 74Software by the General Meeting of 18 December 2000.

At 31 December 2024, Aca Nexia and Forvis Mazars had held office as auditors for 24 continuous years, of which 14 years since the Company's securities were admitted for trading on a regulated market

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) no. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code (*code de commerce*) and in the French Code of Ethics (*code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Courbevoie and Paris, 24 March 2025

The Statutory Auditors

Aca Nexia	Forvis Mazars SA
Olivier Juramie	Jérôme Neyret
Partner	Partner

5.8 Unaudited pro forma financial information

5.8.1 Introduction

The purpose of the 74Software unaudited pro forma financial information (the "Unaudited Pro Forma Financial Information") is to provide information that will enable readers, whether investors or shareholders, to understand the impact that the Acquisition, as defined below, would have had on the income statement for the period from 1 January 2024 to 31 December 2024, had the Acquisition been completed prior to its actual date.

5.8.1.1 Overview of the Acquisition and its financing

The 74Software IT services group (previously known as Axway, below) has acquired a significant part of Sopra Steria Group SA's banking software division, dated 2 September 2024, by acquiring 100% of the share capital and voting rights of Sopra Banking Software ("SBS" and together with 74Software, the "Group"), hereinafter referred to as the "Acquisition".

On 21 February 2024, 74Software announced it had entered into exclusive discussions regarding the potential acquisition of most of SBS's activities, at the time part of Sopra Steria Group. This announcement was made in a press release entitled "Axway announces entering into exclusive discussions to acquire most of Sopra Banking Software activities" published on 21 February 2024.

On 31 May 2024, Sopra Steria Group SA and 74Software therefore entered into a share purchase agreement for the Acquisition (the "Share Purchase Agreement") on the basis of an SBS enterprise value of €330 million. It was specified that the price for the shares and the total amount of SBS's current account with Sopra Steria Group to be repaid by 74Software would be determined at the date of completion of the Acquisition (the "Current Account"), and that the share price could be adjusted following the date of completion. The share price was to be paid entirely in cash. The acquisition was subject to the following conditions precedent:

- the SBS legal restructuring transactions initiated in 2023 (the "2023 Preliminary Restructuring Transactions"), which continued in 2024 (the "2024 Preliminary Restructuring Transactions", and together with the 2023 Preliminary Restructuring Transactions, the "Preliminary Restructuring Transactions"). Following the Preliminary Restructuring Transactions, the assets and liabilities not relating to Sopra Banking Software had been transferred to Sopra Steria Group. These Preliminary Restructuring Transactions were completed before 30 June 2024;
- the acquisition by Sopra GMT ("Sopra GMT") of 74Software shares from Sopra Steria Group SA (the "74Software Block Acquisition") and the acquisition by Sopra GMT of all the preferential subscription rights detached from the Axway shares held by Sopra Steria Group SA following the 74Software Block Acquisition;
- obtaining a decision by the French Financial Markets Authority ("AMF") that Sopra GMT and Sopra Steria Group were not required to file a tender offer for 74Software's shares, and obtaining the required competition law authorisations in France and in Morocco;
- obtaining funds of €200 million pursuant to a bank loan from three partner arranging banks (Crédit Agricole, Société Générale, and LCL), formalised by the conclusion of a syndicated loan agreement dated 23 May 2024 (the "Bank Loan"); and
- the completion of a share capital increase in the amount of €130 million, with retention of preferential subscription rights and the AMF's approval of the related prospectus. The subscription price per new 74Software share was determined when the share capital increase was launched in accordance with standard market practices, and included a standard discount to the Theoretical Ex-Rights Price (TERP). Taking into account this discount, the subscription price was €16.10 per share.

74Software financed the Acquisition using the Bank Loan (to repay the Current Account - €195.3 million) and by completing the Share Capital Increase (to pay the price for the SBS shares).

The final price paid was €311 million (€115.2 million in shares and €195.3 million of SBS Software financial debt).

5.8.1.2 Nature of the pro forma financial information presented

The Unaudited Pro Forma Financial Information is presented for illustrative purposes only. It describes a hypothetical situation and is not necessarily representative of Group results had the Acquisition been completed at the above dates. There can be no assurances that the trends indicated by the Unaudited Pro Forma Financial Information will be representative of the Group's future results or performance.

The pro forma adjustments recorded to determine the Unaudited Pro Forma Financial Information were limited to impacts:

- directly attributable to the Acquisition; and
- supported by facts on the basis of available information.

5.8.2 Basis of preparation of the pro forma financial information

This Unaudited Pro Forma Financial Information is presented in accordance with Annex 20 of Delegated Regulation (EU) no. 2019/980 supplementing European Regulation no. 2017/1129. The pro forma financial information applies the recommendations issued by ESMA (ESMA32-382-1138 of 4 March 2021) and the provisions of the position – recommendation no. 2021-02 relating to pro forma financial information issued by the French Financial Markets Authority (AMF).

The Unaudited Pro Forma Financial Information includes the following:

- a pro forma income statement for the year ended 31 December; and
- explanatory notes.

The Unaudited Pro Forma Financial Information has been prepared based on the following:

- the consolidated income statement taken from the 74Software consolidated financial statements for the year ended 31 December 2024, prepared in accordance with IFRS as adopted by the European Union and presented in Chapter 5.7 of this Universal Registration Document. An unqualified audit report was issued in respect of these consolidated financial statements by Forvis Mazars and Aca Nexia,
- the unaudited SBS income statement for the first eight months of 2024, prepared in accordance with IFRS as adopted by the European Union.

Adjustments to the opening balance sheet were recorded in full at 1 January 2024 and do not impact pro forma net income.

The Unaudited Pro Forma Financial Information has been prepared in thousands of euros.

5.8.3 Pro forma income statement for the year ended 31 December 2024

	Year ended 31 December 2024						
			Pro Forma - adjustments				
(in thousands of euros)	74Software published historical data	SBS restated historical data	"Acquisition Financing" adjustment	"Business combination" adjustment	Cancellation of reciprocal transactions	"Accounting methods" adjustment	74Software pro forma financial information
	Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	
Revenue	**461,878**	**229,248**	**–**	**–**	**-1,083**	**–**	**690,043**
Employee costs	-266,778	-144,135	–	–	–	–	-410,913
External expenses	-94,733	-63,807	–	–	1,083	–	-157,457
Taxes and duties	-4,057	-2,433	–	–	–	–	-6,490
Depreciation and amortisation, provisions and impairment	-11,660	-14,712	–	–	–	5,373	-20,999
Other current operating income and expenses	3,076	-3,212	–	–	–	–	-137
Profit on operating activities	**87,725**	**949**	**–**	**–**	**–**	**5,373**	**94,047**
As a % of revenue	***19.0%***	***0.4%***	***–%***	***–%***	***–%***	***–%***	***13.6%***
Share-based payment expense	-6,140	371	–	–	–	–	-5,770
Amortisation of allocated intangible assets	-8,560	–	–	-11,013	–	–	-19,573
Profit from recurring operations	**73,026**	**1,319**	**–**	**-11,013**	**–**	**5,373**	**68,705**
As a % of revenue	***15.8%***	***0.4%***	***–%***	***–%***	***–%***	***–%***	***10.0%***
Other operating income and expenses	-11,653	-6,000	–	–	–	–	-17,653
Operating profit	**61,373**	**-4,681**	**–**	**-11,013**	**–**	**5,373**	**51,051**
As a % of revenue	***13.3%***	***0.4%***	***–%***	***–%***	***–%***	***–%***	***7.4%***
Cost of net financial debt	-10,158	–	-8,127	–	–	–	-18,286
Other financial income and expenses	-4,565	-1,369	–	–	–	–	-5,934
Income tax expense	-7,398	1,651	2,099	2,844	–	-1,388	-2,192
Profit for the year from continuing operations	**39,251**	**-4,399**	**-6,029**	**-8,169**	**–**	**3,985**	**24,640**
Profit for the year	**39,251**	**-4,399**	**-6,029**	**-8,169**	**–**	**3,985**	**24,640**
As a % of revenue	***8.5%***	***0.4%***	***–%***	***–%***	***–%***	***–%***	***3.6%***
of which attributable to non-controlling interests	84	-36	–	–	–	–	48
of which attributable to owners of the Company	**39,167**	**-4,363**	**-6,029**	**-8,169**	**–**	**3,985**	**24,591**

5.8.4 Notes to the unaudited pro forma financial information

Note 1 - 74Software published historical data

74Software historical data at 31 December 2024 presented in the pro forma income statement for fiscal year 2024 corresponds to the consolidated income statement extracted from the published 74Software consolidated financial statements for the year ended 31 December 2024, prepared in accordance with IFRS as adopted by the European Union and presented in Chapter 5 of this 74Software Universal Registration Document. An unqualified audit report was issued in respect of these consolidated financial statements by Forvis Mazars and Aca Nexia, the statutory auditors of 74Software. This historical data includes SBS's contribution for four months as it is consolidated from 1 September 2024.

Transaction costs

Transaction costs borne by 74Software mainly comprise legal, financial and advisory costs related to the transaction. SBS did not incur any such costs in 2024. Due to their nature, these costs are not expected to have a recurring impact on the Group's performance in the future. These expenses were recorded and isolated in non-current items in the 74Software consolidated financial statements in the pre-tax amount of €2,825 thousand and were therefore not restated in the pro forma income statement for the year ended 31 December 2024. No material acquisition costs are expected in 2025.

Note 2 - SBS restated historical data

SBS's unaudited historical data presented in the pro forma income statement for fiscal year 2024 was prepared by SBS for the first eight months of 2024 (for the divested scope, including inter-company eliminations within the scope). This unaudited historical data has been adjusted as follows:

- cancellation of the disposal proceeds of €72,271 thousand realized on the sale of business goodwill by SBS to Sopra Steria Group between 1 January 2024 and the acquisition date. This impact is reflected in the SBS historical financial statements. These proceeds from disposal were cancelled in the pro forma income statement for the year ended 31 December 2024 to produce an income statement not impacted by this non-current disposal;
- cancellation of amortisation of intangible assets recognised in SBS of €6,046 thousand for the period 1 January 2024 to 31 August 2024 in respect of acquisitions prior to the acquisition by 74Software replaced by newly allocated intangible assets;
- cancellation of restructuring costs of €2,245 thousand for the period 1 January 2024 to 31 August 2024. The Group considers these costs relate to the reorganisation carried out prior to the Acquisition;
- cancellation of the net financial expense initially recognised by SBS for the period 1 January 2024 to 31 August 2024 of €14,159 thousand. In preparing the Unaudited Pro Forma Financial Information, the Group assumed that SBS current accounts with Sopra Steria Group would have been cleared at the transaction date. This financial expense is replaced by the financial expense on the new credit lines.

Note 3 - Pro forma adjustments to the Acquisition financing

This acquisition was financed by a share capital increase with retention of preferential subscription rights for a gross amount of €131 million, combined with new credit facilities totalling €200 million secured with partner banks.

The Bank Loan agreement comprises a €120 million 5-year amortising term loan, due 60% on maturity ("Tranche A") and an €80 million 3-year non-amortising term loan ("Tranche B"). Tranche A will be repaid over 5 years as follows: €12 million each year and €72 million on maturity.

The contractually agreed interest rates are calculated on the basis of Euribor plus a margin of 2.60% per year (for Tranche A) and 2.20% per year (for Tranche B).

Euribor three-month rates at 2 September 2024, plus the margin and the impact of the amortised cost of expenses, were used to calculate the interest to be recorded in the pro forma income statement, giving effective interest rates of 7.02% (for Tranche A) and 6.79% (for Tranche B).

The pro forma financial information has therefore been adjusted to reflect costs directly related to the transactions as if the financing had been secured at 1 January 2024. Accordingly, pro forma adjustments to financial expenses are reflected in the pro forma income statement for the year ended 31 December 2024 by financial expenses of €8,127 thousand corresponding to the economic financing cost of the transaction (approximately 6.22% of €200 million), as if the financing had been secured at the beginning of 2024 and a tax saving of €2,099 thousand.

Note 4 - Pro forma adjustments to the business combination

The business combination is recognised using the acquisition method in accordance with IFRS 3, revised. Under this method, 74Software is considered to be the acquirer. 74Software acquired the SBS shares in a single stage. As 74Software acquired control of SBS on 2 September 2024, SBS's accounts are consolidated in the 74Software Group from 1 September 2024. The percentage holding at the date of acquisition of control is 100%. 74Software recognised the SBS assets acquired and liabilities assumed as follows and then determined the goodwill resulting from this acquisition.

Recognition of assets acquired and liabilities assumed

SBS identifiable assets acquired and liabilities assumed were provisionally measured at their fair value at the date of acquisition of control of SBS on 2 September 2024, with any residual difference compared with the consideration transferred recognised as goodwill. If any new information about the facts and circumstances that existed at the acquisition date and identifying adjustments to these fair values is obtained within one year of the acquisition date, then the purchase price allocation adjustments may be modified. Following the preliminary allocation of the SBS purchase price to intangible assets, the related amortisation expense was €16,520 thousand for the first full year (*i.e.* 2024). Taking into account amortisation of €5,507 thousand already recorded in the 74Software consolidated financial statements for the year ended 31 December 2024 for the period from the acquisition date to 31 December 2024, a pro form adjustment of €11,013 thousand was recorded in respect of amortisation for the period from 1 January 2024 to 31 August 2024.

In addition, net tax income of €2,844 thousand was recognised to reflect the tax savings related to the impairment of allocated intangible assets.

Note 5 - Cancellation of reciprocal transactions

Reciprocal transactions during the period 1 January to 31 August 2024 were cancelled in the amount of €1,083 thousand.

Note 6 - Harmonisation of accounting methods and principles

74Software and SBS management compared their accounting policies. An adjustment cancelling impairment of capitalised development expenses in the amount of €5,373 thousand was recognised at 31 December 2024.

5.9 Statutory Auditors' report on the pro forma financial information for the year ended 31 December 2024

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

To the Chief Executive Officer

In our capacity as Statutory Auditors and pursuant to (EU) regulation 2017/1129 supplemented by (EU) delegated regulation 2019/980, we have prepared this report on the pro forma financial information of 74Software (the "**Company**") relating to the year ended 31 December 2024 included in Chapter 5, Section 5.8 of the Universal Registration Document (the "**Pro Forma Financial Information**").

This Pro Forma Financial Information was prepared for the sole purpose of illustrating the impact that the acquisition of Sopra Banking Software (including the acquisition financing) could have had on the Company's consolidated income statement for the year ended 31 December 2024, had it been effective as of 1 January 2024. By its very nature, pro forma financial information describes a hypothetical situation and is not necessarily representative of the financial position or the performance which might have been recorded had the transaction or event occurred at a date prior to that of its actual or foreseeable occurrence.

This Pro Forma Financial Information has been prepared under your responsibility in accordance with (EU) Regulation 2017/1129 and the ESMA's recommendations relating to pro forma information.

Based on our procedures, it is our responsibility to express a conclusion, under the terms set forth in Annex 20, section 3 of (EU) delegated regulation 2019/980, on the appropriateness of the preparation of the Pro Forma Financial Information on the basis stated.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnle Nationale des Commissaires aux Comptes) relating to this engagement. These procedures, which do not include an audit or review of the financial information underlying the preparation of the Pro Forma Financial Information, have mainly consisted in verifying that the bases on which the Pro Forma Financial Information has been prepared is consistent with the relevant source documents as described in the notes to the Pro Forma Financial Information, reviewing the evidence substantiating the pro forma restatements and conducting interviews with Company management to obtain information and explanations which we deemed necessary.

In our opinion:

- the Pro Forma Financial Information has been appropriately prepared on the basis stated;
- this basis complies with the accounting policies adopted by the Company.

This report is issued solely for:

- the filing of the Universal Registration Document with the AMF, and
- where appropriate, the admission to trading on a regulated market and/or the public offering of financial securities of the Company in France or a member state of the European Union in which a prospectus approved by the AMF is notified, and may not be used in any other context.

Courbevoie and Paris, 24 March 2025

The Statutory Auditors

Aca Nexia	Forvis Mazars SA
Olivier Juramie	Jérôme Neyret
Partner	Partner

6 Annual financial statements

6.1 Balance sheet

Assets (in thousands of euros)		2024	2023	2022
Intangible assets		46,685	49,512	43,599
Property, plant and equipment		4,506	2,749	4,191
Financial assets		589,258	268,955	286,677
Non-current assets	**(note 6.3.2.1)**	**640,449**	**321,217**	**334,466**
Trade receivables		120,580	130,517	84,218
Other receivables, prepayments and accrued income		18,823	25,392	15,910
Marketable securities and Cash and cash equivalents		30,544	15,289	13,445
Current assets	**(note 6.3.2.2)**	**169,947**	**171,199**	**113,572**
TOTAL ASSETS		**810,396**	**492,416**	**448,039**

Equity and liabilities (in thousands of euros)		2024	2023	2022
Share capital		59,492	43,267	43,267
Premiums		223,714	113,380	113,380
Reserves		68,627	66,923	75,577
Retained earnings		-31,330	-18,866	-11,080
Net profit (loss) for the year		3,758	-12,464	-8,038
Tax-driven provisions		—	—	—
Equity	**(note 6.3.2.3)**	**324,262**	**192,240**	**213,106**
Provisions	**(note 6.3.2.4)**	**24,362**	**23,918**	**20,765**
			—	—
Financial debt		355,604	139,761	131,156
Trade accounts payable		32,784	40,634	27,747
Tax and employee-related payables		26,969	23,887	21,815
Other liabilities, accruals and deferred income		46,416	71,975	33,449
Liabilities	**(note 6.3.2.5)**	**461,773**	**276,257**	**214,168**
TOTAL EQUITY AND LIABILITIES		**810,396**	**492,416**	**448,039**

6.2 Income Statement

(in thousands of euros)		2024	2023	2022
Net revenue	**(note 6.3.3.1)**	217,672	186,603	181,820
Other operating income		3,914	3,167	1,686
Operating income		**221,587**	**189,770**	**183,506**
			–	–
Purchases consumed		92,691	83,301	84,159
Employee costs		64,799	65,659	63,529
Other operating expenses		32,664	34,163	34,676
Taxes and duties		2,587	2,628	2,884
Depreciation and amortisation, provisions and impairment		9,693	6,324	7,404
Operating expenses		**202,434**	**192,075**	**192,652**
Operating profit (loss)		**19,153**	**-2,305**	**-9,146**
Financial income and expense	**(note 6.3.3.3)**	2,300	-1,160	10,863
Pre-tax profit (loss) on ordinary activities		**21,453**	**-3,465**	**1,717**
			–	–
Exceptional income and expense	**(note 6.3.3.4)**	-20,423	-11,496	-14,341
Employee profit-sharing and incentive schemes	**(note 6.3.3.5)**	-1,166	-1,292	-958
Income tax expense	**(note 6.3.3.6)**	3,894	3,790	5,545
NET PROFIT (LOSS)		**3,758**	**-12,464**	**-8,038**

6.3 Notes to the 2024 annual financial statements

6.3.1 Significant events, accounting policies and valuation rules

6.3.1.1 Significant events

Acquisition of SBS

On 2 September 2024, 74Software acquired the SBS group for €311 million (€115.2 million in equity investments and €195.3 million of SBS Software financial debt). Acquisition fees related to this transaction totalled €7.8 million.

A new €200 million loan was secured for this purpose.

The Board of Directors' meeting of 16 May 2024 also approved a share capital increase with retention of preferential subscription rights (PSR) in the Company's interest to enable the acquisition of the SBS Group.

The share capital increase was completed on 27 August 2024 for a net amount of €128.3 million, allocated to share capital for €16.2 million, issue premiums for €110.3 million and the legal reserve for €1.7 million.

Professional fees related to this share capital increase totalled €3.1 million and were deducted from issue premiums. This enabled a tax saving of €783 thousand according to the procedures provided for in Article L. 232-9 of the French Commercial Code.

Relocation to Trinity Tower

74Software decided to adapt its working practices by proposing the introduction of a new "flex-office" system to its employees and to regroup its employees on a single floor.

It therefore left its W Tower premises on 19 April 2024, and moved into its Trinity Tower premises on 15 April 2024; these premises are rent-free until March 2026.

Following this move, property, plant and equipment with a net carrying amount of €1.6 million was scrapped, including €0.5 million of IT equipment. Property, plant and equipment totalling €2.3 million was acquired on entry into the new premises.

Free share plan

74Software distributes free shares to employees subject either to a condition of presence or a condition of presence and performance conditions.

In March 2024, the LTI Focus plan expired and the shares were delivered. An employee expense of €272 thousand was recognised in respect of these shares.

For the plans maturing in 2024 and beyond, it was decided last year to continue buying back shares on the stock market *via* CM-CIC. This contract terminated in July 2024. The total cost of this transaction at 31 December 3023 is €29.3 million. As 74Software cannot bear this cost alone, the subsidiaries will be rebilled based on the number of free shares granted to their employees as was done in May 2024, for a total of €1.5 million.

A provision of €11.9 million was recorded for the purchase of treasury shares for distribution under the free share plans. Accrued income of €8.8 million was recognised between 74Software and its subsidiaries at 31 December 2024.

6.3.1.2 Accounting policies and valuation rules

The annual financial statements were drawn up pursuant to French legal and regulatory provisions as defined in ANC Regulation no. 2020-05 of 24 July 2020 issued by the *Autorité des Normes Comptables* (French Accounting Standards Authority), updated for additional regulations issued at the date of preparation of the annual financial statements.

These principles were applied on a prudent basis and in accordance with the following underlying assumptions:

- going concern basis;
- consistency of accounting methods year-on-year;
- accruals basis.

and in accordance with general guidelines for the preparation and presentation of annual financial statements.

Research & Development

All research expenses are recognised as charges in the year they are incurred.

Project development costs may be capitalised if all of the following can be demonstrated:

- the technical feasibility of completing development of the intangible asset so that it will be available for use or sale;
- the intention of completing development of the intangible asset and of using or selling it;
- the ability to use or sell the intangible asset;
- the manner in which the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

No software package development expenses have been recognised under intangible assets, as all of the above conditions have not been met.

In the same way as following the comprehensive transfer of Systar's assets and liabilities, the research and development expenses capitalised by Cycom Finance were transferred to 74Software and continue to be amortised in accordance with the initial amortisation schedule.

Purchased software

Purchased software mainly corresponds to the asset contribution performed by Sopra Group in 2001, the intellectual property rights for the Cyclone and Tumbleweed software purchased from Axway Inc. in 2010 and 2011 and for the LiveDashboard software purchased from Access UK in 2012, the Systar comprehensive asset transfer in 2015 and the Streamdata.io comprehensive asset transfer in 2019, as well as the transfer of DXchange Technologies Private Limited technology following the internal reorganisation of this Company.

The contributed software was recognised at the net carrying amount recorded in Sopra Group's financial statements at 31 December 2000. It is amortised on a straight-line basis over 3, 5 or 10 years and is fully amortised.

The Cyclone and Tumbleweed software was recognised at purchase cost, as calculated by an independent expert in the USA. The Cyclone software is amortised over six years for accounting purposes and one year for tax purposes. The Tumbleweed software was amortised over 12 years for accounting purposes and is amortised in full. The Mailgate technology held by Tumbleweed was sold on 16 September 2022.

The LiveDashboard software was amortised over 8 years for accounting purposes and is amortised in full.

The intellectual property contributed by Systar was amortised in full by the end of 2014 and the intellectual property contributed by Streamdata.io is amortised over 10 years for accounting purposes. Customer support for one of the technologies contributed by Streamdata ended on 31 May 2022.

The technology transferred from DXchange Technologies Private Limited is amortised for accounting purposes over nine years.

Business goodwill

The business goodwill comes from the partial contribution of assets from the EAI (Enterprise Application Integration) division as well as from the comprehensive asset transfer of Systar, Streamdata.io and Cycom Finances.

Business goodwill has an unlimited useful life and therefore is not amortised. If appropriate, impairment may be recognised. Amortisation applied prior to 1 January 2001 in the financial statements of Sopra Group has been retained in balance sheet assets.

The Company performs impairment testing on its business goodwill at each year-end as it has an indefinite useful life. Impairment is recognised if the net carrying amount of the business goodwill is greater than its current value (higher of fair value and value in use).

Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at acquisition cost or the pre-transfer carrying amount.

Depreciation is calculated on a straight-line basis over the useful economic lives of each non-current asset category as follows:

Fixtures and fittings	5 to 10 years
Equipment and tooling	3 to 5 years
Furniture and office equipment	5 to 10 years

Equity investments

On initial recognition, equity investments are recognised at their acquisition or subscription price.

The carrying amount of equity investments corresponds to their value-in-use.

Impairment is recognised if the value-in-use of equity investments, which includes the net assets of subsidiaries and an analysis of the growth and profitability outlook, is lower than the carrying amount in the financial statements. The analysis of the growth outlook may involve an estimate based on discounted cash flows. In this case, cash flows are determined on the basis of available data and five-year forecasts. A perpetual growth rate of 2.17% is applied from the start of the sixth year. The cash flows resulting from these forecasts are then discounted using a rate of 9.46%.

Revenue

Services provided within the scope of the Group's software package operations include:

- the right of use under license of software packages;
- "Software as a service", "Axway managed" and "Customer managed" Subscription services;
- maintenance;
- ancillary services: installation, settings, adaptation, training.

a. In general, separate contracts are concluded with customers for licenses and maintenance on the one hand, and ancillary services on the other hand

In this situation, the various elements comprising contracts are accounted for as follows:

- License revenue is recognised immediately on delivery, as license sale agreements constitute, in substance, a sale of rights. Delivery is considered to have taken place when all contractual obligations have been fulfilled, *i.e.* when any remaining services to be provided are insignificant and are not liable to challenge the customer's acceptance of goods supplied or services rendered;
- Maintenance revenue is recognised *prorata temporis*, and is generally billed in advance;
- Services revenue is generally recognised on a time spent basis and is recognised when the services are performed. Services are sometimes provided under fixed-price contracts, in which case they are recognised using the percentage-of-completion method described in paragraph below.

b. Services provided under a Software as a Service contract

The supplier transfers control of the service progressively to the customer and hence, recognises revenue progressively: "the customer simultaneously receives and consumes all of the benefits provided by the entity as the entity performs."

c. Contracts comprising separate services (license, maintenance, ancillary services, etc.) may sometimes be negotiated on a fixed-price basis

In this situation, the contract transaction price is allocated to each service as follows: revenue attributable to the license is equal to the difference between the total contract amount and the fair value of its other services, *i.e.* maintenance and ancillary services. The fair value of the other components is determined when possible based on list prices applied in the case of a separate sale or alternatively, based on selling prices determined by management founded on best estimates. The residual amount attributed to the license is recognised at the time of delivery.

d. In fairly rare instances, ancillary services may be considered essential to the operation of a software package or the delivery of the Software as a Service solution

This may arise on the sale of software packages for very complex projects, where completion may be subject to particular risks. The project is then examined as a whole and is the focus of specific monitoring by the Quality Department. It is accounted for using the percentage of completion method described in paragraph e. below.

Where preliminary work is performed that is considered essential to the implementation of the Software as a Service solution, the contract is considered as a whole and revenue is recognised progressively over the contract term as described in paragraph b. above.

e. Technical assistance, consulting, training and projects provided on an ongoing contract basis

These services are recognised when performed, *i.e.* in general at the time of invoicing.

Operations are reviewed at each reporting date:

- services rendered but not yet, or only partially, invoiced are measured on the basis of billable time and the contractual billing rates. They are recognised in revenue and are recorded in the balance sheet under Trade receivables in Customer contract assets;
- services already billed but not yet entirely performed are deducted from invoiced revenue and recorded in the balance sheet under *Other current liabilities* in *Deferred income*.

f. Services covered by fixed-price contracts

Under such contracts the Group commits itself to a price, a result and a deadline. Revenue and profit generated by a contract are recognised based on a technical assessment, in line with the Group's quality procedures, of the contract's degree of completion.

Trade receivables

Trade receivables are recognised using the methods specified above.

A separate estimate is carried out for each trade receivable at the end of the fiscal year and impairment is recognised in the event of a risk of non-recovery linked to collective proceedings. Doubtful receivables for which legal proceedings have not been instigated are covered by accrued credit notes.

Transactions in foreign currencies

Income and expense items denominated in foreign currencies are recognised at their euro-equivalent at the transaction date.

Receivables and liabilities denominated in foreign currencies existing at the reporting date are translated at the prevailing rate at this date. Translation gains or losses are recorded in the balance sheet under Translation adjustments.

A contingency provision is recorded to cover unrealised foreign exchange losses not offset.

Foreign currency cash accounts existing at the reporting date are translated at the prevailing rate at this date. The resulting translation gains or losses are recorded in profit or loss.

Foreign exchange gains and losses are recorded in Operating profit or Net financial income depending on the nature of the transactions generating the gains or losses.

Retirement benefits

Since 2004, 74Software has provisioned its retirement benefits in accordance with the terms of the Syntec collective bargaining agreement regarding retirement and pensions.

74Software's obligation to its employees is determined on an actuarial basis, using the projected unit credit method: the employer's discounted obligation is recognised in proportion to the probable length of service of the employees, taking into account actuarial assumptions such as future compensation levels, life expectancy and employee turnover. We assumed a discount rate of 3.28%, a salary increase rate of 2.50% and an average five-year turnover rate of between 0 and 13.2% depending on the age bracket. Resignations are not taken into account. The male-female mortality table used for our forecasts is the INSEE 2020-2022 table. Other assumptions included retirement at the employee’s initiative at 67 years of age and a social security contribution rate of 47%. Changes in actuarial assumptions that affect the valuation of the obligation are recognised as actuarial gains and losses. 74Software uses the corridor method.

Amendment no. 1 of 31 March 2022 to Appendix 1 of Amendment no. 46 of the French National Collective Agreement for technical design and engineering offices, engineering consultants and consulting firms, modified the calculation method for retirement benefits. From now on, account must be taken of variable compensation provided for in the employment contract (bonuses, commission, holiday bonuses, 13 month salary).

The pension reform that entered into effect on 1 September 2023 led us to review the retirement age.

In previous years, we used an average retirement age of 65. We decided to increase this age to 67 to best reflect the implementation of this reform and the extension of the contribution period, the Touraine reform and the increasing age of our employees when they enter the workforce.

6.3.2 Notes to the balance sheet

6.3.2.1 Non-current assets

Intangible assets

(in thousands of euros)	Share capital increase costs	Research and development expenses	Concessions, patents, similar rights	Business goodwill	Systar customer base	Total
Gross value						
At 1 January 2024	**50**	**47,794**	**55,018**	**40,259**	**5,667**	**148,789**
Acquisitions	—	—	3	—	—	3
Intangible assets under construction	—	—	—	—	—	—
Disposals	—	—	—	—	—	—
At 31 December 2024	**50**	**47,794**	**55,021**	**40,259**	**5,667**	**148,792**
Amortisation						
At 1 January 2024	**50**	**44,824**	**50,050**	**35**	**4,317**	**99,276**
Charges	—	1,478	812	—	540	2,830
Reversal	—	—	—	—	—	—
At 31 December 2024	**50**	**46,301**	**50,862**	**35**	**4,857**	**102,107**
Net value						
At 1 January 2024	**—**	**2,970**	**4,968**	**40,224**	**1,350**	**49,512**
At 31 December 2024	**—**	**1,493**	**4,159**	**40,224**	**810**	**46,685**

Software development costs totalled €70,917 thousand in fiscal year 2024 and were expensed in full (see Note 1.2).

Research and development expenses capitalised by Systar and Cycom were transferred to 74Software and will continue to be amortised until extinguished.

Concessions, patents and similar rights consist mainly of software contributed by Sopra Group in 2001 and acquired from Axway Inc. in 2010 and 2011 and Access UK in 2012, as well as assets forming part of the comprehensive transfer of all Systar's assets in 2015 and Streamdata.io's assets in 2019.

Impairment testing of business goodwill shows value-in-use, calculated according to the cash flow method, greater than the net carrying amount. A discount rate of 9.46% and a perpetual growth rate of 2.17% were applied.

Tangible assets

(in thousands of euros)	Technical installations	Fittings and installations	Furniture and office equipment	Total
Gross value				
At 1 January 2024	**13,125**	**3,561**	**1,139**	**17,825**
Acquisitions	1,435	2,671	476	4,582
PP&E under construction	—	—	—	—
Assets scrapped	-2,052	-4,490	-1,031	-7,572
Disposals	—	—	—	—
At 31 December 2024	**12,508**	**1,742**	**584**	**14,834**
Depreciation				
At 1 January 2024	**10,663**	**3,303**	**1,109**	**15,076**
Charges	1,073	120	83	1,277
Reversal	-1,633	-3,313	-1,078	-6,024
At 31 December 2024	**10,104**	**110**	**115**	**10,329**
Net value				
At 1 January 2024	**2,462**	**258**	**29**	**2,749**
At 31 December 2024	**2,405**	**1,632**	**469**	**4,506**

Purchases of technical installations consist solely of IT equipment.

Purchases of fittings and installations, like technical installations, concern the move to Trinity Tower.

Following departure from the W Tower, fittings and installations at the former premises were scrapped in full in the amount of €3.3 million, while IT equipment and office furniture were partially scrapped.

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Financial assets

(in thousands of euros)	Equity investments	Receivables from equity investments	Loans and other non-current financial assets	Total
Gross value				
At 1 January 2024	**253,614**	**35,521**	**2,517**	**291,652**
Acquisitions/increase	115,201	226,898	205	342,304
Disposals/Decrease	-1,098	-16,765	-254	-18,117
At 31 December 2024	**367,717**	**245,654**	**2,468**	**615,839**
Impairment				
At 1 January 2024	**21,066**	**1,630**	**—**	**22,697**
Charges	4,900	82	—	4,982
Reversal	-1,098	—	—	-1,098
At 31 December 2024	**24,868**	**1,712**	**—**	**26,581**
Net value				
At 1 January 2024	**232,548**	**33,891**	**2,517**	**268,955**
At 31 December 2024	**342,849**	**243,942**	**2,468**	**589,258**

The “Subsidiaries and equity investments” table presented in Note 4.7 provides a breakdown of equity investments.

a. Gross amounts

In 2024, movements in equity investments concern the liquidation of Dxchange Technologies Private Limited with the removal of shares for -€1.1 million and the acquisition SBS for + €115.2 million.

The increase in receivables from equity investments is mainly due to movements in current accounts with SBS Software (+ €195.8 million), SBS UK (+€24.7 million) and SBS Inc. (+ €1.5 million) following the acquisition of the SBS Group. Receivables from our subsidiaries Axway Inc and Axway Ireland fell -€10.3 million and -€3.2 million, respectively.

The increase in Loans and other non-current financial assets is due to an increase in Other long-term receivables of + €465 thousand, despite the -€226 thousand decrease in the balance on the market-making agreement with Kepler for market-making in 74Software shares.

Deposits paid increased +€98.4 thousand and decreased €253.8 thousand as part of the gradual repayment of the deposit on the W Tower premises; €231.5 thousand of the €931.5 thousand payable has been repaid.

b. Impairment

A provision for impairment was recognised on Axway India shares for €4.9 million, while impairment of Dxchange Technologies Private Limited shares was reversed in the amount of €1.1 million following the liquidation of the Company.

Following an increase in the Axway Do Brasil current account at the end of 2024, a provision for impairment of receivables from equity investments was recognised in the amount of €82 thousand.

6.3.2.2 Current assets

Trade receivables

(in thousands of euros)	2024	2023	2022
Non-Group customers	46,006	27,386	29,380
Accrued income	51,418	91,507	48,818
Group customers	33,410	18,766	13,315
Doubtful receivables	90	72	72
Provision for doubtful receivables	-10,344	-7,213	-7,367
TOTAL	**120,580**	**130,517**	**84,218**

Trade receivables are recognised in assets at net value. Impairments concern Doubtful receivables and Axway Do Brasil receivables. Accrued income decreased €40.1 million due to inter-company accrued income (-€39.9 million) and non-group accrued income (-€0.2 million).

Other receivables, prepayments and accrued income

(in thousands of euros)	2024	2023	2022
Income tax	5,283	4,390	5,545
Withholding tax	–	–	–
VAT	539	524	706
Group receivables	–	6,998	–
Other receivables	1,384	2,281	959
Prepaid expenses	8,862	6,241	5,802
Unrealised foreign exchange losses	2,755	4,958	2,899
TOTAL	**18,823**	**25,392**	**15,910**

Prepaid expenses increased €2.6 million, including €2 million in respect of Subscription services.

Research Tax Credit - transferred receivables

(in thousands of euros)	Nominal sold	Amount received	Commission	Year of sale	Date of repayment	Receivable extinguished	Stock at 31/12/2024
2021 research tax credit	6,295	5,643	653	2022	15/05/2025	No	6,295
2022 research tax credit	4,945	4,225	720	2023	15/05/2026	No	5,545
2023 research tax credit	3,789	3,297	492	2024	15/05/2027	No	3,789
TOTAL	**15,029**	**13,164**	**1,865**				**15,629**

Impairment of current assets

(in thousands of euros)	Amount at start of year	Charge	Reversal	Amount at end of year
Impairment of trade receivables	7,213	3,157	27	10,344
TOTAL	**7,213**	**3,157**	**27**	**10,344**

The charge for the year mainly concerned receivables from our subsidiary Axway Do Brasil (€3.2 million).

6.3.2.3 Shareholder's equity

Share capital

At 31 December 2024, the share capital of 74Software is €59,492,388. 8,112,597 new shares were issued following the share capital increase on 27 August 2024.

The share capital now comprises 29,746,194 fully paid-up shares with a par value of €2 each.

The Company holds 19,820 shares under the market-making agreement.

Statement of changes in equity

(in thousands of euros)	Share capital	Issue Premiums	Legal reserve	Discretionary reserves	Net profit (loss) for the year	Tax-driven provisions	Retained earnings	Total
At 1 January 2024	**43,267**	**113,380**	**4,245**	**62,678**	**-12,464**	**–**	**-18,866**	**192,240**
Appropriation of 2023 earnings	–	–	–	–	12,464	–	-12,464	–
Share capital increase	16,225	110,334	1,704	–	–	–	–	128,263
Dividend payment	–	–	–	–	–	–	–	–
Profit (loss) for the year	–	–	–	–	3,758	–	–	3,758
Position at 31/12/2024	**59,492**	**223,714**	**5,949**	**62,678**	**3,758**	**–**	**-31,330**	**324,262**

No options were exercised in 2024.

Share subscription option plans

The option exercise period for the 2011 and 2013 grant plans expired on 18 November 2021. At 31 December 2021, there remained no options outstanding under these plans;

6.3.2.4 Provisions for contingencies and losses

(in thousands of euros)	Amount at start of year	Charge	Charge Reversal (used provisions)	Reversal (unused provisions)	Amount at end of year
Provisions for disputes	994	601	496	132	967
Provisions for foreign exchange losses	4,958	2,755	–	4,958	2,755
Provisions for retirement benefits	8,136	794	96	61	8,773
Provisions for restructuring	–	–	–	–	–
Tax provisions	–	–	–	–	–
Provision for stock options	8,648	11,867	8,648	–	11,867
Provision for refurbishment of premises	1,183	–	1,183	–	–
TOTAL	**23,918**	**16,017**	**10,423**	**5,150**	**24,362**

These provisions chiefly cover expected outflows of resources in respect of retirement benefits, as well as financial risks related to foreign exchange losses, human resources disputes and the dispute related to the tax audit.

74Software provides for its commitments to employees in accordance with the provisions of the Syntec collective bargaining agreement on retirement plans, as amended in 2004 pursuant to the retirement reform measures introduced by the Law of 21 August 2003.

The total commitment for retirement benefits amounted to €8,773 thousand. Actuarial differences not recognised on the balance sheet at year-end 2024 totalled €460 thousand (see Note 1.2).

A contract was signed with CM-CIC to perform share buybacks on the stock market up to July 2024 for the purpose of employee free share grant plans. Since 2021, we have purchased 1,395,548 shares for a total of €29.3 million. In March 2024, we delivered shares with a value of €2.1 million.

A charge of €11.9 million was recognised at the end of 2024 for the purchase of treasury shares for distribution under the free share plans. The provision of €8.6 million recognised at the end of 2022 was reversed in full.

We also reversed the exceptional provision for the refurbishment of the W Tower premises recorded at the end of 2023 of €1.2 million, following the payment of this compensation.

6.3.2.5 Liabilities

Financial debt

(in thousands of euros)	Amount at start of year	New borrowings	Repayments	Amount at end of year
Syndicated credit facility	86,000	269,000	68,000	287,000
Bank loans	854	–	380	474
Employee profit-sharing fund	–	–	–	–
Loans from equity investments	52,326	17,218	3,706	65,838
Accrued interest on financial debt	581	2,292	581	2,292
TOTAL	**139,761**	**288,510**	**72,667**	**355,604**

74Software contracted a multi-currency €125 million revolving credit facility with six banks in July 2014, which it renewed until April 2022. This credit facility was secured to finance acquisitions as well as the Group's general funding needs. It is not amortised and the initial maturity of July 2021 was extended to April 2027 by amendment no. 4 of 25 April 2022.

During the draw-down period, interest is payable at Euribor plus a spread adjusted every six months to reflect the change in the Net debt/EBITDA ratio.

This facility is subject to a use and non-use fee. The two financial ratios provided in the credit facility agreement were complied with at 31 December 2024.

Following the merger of 74Software and Cycom in November 2023, we recorded two loans guaranteed by the French state (PGE loans) in our accounts for €0.6 million. These loans are repaid monthly and mature in 2026.

As part of SBS group acquisition financing, 74Software negotiated new dual-tranche credit facilities of €200 million with its historical banking partners and ING bank, comprising a tranche A of €120 million amortisable over 5 years and a tranche B of €80 million redeemable on maturity in 2027. These tranches are subject to the same covenants as the RCF.

Loans from equity investments solely concern current accounts with the Group's companies.

Trade accounts payable

(in thousands of euros)	2024	2023	2022
Trade accounts payable - Non-Group	3,461	1,917	2,296
Accrued expenses	22,386	34,900	21,299
Trade accounts payable - Group	6,936	3,816	4,152
TOTAL	**32,784**	**40,634**	**27,747**

Tax and employee-related payables

(in thousands of euros)	2024	2023	2022
Employee-related receivables	9,960	9,714	9,062
Social security bodies	7,978	7,487	7,050
Withholding tax	429	413	365
Income tax	–	–	–
VAT	8,437	6,146	5,223
Other taxes	165	126	116
TOTAL	**26,969**	**23,887**	**21,815**

Other liabilities, accruals and deferred income

(in thousands of euros)	2024	2023	2022
Customer payments on account	468	446	213
Amounts payable on non-current assets	95	523	300
Group and associates	–	37,240	–
Other liabilities	611	479	1,310
Deferred income	43,003	31,682	30,233
Unrealised foreign exchange gains	2,239	1,605	1,393
TOTAL	**46,416**	**71,975**	**33,449**

Deferred income comprises the portion of billings issued in advance on fixed-price and maintenance and subscription contracts.

6.3.3 Notes to the income statement

6.3.3.1 Revenue

Revenue breaks down as follows by business:

(in percentage)	2024	2023	2022
Licences	1.2%	0.6%	2.0%
Support and maintenance	4.5%	11.4%	34.6%
Integration and training services	64.1%	61.5%	26.5%
Subscription	30.2%	26.4%	36.9%
REVENUE	**100.0%**	**100.0%**	**100.0%**

2024 revenue of €217.7 million includes €140.2 million generated outside France, including €132.8 million with our subsidiaries.

6.3.3.2 Compensation granted to members of administrative and management bodies

Directors' fees totalling €330 thousand were paid to directors in February 2024.

Compensation due for 2024 to governing and management bodies amounts to €227.6 thousand.

6.3.3.3 Net financial income (expense)

(in thousands of euros)	2024	2023	2022
Dividends received from equity investments	9,910	5,798	8,839
Interest on bank borrowings and similar charges	-8,022	-3,722	-1,361
Interest on employee profit-sharing	—	—	-11
Discounting of retirement benefits (provision)	-272	-259	-76
Losses on receivables from equity investments	-82	-462	—
Interest received and paid on Group current accounts	-537	48	334
Foreign exchange gains and losses (including provisions)	4,027	-1,694	4,891
Charges net of reversals to financial provisions, before foreign exchange impact	-4,900	-98	-1,075
Other financial income and expenses	2,175	-771	-677
NET FINANCIAL INCOME	**2,300**	**-1,160**	**10,863**

A breakdown of dividends received is presented in the table of subsidiaries and associates (see Note 4.7).

6.3.3.4 Exceptional items

In 2024, the net exceptional loss of €20,423 thousand mainly comprises:

- commercial debt waivers of €8.5 million;
- restructuring costs of €0.5 million;
- free shares delivered in March 2024 for €2.1 million;
- acquisition costs incurred this year of €7.8 million;
- expenses relating to the implementation of the Workday software of €1.1 million;
- the change in provisions for free shares of €3.2 million;
- the net carrying amount of Dxchange Technologies Private Limited securities of €1.1 million;
- the net carrying amount of property, plant and equipment in Tower W of €1.6 million;
- inter-company rebilling of free shares granted to subsidiaries of €3.5 million;
- expense transfers concerning free shares granted to French employees of €1.7 million.

6.3.3.5 Employee profit-sharing

A profit-sharing agreement was signed in June 2018 in accordance with Articles L. 3311-1 *et seq.* of the French Labour Code (*Code du Travail*) for a period of three years. This agreement was renewed on 27 June 2024 retroactive to 1 January 2024 and expired on 31 December 2024.

This profit-sharing agreement cannot be renewed by tacit renewal.

Employee profit-sharing of €1,166 thousand was recognised for fiscal year 2024.

6.3.3.6 Income tax expense

Tax system

74Software elected to apply the tax group scheme set out in Articles 223 A *et seq.* of the French General Tax Code (*Code General des Impots*) with effect from 1 January 2019. Under the tax group agreement signed between 74Software and its fully consolidated subsidiaries, tax losses realised by the subsidiaries during the tax group period are definitively transferred to 74Software.

The tax group comprises the parent Company and its two wholly owned subsidiaries, Axway Distribution France and Axway SAS.

Research tax credits

74Software received research tax credits of €4,203 thousand for 2024.

Breakdown of tax between recurring and exceptional income

(in thousands of euros)	2024	2023	2022
Tax on recurring operations	310	–	–
Research tax credits	-4,203	-3,789	-5,545
Other tax credits	-1	-1	–
TOTAL INCOME TAX EXPENSE	**-3,894**	**-3,790**	**-5,545**

Deferred tax position

	Base					
	Start of the fiscal year		Change		End of the fiscal year	
(in thousands of euros)	Asset	Liability	Asset	Liability	Asset	Liability
I. Certain or potential timing differences						
Tax-driven provisions	**–**	**–**	**–**	**–**	**–**	**–**
Investment grants	**–**	**–**	**–**	**–**	**–**	**–**
Temporary non-deductible expenses						
■ To be deducted the following year						
■ Employee profit sharing	–	–	–	–	–	–
■ C3S contribution	88	–	–	-2	86	–
■ Construction levy	190	–	1	–	191	–
■ To be deducted thereafter						
■ Provision for retirement commitments	8,136	–	637	–	8,773	–
■ Other	–	–	–	–	–	–
Temporary non-taxable income						
■ Net short-term capital gains	–	–	–	–	–	–
■ Capital gains on mergers	–	–	–	–	–	–
■ Deferred long-term capital gains	–	–	–	–	–	–
Expenses deducted (or income taxed) for tax purposes and not yet recorded in the accounts						
■ Deferred charges	–	–	–	–	–	–
■ Unrealised foreign exchange gains	1,605	–	634	–	2,239	–
TOTAL	**10,020**	**–**	**1,272**	**-2**	**11,289**	**–**
II. Items to be charged						
Tax losses carried forward	**103,408**	**–**	**–**	**2,856**	**100,552**	**–**
Long-term capital losses	**–**	**–**	**–**	**–**	**–**	**–**
Other	**–**	**–**	**–**	**–**	**–**	**–**
III. Contingent taxable items						
Capital gains on non-depreciable assets contributed on merger	**–**	**762**	**–**	**–**	**–**	**762**
Special long-term capital gains reserve	**–**	**–**	**–**	**–**	**–**	**–**
Special reserve for construction profits	**–**	**–**	**–**	**–**	**–**	**–**
Other	**–**	**–**	**–**	**–**	**–**	**–**

6.3.4 Other information

6.3.4.1 Maturities of receivables and payables at the fiscal year end

Receivables

(in thousands of euros	Gross amount	Within one year	One to five years
Non-current assets			
Receivables from equity investments	245,654	–	245,654
Other non-current financial assets	2,468	2,048	420
Current assets			
Doubtful or disputed receivables	90	–	90
Other trade receivables	130,834	130,834	–
Employee-related receivables	19	19	–
Social security bodies	–	–	–
VAT	539	539	–
Tax credits	5,283	–	5,283
Other taxes	–	–	–
Group and associates	6,998	6,998	–
Other receivables	1,366	1,366	–
Accruals and deferred income	11,616	10,176	1,440
TOTAL	**397,868**	**144,982**	**252,886**

Other non-current financial assets mainly relate to deposits and guarantees, as well as the market-making agreement and treasury shares.

Liabilities

(in thousands of euros)	Gross amount	Within one year	One to five years
Bank loans			
2 years maximum at outset	2,292	2,292	–
More than 2 years maximum at outset*	287,474	12,252	275,222
Other financial debt	–	–	–
Group and associates	65,838	–	65,838
Trade accounts payable	32,784	32,784	–
Employee-related receivables	9,960	9,960	–
Social security bodies	7,978	7,978	–
State and public bodies			
Withholding tax	429	429	–
VAT	8,437	8,437	–
Other taxes	165	165	–
Amounts payable on non-current assets	95	95	–
Group and associates	–	–	–
Customer payments on account	468	468	–
Other liabilities	611	611	–
Accruals and deferred income	45,242	45,242	–
TOTAL	**461,773**	**120,713**	**341,060**

* *Above bank loans maturing in more than one year include €87 million in respect of the RCF.*

6.3.4.2 Accrued income and expenses

(in thousands of euros)	
Accrued income	
Trade accounts payable - Credit notes receivable	314
Trade receivables - Sales invoice accruals	51,418
Tax and social security receivables	421
TOTAL	**52,153**

Accrued expenses	
Accrued interest	2,292
Trade accounts payable - Purchase invoice accruals	22,386
Trade receivables - Credit notes to be issued	551
Tax and employee-related payables	16,307
Other liabilities	—
TOTAL	**41,536**

Sales invoice accruals are €47.9 million inter-company and €3.5 million non-Group.

Tax and social security receivables correspond to VAT on purchase invoice accruals of €383 thousand and VAT on credit notes to be issued of €38 thousand.

Tax payables mainly correspond to VAT on sales invoice accruals of €686 thousand and amounts payable to the French State, including the CVAE corporate value-added contribution for €63 thousand and the C3S contribution for €86 thousand. Employee-related payables mainly comprise provisions for paid leave (€3.7 million) and bonuses payable (€8.8 million), including social security contributions.

Inter-company purchase invoice accruals total €19.9 million and non-Group purchase invoice accruals total €2.4 million.

6.3.4.3 Employees

The average workforce in 2024 totalled 432 employees, and the number of employees at 31 December 2024 was 425.

6.3.4.4 Statutory Audit fees

Audit fees of €1,281 thousand are recorded in the income statement, including:

- €555.4 thousand for the statutory audit of the financial statements;
- €641.5 thousand for non-audit services, including particularly €560 thousand for diligences conducted in connection with the acquisition of SBS. The remaining balance concerns the report on related-party transactions, the review of the Management report, the audit completion letter and the certificate on financial ratios.;
- €84 thousand for certifying sustainability information.

6.3.4.5 Off-balance sheet commitments

(in thousands of euros)	
Discounted notes not yet due	None
Bank guarantees in place of security deposits for leased premises	—
Bank guarantees for completion bonds	111
Bank guarantees guaranteeing payment of tax liabilities	2,200
Bank guarantees guaranteeing payment of supplier invoices	None
Unfunded retirement commitments (actuarial gains/losses)	460
Guarantees given to subsidiaries to guarantee tender bids	None
Guarantees given to subsidiaries to guarantee leases	None
CEO severance compensation	1,203
Collateral, mortgages and sureties	680
Interest rate hedging instruments	None
Exchange rate hedging instruments	None

Bank guarantees

In August 2023, a 10-year guarantee of €564 thousand was arranged for our future Trinity Tower premises. This guarantee is covered by a pledge over an interest-bearing account in the amount of €680 thousand.

Bank completion bonds stood at €111 thousand at 31 December 2024.

Guarantees of €177 thousand were established in August 2014 to guarantee the payment of tax liabilities. We will request these guarantees be lifted in 2025.

Retirement commitments

At the end of 2024, actuarial gains on retirement commitments not provided stood at €460 thousand.

Severance pay

Severance pay for the Chief Executive Officer was set at US$1,250 thousand (or €1,203 thousand at the dollar exchange rate on 31 December 2024).

6.3.4.6 Exceptional events and legal disputes

None.

6.3.4.7 List of subsidiaries and equity investments

Company Amounts (in thousands of euros)	Share capital	Equity other than share capital	Share capital held (%)	Carrying amount of securities held		Outstanding loans and advances granted by the Company	Last fiscal year revenue, excl. VAT	Last fiscal year profit (loss)	Dividends received by the Company during the fiscal year
				Gross	Net				
74Software (France)									
Axway UK Ltd (United Kingdom)	120.6	49.8	100.0%	148.3	148.3	2,221.1	14,937.8	605.0	609.6
Axway GmbH (Germany)	425.0	22,615.6	100.0%	23,038.2	23,038.2	—	29,935.1	2,488.7	2,090.0
Axway Sri (Italy)	98.0	24.0	100.0%	98.1	98.1	—	8,643.0	524.8	356.2
Axway Software Iberia (Spain)	1,000.0	6.6	100.0%	1,000.0	1,000.0	—	4,452.9	309.3	330.0
Axway Nordic (Sweden)	8.7	823.5	100.0%	20,706.1	848.1	—	4,183.6	184.1	191.1
Axway Inc. (United States)	—	146,754.3	100.0%	154,946.4	154,946.4	15,793.1	182,391.8	17,368.7	—
Axway BV (Netherlands)	18.2	346.9	100.0%	200.0	200.0	—	5,577.6	382.4	—
Axway Belgium (Belgium)	1,000.0	-182.8	99.9%	999.0	999.0	—	12,666.2	392.4	100.0
Axway Romania Srl (Romania)	10.6	1,968.8	100.0%	1,972.3	1,972.3	184.3	25,115.0	1,363.3	4,358.0
Axway SAS (France)	45.0	-25.3	100.0%	45.0	—	0.9	—	-1.7	—
Axway Pte Ltd (Singapore)	141.2	534.1	100.0%	—	—	—	10,780.8	891.1	503.2
Axway Ltd (Hong Kong)	12.4	8.8	100.0%	—	—	—	2,540.7	141.7	137.4
Axway Pty (Australia)	59.6	15.2	100.0%	—	—	—	7,178.5	197.7	375.9
Axway Bulgaria EOOD (Bulgaria)	2.6	972.3	100.0%	979.8	979.8	—	14,139.8	759.0	859.0
Axway Distribution France (France)	51.0	-19.5	100.0%	52.8	—	6.5	—	-1.9	—
Axway Ltd (Ireland)	180.9	6.0	100.0%	42,841.9	42,841.9	3,627.7	18,178.2	-78.8	—
Axway Software Do Brasil (Brazil)	8.6	-8,655.9	100.0%	12.5	—	1,705.7	6,980.3	-3,676.8	—
Axway Switzerland (Switzerland)	21.2	85.7	100.0%	18.2	18.2	131.1	1,248.3	44.8	—
Axway India (India)	—	291.5	99.0%	5,457.6	557.6	—	1,996.3	272.8	—
SBS Software (France)	25,000.0	37,637.5	100.0%	115,201.0	115,201.0	195,767.5	89,162.4	-16,511.6	—

6.4 Summary 74Software SA results for the past five fiscal years

(in euros)	2024	2023	2022	2021	2020
Share capital at end of fiscal year					
Share capital	59,492,388	43,267,194	43,267,194	43,267,194	42,702,132
Number of ordinary shares outstanding	29,746,194	21,633,597	21,633,597	21,633,597	21,351,066
Transactions and results for the fiscal year					
Revenue excluding VAT	217,672,406	186,602,665	181,819,914	167,254,376	156,706,577
Profit (loss) before tax, employee profit-sharing and incentive schemes, depreciation, amortisation and provisions	11,428,508	-6,966,900	-22,153,401	8,853,621	-15,140,745
Income tax	-3,893,798	-3,790,134	-5,444,850	-5,806,999	-8,063,764
Employee profit-sharing, incentive schemes, depreciation, amortisation and provisions	1,165,517	1,292,215	958,358	754,623	903,829
Profit (loss) after tax and employee profit-sharing, depreciation, amortisation and provisions	3,757,857	-12,463,786	-8,037,822	-7,843,108	-18,162,775
Distributed earnings	—	—	8,653,439	8,653,439	8,540,426
Earnings per share (including treasury shares)					
Profit (loss) after tax and employee profit-sharing, but before depreciation, amortisation and provisions	0.52	-0.15	-0.77	0.68	-0.37
Profit (loss) after tax and employee profit-sharing, depreciation, amortisation and provisions	0.13	-0.58	-0.37	-0.36	-0.85
Dividend per share	—	—	0.40	0.40	0.40
Employee data					
Average number of employees during the fiscal year	432	426	452	477	483
Total payroll for the fiscal year	44,778,889	46,285,686	44,387,071	43,808,036	41,973,124
Total benefits paid for the fiscal year (social security, employee welfare, etc.)	20,039,328	19,401,268	19,127,031	17,927,150	19,729,625

6.5 Statutory Auditors' report on the financial statements

This is a translation into English of the Statutory Auditors’ report on the annual financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This Statutory Auditors’ report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ended 31 December 2024

To the General Meeting of 74Software,

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying annual financial statements of 74Software for the year ended 31 December 2024.

In our opinion, the annual financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

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

Our responsibilities under those standards are further described in the Statutory Auditors’ Responsibilities for the Audit of the Financial Statements Section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*code de déontologie*) for Statutory Auditors, for the period from 1 January 2024 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) no. 537/2014.

Justification of our assessments

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgement, were of most significance in our audit of the annual financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Measurement of business goodwill

(Notes 3.1.2 and 3.2.1 to the annual financial statements)

Risk identified

At 31 December 2024, net business goodwill of €40.2 million was recognised in the balance sheet.

The assets involved are not systematically amortised but are tested for impairment at each year-end as disclosed in Note 3.1.2 “Business goodwill” to the annual financial statements.

Impairment is recognised if the net carrying amount of the business goodwill is greater than its present value, which corresponds to the higher of the market value and value-in-use.

We considered measurement of business goodwill to be a key audit matter, in view of its material significance in the annual financial statements, and because of the need for management to exercise judgement in appraising the present value.

Our response

Our audit of the annual financial statements included the following procedures, in particular:

- examining the rules and procedures for conducting impairment testing;
- assessing the reasonableness of the main management estimates, and particularly the cash flow forecasts, the perpetual growth rate and the discount rate adopted;
- analysing the forecasts for consistency with historic performance.

Revenue recognition

(Note 1.2 to the financial statements)

Risk identified

The Company's activity comprises several business lines including the sale of licenses, maintenance and support services, integration and training services and finally subscriptions.

As disclosed in Note 3.1.2 “Revenue recognition“ to the annual financial statements, the revenue recognition method depends on the nature of the services rendered and particularly:

- License revenue is recognised immediately upon delivery, which is considered completed when all contractual obligations have been fulfilled, *i.e.* when any remaining services to be provided are non-material and not liable to call into question the customer's acceptance of goods supplied;

- Software as a service subscription revenue is recognised progressively as 74Software transfers control of the service;
- Maintenance revenue is recognised on a time-apportioned basis;
- Services revenue is generally recognised on a time spent basis and is recognised when the services are performed. Services are sometimes provided under fixed-price contracts, in which case they are recognised using the percentage-of-completion method;
- Where contracts comprise multiple components (license, maintenance, related services, etc.), revenue is generally recognised by applying the above methods after allocating the different revenue amounts to each activity. The amount of revenue attributable to the license is equal to the difference between the total contract amount and the actual value of its other component services: maintenance, related services.

In this context, the audit risks concern in particular the correct separation of fiscal years and the rules and procedures for apportioning revenue to contracts with multiple components.

We considered revenue recognition to be a key audit matter given Management judgements and estimates underlying revenue and the diversity of 74Software activities as a software publisher.

Our response

Our audit approach is based on the assessment of the internal control procedures put in place by the Company in order to verify the measurement, occurrence and proper separation of fiscal years for revenue and on substantive audit procedures.

Our work included the following, in particular:

- Assessing internal control procedures, identifying the main manual or automatic controls relevant to our audit and testing their design and operating efficiency;
- Conducting analytical audit procedures by type of service rendered, particularly by analysing revenue trends;
- For a sample of contracts selected using a multi-criteria approach:
  - Assessing the revenue recognition method for each activity identified,
  - Verifying application of the procedure for allocating the price of multi-component contracts to the different components of these contracts,
  - Reconciling accounting data with the operational monitoring of the businesses and contractual data,
  - Examining proof of contract invoicing and settlement,
  - Examining proof of delivery and completion;
- Assessing the appropriateness of the disclosures in the notes to the annual financial statements.

Measurement of equity investments

(Notes 3.1.2 and 3. 2.1 to the annual financial statements)

Risk identified

Equity investments recognised in assets total €342.8 million at 31 December 2024, and represent the largest balance sheet item. These investments are recognised at acquisition or subscription cost at the date of initial recognition and are impaired based on their value-in-use.

As stated in Note 3.1.2 “Equity investments” to the annual financial statements, the value-in-use is estimated by management on the basis of the net assets of subsidiaries, together with an analysis of forecast changes and profitability of equity investments based on discounted future cash flows.

Estimating the value-in-use of these investments calls for the exercise of judgement by management in choosing the items to consider for the investments concerned; depending on the case, such items may be historic data or forecast data. Consequently, a change in the assumptions retained may affect the value-in-use of the equity investments. We therefore considered measurement of equity investments to be a key audit matter.

Our response

To assess the reasonableness of the estimates of value-in-use of equity investments, based on the information communicated to us, our work consisted chiefly in verifying whether the estimated values determined by management were based on an appropriate justification of the valuation method and quantitative data used, as well as, depending on the investment concerned:

For measurements based on historic data:

- Verifying that the shareholders' equity used was consistent with the financial statements of entities for which audit or analytical procedures were performed, and that any adjustments made to such shareholders' equity were based on firm documentary evidence;
- Verifying the foreign exchange rates for any currencies used.

For measurements based on forecast data:

- Obtaining operating forecasts for the entities concerned and assessing their consistency with historic data;
- Verifying the consistency of the assumptions made with the economic environment at the reporting date and at the date when the financial statements were drawn up;
- Assessing the reasonableness of any other assumptions made by management in determining the value-in-use of the equity investments, such as the perpetual growth rate or the discount rate.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

Information given in the management report and in the other documents provided to shareholders on the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents addressed to shareholders with respect to the financial position and the financial statements.

We attest to the fair presentation and consistency with the financial statements of the payment period disclosures required by Article D. 441-6 of the French Commercial Code (*Code de commerce*).

Corporate governance information

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*) relating to compensation and benefits paid or granted to company officers and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from entities it controls or included in the consolidation scope. Based on this work, we attest the accuracy and fair presentation of this information.

Concerning the information relating to the items that your Company considered likely to have an impact in the event of a tender or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (*Code de commerce*), we have verified their compliance with the underlying documents which have been communicated to us. Based on our work, we have no comment to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Other Legal and Regulatory Verifications or Information

Format of presentation of the annual financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the annual financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the annual financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the annual financial statements that will ultimately be included by your Company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

Both Aca Nexia and Forvis Mazars were appointed Statutory Auditors of 74Software by the General Meeting of 18 December 2000.

At 31 December 2023, Aca Nexia and Forvis Mazars had held office as auditors for 24 continuous years, of which 14 years since the Company’s securities were admitted for trading on a regulated market

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the annual financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgement throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) no. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 821-27 to L. 821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Courbevoie and Paris, 24 March 2025
The Statutory Auditors

Aca Nexia Olivier Juramie Partner	Forvis Mazars SA Jérôme Neyret Partner

7 74Software share capital and shares

74Software share ownership supports the Company's performance and sustainability strategic project.

Share capital held by the reference shareholder favours stable governance, while the increase in employee share ownership encourages employee engagement.

The market-making agreement entrusted to an investment service provider since Axway's IPO, seeks to increase the fluidity of transactions in the Company's shares in the secondary market.

7.1 General information

74Software, formerly Axway Software was listed on the regulated Euronext market in Paris on 14 June 2011.

74Software shares are listed on Euronext Compartment B and are eligible for inclusion in equity saving plans (PEA and PEA-PME) and for the Deferred Settlement Service (SRD).

On 31 December 2024, Axway Software's share capital consisted of 29,746,194 shares with a par value of two (2) euros each, fully paid up, amounting to €59,492,388.

The total number of exercisable voting rights attached to the share capital at 31 December 2024, taking account of the existence of double voting rights and the absence of voting rights on treasury shares, was 40,633,052.

Changes in share capital during the fiscal year ended 31 December 2024 are detailed in Section 7.3 ("Changes in share capital") of this Chapter 7.

To the best of the Company's knowledge, no 74Software shares held in registered form and representing a significant proportion of its capital have been pledged as collateral.

Shares owned by the Company in its subsidiaries are unencumbered by sureties.

7.2 Current share ownership

	At 31 December 2024				
Shareholders	**Number of shares held**	**% of share capital**	**Number of theoretical voting rights**	**Number of exercisable voting rights**	**% of exercisable voting rights**
Sopra GMT(1)	12,403,885	41.70%	16,907,206	16,907,206	41.61%
Sopra Steria Group SA	3,293,637	11.07%	6,587,274	6,587,274	16.21%
Pasquier family group(1)	84,816	0.29%	107,012	107,012	0.26%
Odin family group(1)	367,918	1.24%	582,613	582,613	1.43%
Management(2)	352,417	1.18%	549,943	549,943	1.35%
Shareholders' agreement between the Founders, the Managers and Sopra Steria Group SA	16,502,673	55.48%	24,734,048	24,734,048	60.87%
Public(3)	12,604,418	42.37%	15,899,004	15,899,004	39.13%
Treasury shares	639,103	2.15%	639,103	—	—%
TOTAL	**29,746,194**	**100.00%**	**41,272,155**	**40,633,052**	**100.00%**

(1) Sopra GMT, the Pasquier family group and the Odin family group are referred to collectively as the "Founders".
(2) Managers who have signed the shareholders' agreement with Sopra GMT and the Pasquier and Odin family groups.
(3) Calculated by deduction.

To the best of the Company's knowledge, apart from the reference shareholder Sopra GMT and Sopra Steria Group, only Caravelle and Long Path Partners held more than 5% of the share capital at 31 December 2024, holding 3,537,129 and 2,824,704 shares, respectively, representing 11.89% and 9.50% of the share capital.

There were a number of major changes in the Company's share capital structure in 2024. Announced at the end of February 2024, the planned acquisition of SBS by Axway was made possible by several successful key operations during the year. With the support of its legacy shareholders and the interest shown by new investors, the Company performed a share capital increase with retention of preferential subscription rights during the summer for a gross amount of around €131 million, aimed at partially funding the acquisition for an enterprise value of €330 million.

In the context of this share capital increase and with the aim of securing financing and guaranteeing the long-term independence of the new entity combining Axway and SBS, Sopra GMT acquired 3,619,423 Axway shares from Sopra Steria. In addition, Sopra GMT acquired all Sopra Steria's residual preferential subscription rights.

Following on from these transactions, Sopra GMT subscribed to the Axway share capital increase in the full amount of its priority rights and those acquired from Sopra Steria. Sopra GMT thereby became the leading shareholder of Axway, which changed its corporate name to 74Software.

74Software will enjoy a stable and committed shareholder structure, promoting its continued development as an independent software publisher.

Sopra GMT increased its shareholding from 20.82% at 31 December 2023 to 41.70% at 31 December 2024, while Sopra Steria reduced its shareholding from 31.96% to 11.07% over the same period.

Shareholders	At 31 December 2023 Number of shares held	% of share capital	Number of theoretical voting rights	Number of exercisable voting rights	% of exercisable voting rights
Sopra GMT(1)	4,503,321	20.82%	9,006,642	9,006,642	25.07%
Sopra Steria Group SA	6,913,060	31.96%	13,826,120	13,826,120	38.48%
Pasquier family group(1)	25,786	0.12%	47,982	47,982	0.13%
Odin family group(1)	289,725	1.34%	513,986	513,986	1.43%
Management(2)	313,872	1.45%	522,203	522,203	1.45%
Shareholders' agreement between the Founders, the Managers and Sopra Steria Group SA	12,045,764	55.68%	23,916,933	23,916,933	66.57%
Public(3)	8,927,289	41.27%	12,011,531	12,011,531	33.43%
Treasury shares	660,544	3.05%	660,544	–	–%
TOTAL	**21,633,597**	**100.00%**	**36,589,008**	**35,928,464**	**100.00%**

(1) Sopra GMT, the Pasquier family group and the Odin family group are referred to collectively as the "Founders".
(2) Managers who have signed the shareholders' agreement with Sopra GMT and the Pasquier and Odin family groups.
(3) Calculated by deduction.

Shareholders	At 31 December 2022 Number of shares held	% of share capital	Number of theoretical voting rights	Number of exercisable voting rights	% of exercisable voting rights
Sopra GMT(1)	4,503,321	20.82%	9,006,642	9,006,642	25.15%
Sopra Steria Group SA	6,913,060	31.96%	13,826,120	13,826,120	38.61%
Pasquier family group(1)	22,970	0.11%	42,350	42,350	0.12%
Odin family group(1)	292,059	1.35%	477,912	477,912	1.33%
Management(2)	317,877	1.47%	518,760	518,760	1.45%
Shareholders' agreement between the Founders, the Managers and Sopra Steria Group SA	12,049,287	55.70%	23,871,784	23,871,784	66.66%
Public(3)	8,933,622	41.30%	11,937,610	11,937,610	33.34%
Treasury shares	650,688	3.01%	650,688	–	–%
TOTAL	**21,633,597**	**100%**	**36,460,082**	**35,809,394**	**100%**

(1) Sopra GMT, the Pasquier family group and the Odin family group are referred to collectively as the "Founders".
(2) Managers who have signed the shareholders' agreement with Sopra GMT and the Pasquier and Odin family groups.
(3) Calculated by deduction.

The share capital of Sopra GMT, 74Software's holding Company, is held as follows:

Sopra GMT's share ownership structure	At 31 December 2024			At 31 December 2023		
Shareholders	**Shares**	**% of share**	**% of number**	**Shares**	**% of share**	**% of number**
Pasquier family group	318,050	53.19%	59.80%	318,050	68.47%	68.50%
Odin family group	132,050	22.08%	25.10%	132,050	28.43%	28.50%
One Equity Partners	133,445	22.32%	12.70%		–%	–%
Sopra Steria Group active and retired managers	13,106	2.19%	2.40%	12,604	2.71%	2.70%
Treasury shares	1,321	0.22%	–%	1,823	0.39%	–%
TOTAL	**597,972**	**100%**	**100%**	**464,527**	**100%**	**100%**

At 31 December 2024, Sopra GMT had 31 shareholders, including 29 private individuals and two legal entities:

- the Pasquier family group comprises nine private individuals who are all related to the Sopra founder, Mr. Pierre Pasquier;
- the Odin family group comprises one private individual and one legal entity, SAS Regence, wholly owned by shareholders related to Mr. Francois Odin, co-founder of Sopra;
- OEP SGMT BV is a Dutch legal entity;
- the group of active and retired managers comprises 19 private individuals.

All Sopra GMT shareholders are currently of French nationality, except for the aforementioned Dutch Company, OEP SGMT B.V. The Company's beneficial owner, as defined by French regulations, is Pierre Pasquier.

7.2.1 Recent transactions – Share ownership thresholds

The Company's shareholders are subject to prevailing laws and regulations on reporting the crossing of ownership thresholds and their future intentions. The Company has taken care to supplement the current legal mechanism by adding a clause to the Articles of Association:

"Any shareholder whose ownership interest crosses the thresholds of 3% or 4% of the share capital or voting rights shall inform the Company in the same manner and based on the same calculation methods as those set forth by law for declarations that legal thresholds have been crossed" (Article 28 of the Articles of Association).

During the year and prior to the change in corporate name at the beginning of December 2024, the Company was informed by several shareholders of the following share capital movements:

- in a letter received on 27 February 2024, Lazard Frères Gestion reported it had decreased its interest below the threshold of 5% of Axway Software's share capital on 23 February 2024. At this date, Lazard Frères Gestion held 1,070,323 shares, representing 4.95% of the share capital and 2.93% of voting rights;
- in a letter received on 24 July 2024, OEP SGMT B.V. reported it had increased its interest (in concert with Sopra GMT and Sopra Steria Group, the Odin and Pasquier family groups and Group managers) above the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, 1/3 and 50% of the share capital and voting rights of Axway Software on 18 July 2024. At this date OEP SGMT B.V., together with all the members of the concert, held 12,039,825 shares, representing 55.65% of the share capital and voting rights;
- in a letter received on 26 July 2024, Caravelle reported it had increased its interest above the threshold of 15% of Axway Software's voting rights on 22 July 2024. At this date, Caravelle held 2,572,458 shares, representing 11.89% of the share capital and 15.52% of voting rights;
- in a letter received on 29 August 2024, Caravelle reported it had decreased its interest below the threshold of 15% of Axway Software's voting rights on 27 August 2024. At this date, Caravelle held 3,537,129 shares, representing 11.89% of the share capital and 14.81% of voting rights;
- in a letter received on 2 September 2024, Long Path Partners, LP reported it had increased its interest above the threshold of 5% of Axway Software's voting rights on 27 August 2024. At this date, Long Path Partners held 2,699,428 shares, representing 9.07% of the share capital and 6.54% of voting rights;
- in a letter received on 3 September 2024, Sopra Steria Group reported it had decreased its interest below the threshold of 15% of Axway Software's share capital on 28 August 2024. At this date, Sopra Steria Group held 3,293,637 shares, representing 11.07% of the share capital and 15.95% of voting rights.

7.2.2 Approximate number of shareholders

At 31 December 2024, Axway Software had 1,340 registered shareholders who owned 20,875,577 shares and held 32,400,805 voting rights, *i.e.* 70.18% of the shares making up the share capital, and 78.51% of total theoretical voting rights and 79.74% of exercisable voting rights.

On the basis of the most recent data available to the Company, there are around 3,817 shareholders.

7.2.3 Employee share ownership

At 31 December 2024, pursuant to the provisions of Article L. 225-102 of the French Commercial Code, Company shares held by its employees or by employees of its affiliates, within the meaning of Article L. 225-180 of the French Commercial Code, were as follows:

- 315 shares under a Company savings plan;
- 21,511 shares through mutual funds;
- 659,459 shares held directly in registered form following the set-up of free share plans in accordance with the provisions of Article L. 22-10-59 of the French Commercial Code;

representing a total of 681,285 shares or 2.29% of the Company's share capital at 31 December 2024.

Furthermore, to increase employee engagement in the long-term corporate project, 74Software has granted free shares on several occasions to all employees:

- following 74Software's IPO in June 2011, the Board of Directors' meeting of 14 February 2012 approved the grant of 45 shares to each employee. The shares became available following vesting periods of two to four years according to the country;
- on 22 February 2019, 200 free shares were granted to all employees at that date, subject to the condition that they remain employed for a period of three years.

7.2.4 Shareholders' agreements notified to the stock market authorities

I. Shareholders' agreement between Sopra GMT, the Pasquier and Odin family groups and management

A shareholders' agreement to act in concert with respect to Sopra Steria Group was entered into for a period of two years on 7 December 2009 between Sopra GMT, the Pasquier and Odin family groups and a group of managers. This agreement is renewed tacitly every two years. The clauses of the agreement were extended to Axway Software's shares pursuant to the amendment of 27 April 2011.

Sopra GMT, the leading shareholder and holding Company, and Sopra Steria Group act in concert with respect to Axway Software.

This involves:

- an undertaking by the parties to act in concert so as to implement joint policies and, in general, approve any major decisions;
- an undertaking by the parties to act in concert in connection with the appointment and reappointment of members of the Company's management bodies, by which the senior managers agree to facilitate the appointment of any individuals proposed by the Pasquier and Odin family groups and Sopra GMT;
- an undertaking by the parties to act in concert in connection with any proposed acquisition or disposal of more than 0.20% of the share capital or voting rights of the Company;
- an undertaking by the parties to act in concert to adopt a common strategy in the event of a public offer for the Company's shares;
- a pre-emptive right to the benefit of the Pasquier and Odin family groups and Sopra GMT in the event of any disposal by a senior manager of Sopra Steria Group shares (right of first refusal for Sopra GMT, right of second refusal for the Pasquier family group, right of third refusal for the Odin family group). The exercise price for the pre-emptive right shall be equal to (i) the price agreed between the transferor and the transferee in the event of an off-market transfer, (ii) the average share price over the 10 trading days preceding the announcement of the disposal in the event of a sale on the market, or (iii) the value determined for the shares in the context of the transaction, in all other cases.

II. Shareholders' agreement between One Equity Partners, Sopra GMT and the Pasquier and Odin family agreements

In the context of the transactions performed with a view to the sale by Sopra Steria Group of most of Sopra Banking Software's activities to 74Software (formerly Axway Software), announced to the market on 21 February 2024, a shareholders' agreement was entered into on 18 July 2024 between OEP (One Equity Partners), the Pasquier and Odin family groups and Sopra GMT following the acquisition of a minority stake in Sopra GMT by OEP. Other than the conditions governing OEP's exit from Sopra GMT's share capital, the main stipulations of this shareholders' agreement are as follows:

- action in concert: The parties act in concert within the meaning of Article L. 233-10 of the French Commercial Code, with respect to Sopra GMT investments and particularly 74Software;
- governance of Sopra GMT, 74Software's holding Company: OEP governance rights are restricted to protecting its investment in Sopra GMT:
  - OEP has a seat on the Sopra GMT Board of Directors, which has six members,
  - a limited number of listed key decisions require OEP's agreement. These veto rights concern significant items such as major investments and divestments, debt and the signature of agreements with related parties,
  - participation in an advisory committee: OEP is represented on an advisory committee competent to issue opinions on certain subjects relating to Sopra GMT investments and particularly 74Software. This is solely an advisory committee, without any decision-making power.

7.2.5 Control of the Company

Sopra GMT, the holding Company of 74Software and Sopra Steria, exercises control over the Company due to its direct and indirect holding (under the shareholders' agreement) of over half of the share capital (55.48%) and 60.87% of exercisable voting rights. In its role as holding Company, Sopra GMT exercises considerable influence over the Company's business, strategy and development. However, the Company does not believe that there is a risk that control will be exercised in an abusive manner since:

- the Company decided to adopt the recommendations of the Middlenext Code of Corporate Governance for small and mid-caps as updated in September 2021, because of its compatibility with the size of the Company and its capital structure;
- the duties of the Chairman and Chief Executive Officer have been separated since the Company's IPO. This separation of offices was renewed during the appointment of the current Chief Executive Officer;
- the directors are bound by the obligation to protect the interests of the Company and comply with the rules set out in the Securities Trading Code of Conduct, the internal regulations of the Board of Directors and the Ethics charter, as well as the rules contributing to good governance as defined in the Middlenext Code of Corporate Governance (Board member ethics);
- the Company's Board of Directors set up an Audit Committee responsible for reviewing the financial statements, including the Green Taxonomy, monitoring the efficiency of the internal control and risk management systems, monitoring the statutory audit of the financial statements and verifying compliance with the requirement for the Statutory Auditors to be independent (see Chapter 4). The creation of an Audit Committee prevents any abusive control over the Company by the shareholders acting in concert. 50% of Audit Committee members, including the Committee's Chairman, are independent;
- in accordance with the recommendations of the Middlenext Code of Corporate Governance, the Company's Board of Directors introduced a procedure allowing for the disclosure and management of conflicts of interest;
- the Company's Board of Directors set up an Appointments, Ethics and Governance Committee, renamed the Appointments, Governance and Corporate Responsibility Committee in 2021, whose tasks include examining the independence of directors and situations of conflict of interest.

The General Shareholders' Meeting of 4 June 2014 introduced double voting rights for the Company, in accordance with legislative changes. The implementation of double voting rights enables the Company to strengthen the stability of its share ownership and thus focus on mid- and long-term projects.

7.3 Change in the share capital

			Number of shares			Contributions	
Date	Transaction type	Share capital after the transaction (in euros)	Par value	Created	Total	Par value	Premiums or reserves
01/2021	Capital increase by exercise of options	42,710,432	€2.00	4,150	21,355,216	–	–
02/2021	Capital increase by exercise of options	42,715,432	€2.00	2,500	21,357,716	–	–
03/2021	Capital increase by exercise of options	43,023,590	€2.00	12,198	21,511,795	–	–
04/2021	Capital increase by exercise of options	43,087,170	€2.00	31,790	21,543,585	–	–
05/2021	Capital increase by exercise of options	43,118,020	€2.00	15,425	21,559,010	–	–
06/2021	Capital increase by exercise of options	43,138,520	€2.00	10,250	21,569,260	–	–
07/2021	Capital increase by exercise of options	43,145,120	€2.00	3,500	21,572,560	–	–
08/2021	Capital increase by exercise of options	43,152,320	€2.00	3,400	21,576,160	–	–
09/2021	Capital increase by exercise of options	43,166,120	€2.00	6,900	21,583,060	–	–
10/2021	Capital increase by exercise of options	43,204,820	€2.00	19,350	21,602,410	–	–
11/2021	Capital increase by exercise of options	43,267,194	€2.00	31,187	21,633,597	–	–
08/2024	Capital increase by rights issue	59,492,338	€2.00	8,112,597	29,746,194		

7.4 Shares held by the Company or on its behalf – share buyback programme and market-making agreement

At 31 December 2024, 74Software held 639,103 treasury shares, representing 2.15% of the share capital. At this date, 74Software held 19,820 shares under a market-making agreement and 619,283 shares under a buyback program.

7.4.1 Transactions carried out in 2024 under the share buyback programme

In fiscal year 2024, 74Software acquired, under the authorisations granted to the Board of Directors by the General Meeting of 16 May 2024, 100,000 of its own shares by implementing the buyback programme. These shares were acquired at an average price of €25.92 per share, *i.e.* a total cost of €2,591,650. The trading costs incurred by Axway amounted to 0.1% of the total gross cost plus the tax on financial transactions.

These shares were purchased to cover undertakings given by Axway in connection with employee performance share plans.

7.4.2 Transactions carried out in 2024 under the market-making agreement

From 14 June 2011 and for 12-month periods subject to tacit renewal, the Company has entrusted Kepler Cheuvreux with the implementation of a market-making agreement in accordance with the various resolutions approved by the General Meetings. Under this agreement, Kepler Cheuvreux trades on the stock market on behalf of 74Software in order to ensure trading liquidity and stock price stability and avoid price fluctuations not justified by underlying market trends.

At 31 December 2024, 74Software held 19,820 shares under its market-making agreement. In 2024, the Company did not enter into any derivative transactions covering its shares and did not buy or sell any shares by exercising derivatives or on their expiry.

Initially, the Company set aside €1 million for the implementation of its market-making agreement.

This agreement was amended following the entry into effect of European Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the Commission Delegated Regulation (EU) 2016/908 of 26 February 2016 supplementing Regulation (EU) 596/2014, Articles L. 225-209 *et seq.* of the French Commercial Code and AMF decision 2018-01 of 2 July 2018 establishing market-making agreements on shares as an accepted market practice.

7.4.3 Description of the share buyback programme proposed to the General Meeting of 20 May 2025

Pursuant to Articles 241-2 *et seq*. of the AMF General Regulations and L. 451-3 of the French Monetary and Financial Code, and in accordance with European regulations as well as AMF decision 2018-01 of 2 July 2018, this description covers the objectives and terms and conditions of the 74Software share buyback programme that will be submitted for authorisation to the General Meeting of 20 May 2025.

No more than €101,677,906, excluding acquisition costs, may be allocated to this share buyback programme for a maximum of 2,163,360 shares. It was also decided that the Company may not directly or indirectly hold over 10% of its share capital.

The authorisation to set up the share buyback programme will be granted to the Board of Directors for a period of 18 months from the date of the Combined General Meeting of 20 May 2025 (see Chapter 8, Section 8.2, ("Explanatory statement and proposed resolutions") to fulfil the following objectives:

1. cover Company share purchase option plans benefiting (some or all) employees and/or (some or all) qualifying Company officers of the Company and of companies or groupings that are or will be affiliated to it as per the terms and conditions of Article L. 225-180 of the French Commercial Code;
2. grant ordinary shares to qualifying Company officers, employees and former employees, or certain categories thereof, of the Company or of the Group under profit sharing schemes or a Company savings plan in accordance with the law;
3. grant free shares under the scheme provided for under Articles L. 225-197-1 *et seq.* of the French Commercial Code to employees and qualifying Company officers, or to certain categories thereof, of the Company and/or of companies and economic interest groups affiliated to it under the terms of Article L. 225-197-2 of the French Commercial Code and, more generally, to grant ordinary Company shares to those employees and Company officers;
4. retain ordinary shares in the Company that are bought back for subsequent exchange or use as consideration in acquisitions, in line with market practices permitted by the Autorité des Marchés Financiers;
5. deliver shares upon exercise of rights attached to securities granting entitlement by means of conversion, exercise, redemption, exchange, presentation of a warrant or by any other means, immediately or in the future, to Company shares as well as carrying out any transactions required to cover the Company's obligations with respect to these securities, in compliance with stock market regulations and as and when decided by the Board of Directors or any person acting on the instructions of the Board of Directors;
6. enable market making in ordinary shares *via* an investment services provider under a market-making agreement that complies with the AMAFI Code of Ethics, in line with market practices permitted by the *Autorité des Marchés Financiers*, it being noted that the number of ordinary shares bought back in this respect shall, for the purposes of calculating the 10% limit, equal the number of ordinary shares bought back, less the number of ordinary shares sold during the period of this authorisation;
7. cancel all or some of the ordinary shares bought back, so long as the Board of Directors has a valid authorisation from the Extraordinary General Meeting allowing it to reduce the share capital by cancelling ordinary shares bought back under an ordinary share buyback programme.

However, the Company may not use this resolution and continue with its buyback programme in compliance with legal and regulatory provisions (and, in particular, the provisions of Articles 231-1 *et seq*. of the AMF General Regulations) during a public tender offer or public exchange offer made by the Company.

7.5 Delegations granted by General Meetings to increase the share capital

The table below summarises valid delegations at 31 December 2024 granted by the General Shareholders' Meeting in accordance with Article L. 225-37-4 paragraph 3 of the French Commercial Code.

I. Delegations of authority granted by the Combined General Meeting of 25 May 2022

Authorisation granted to the Board of Directors to grant free shares, existing or to be issued, to eligible employees or Company officers (19th resolution)

Date of General Meeting granting the delegation of authority	24 May 2022
Duration of delegation of authority	38 months
Expiry date	24 July 2025
Total amount for which the delegation of authority is granted	4% of the Company's share capital on the date of the grant decision by the Board of Directors
Use made of this delegation of authority during the fiscal year	0.95% of the Company's share capital on the date of the grant decision by the Board of Directors
Remaining balance	1.22% of the Company's share capital on the date of the grant decision by the Board of Directors

Authorisation granted to the Board of Directors to grant share subscription or purchase options to employees or Company officers (20th resolution)

Date of General Meeting granting the delegation of authority	24 May 2022
Duration of delegation of authority	38 months
Expiry date	24 July 2025
Total amount for which the delegation of authority is granted	1% of the number of shares comprising the Company's share capital on the date of the grant decision by the Board of Directors
Use made of this delegation of authority during the fiscal year	—
Remaining balance	1% of the number of shares comprising the Company's share capital on the date of the grant decision by the Board of Directors

II. Delegations of authority granted by the Combined General Meeting of 11 May 2023

Authorisation granted to the Board of Directors to increase the share capital by capitalising reserves, profits, share premiums or other items (17th resolution)

Date of General Meeting granting the delegation of authority	11 May 2023
Duration of delegation of authority	26 months
Expiry date	10 July 2025
Total amount for which the delegation of authority is granted (in euros)	20,000,000(1)
Use made of this delegation of authority during the fiscal year	—
Remaining balance (in euros)	20,000,000

(1) This ceiling is independent of all other ceilings provided in the other resolutions adopted by the Combined General Meeting of 11 May 2023.

Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities granting access to ordinary shares with retention of preferential subscription rights and/or of securities conferring entitlement to the allocation of debt securities (18th resolution)

Date of General Meeting granting the delegation of authority	11 May 2023
Duration of delegation of authority	26 months
Expiry date	10 July 2025
Total amount for which the delegation of authority is granted *(in euros)*	20,000,000(1) 200,000,000 (debt securities)
Use made of this delegation of authority during the fiscal year	—
Remaining balance *(in euros)*	20,000,000 200,000,000

(1) This amount is deducted from the par value limit for share capital increases provided in the 21st resolution adopted by the Combined General Meeting of 11 May 2023.

Authorisation granted to the Board of Directors to increase the amount of the initial issue, in the event of an issuance of ordinary shares or securities granting access to ordinary shares, with retention or cancellation of preferential subscription rights, decided pursuant to the 23rd resolution adopted by the General Meeting of 11 May 2023 (19th resolution)

Date of General Meeting granting the delegation of authority	11 May 2023
Duration of delegation of authority	26 months
Expiry date	10 July 2025
Total amount for which the delegation of authority is granted *(in euros)*	Ceilings set by the 21st resolution
Use made of this delegation of authority during the fiscal year	—
Remaining balance *(in euros)*	20,000,000 200,000,000

Delegation of authority granted to the Board of Directors to issue ordinary shares and/or securities granting access to ordinary shares in consideration for contributions in kind granted to the Company and consisting of equity securities or securities granting access to share capital, outside of a public exchange offering (20th resolution)

Date of General Meeting granting the delegation of authority	11 May 2023
Duration of delegation of authority	26 months
Expiry date	10 July 2025
Total amount for which the delegation of authority is granted	10% of share capital(1)
Use made of this delegation of authority during the fiscal year	—
Remaining balance	10% of share capital

(1) This amount is deducted from the ceiling provided in the 21st resolution adopted by the Combined General Meeting of 11 May 2023.

Overall limit on issue authorisations, with retention or cancellation of preferential subscription rights (21st resolution)

Date of General Meeting granting the delegation of authority	11 May 2023
Duration of delegation of authority	26 months
Expiry date	10 July 2025
Total amount for which the delegation of authority is granted	20,000,000 200,000,000 (debt securities)(1)
Use made of this delegation of authority during the fiscal year	–
Remaining balance	20,000,000

(1) Total maximum par value amount of share capital increases that may be decided pursuant to the 15th and 16th resolutions adopted by the Combined General Meeting of 24 May 2022 and the 18th and 20th resolutions adopted by the Combined General Meeting of 11 May 2023.

Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares reserved for Axway Group employees who are members of a Company savings plan (22nd resolution)

Date of General Meeting granting the delegation of authority	11 May 2023
Duration of delegation of authority	26 months
Expiry date	10 July 2025
Total amount for which the delegation of authority is granted	3% of share capital(1)
Use made of this delegation of authority during the fiscal year	–
Remaining balance	3% of share capital(1)

(1) This threshold is independent and separate from the share capital increase thresholds potentially arising from the issue of ordinary shares or securities granting access to share capital authorised by the other resolutions adopted by the Combined General Meeting of 11 May 2023.

III. Delegations of authority granted by the Combined General Meeting of 16 May 2024

Delegation granted to the Board of Directors to issue ordinary shares and/or securities granting access to share capital and/or debt securities, with cancellation of preferential subscription rights, through an offering referred to in Section I of Article L. 411-2 of the French Monetary and Financial Code (15th resolution)

Date of General Meeting granting the delegation of authority	16 May 2024
Duration of delegation of authority	26 months
Expiry date	15 July 2026
Total amount for which the delegation of authority is granted	10,000,000(1) 100,000,000(1) (debt securities)
Use made of this delegation of authority during the fiscal year	–
Remaining balance	10,000,000 (1) 100,000,000(1) (debt securities)

(1) This amount is deducted from the par value limit for share capital increases provided in the 18th resolution adopted by the Combined General Meeting of 16 May 2024.

Delegation of authority to the Board of Directors to issue ordinary shares and/or securities granting access to share capital and/or debt securities, with cancellation of preferential subscription rights, through a public offering (excluding offerings referred to in Section 1 of Article L. 411-2 of the French Monetary and Financial Code), and/or in consideration for securities as part of a public exchange offering (16th resolution)

Date of General Meeting granting the delegation of authority	16 May 2024
Duration of delegation of authority	26 months
Expiry date	15 July 2026
Total amount for which the delegation of authority is granted	20,000,000(1) 200,000,000(1) (debt securities)
Use made of this delegation of authority during the fiscal year	–
Remaining balance	20,000,000(1) 200,000,000(1) (debt securities)

(1) This amount is deducted from the par value limit for share capital increases provided in the 18th resolution adopted by the Combined General Meeting of 16 May 2024.

Authorisation granted to the Board of Directors to increase the amount of the initial issue, with issues of ordinary shares or securities, pursuant to the 15th and 16th resolutions adopted by the General Meeting of 16 May 2024 (17th resolution)

Date of General Meeting granting the delegation of authority	16 May 2024
Duration of delegation of authority	26 months
Expiry date	15 July 2026
Total amount for which the delegation of authority is granted	Ceilings set by the 18th resolution
Use made of this delegation of authority during the fiscal year	—
Remaining balance	20,000,000 200,000,000

Overall limit on the delegations provided for in the 15th and 16th resolutions adopted by the General Meeting of 16 May 2024 and the 18th and 20th resolutions adopted by the General Meeting of 11 May 2023 (18th resolution)

Date of General Meeting granting the delegation of authority	16 May 2024
Duration of delegation of authority	26 months
Expiry date	15 July 2026
Total amount for which the delegation of authority is granted	20,000,000, 200,000,000 (debt securities)(1)
Use made of this delegation of authority during the fiscal year	—
Remaining balance	20,000,000

(1) Total maximum par value amount of share capital increases that may be decided pursuant to the 15th and 16th resolutions adopted by the Combined General Meeting of 16 May 2024 and the 18th and 20th resolutions adopted by the Combined General Meeting of 11 May 2023.

Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares reserved for Axway Group employees who are members of a Company savings plan (19th resolution)

Date of General Meeting granting the delegation of authority	16 May 2024
Duration of delegation of authority	26 months
Expiry date	15 July 2026
Total amount for which the delegation of authority is granted	3% of share capital(1)
Use made of this delegation of authority during the fiscal year	—
Remaining balance	3% of share capital(1)

(1) This ceiling is independent and separate from the share capital increase ceilings potentially arising from the issue of ordinary shares or securities granting access to share capital authorised by the other resolutions adopted by the Combined General Meeting of 16 May 2024.

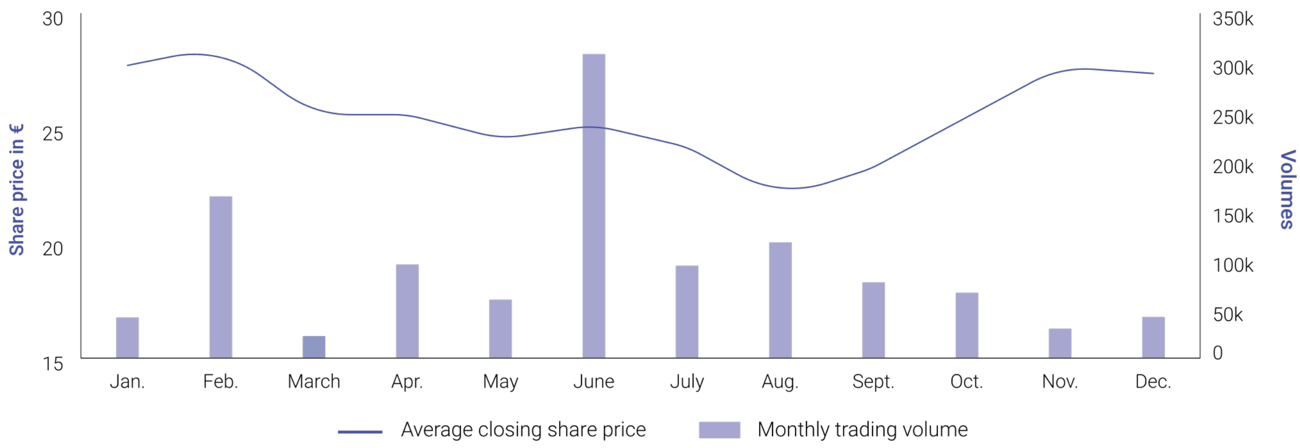
7.6 Share subscription options

The option exercise period for the plans granted in 2011 and 2013 expired on 18 November 2021.

There are currently no share subscription option plans.

7.7 Share price and trading volumes

AXW.PA share monthly average price and volumes



Share price trends in 2024

Month	High	Date of high	Low	Date of low	Closing price	Average price (opening)	Average price (closing)	Monthly volume	Trading volume (in euros)	Number of trading sessions
January 2024	27.41	26 January 2024	22.88	3 January 2024	26.34	27.54	27.75	41,120	1,159,126	22
February 2024	26.61	6 February 2024	22.00	22 February 2024	23.06	28.51	28.52	163,984	4,509,277	21
March 2024	23.33	28 March 2024	22.00	11 March 2024	23.33	25.65	25.65	22,294	571,385	20
April 2024	23.33	4 April 2024	21.38	25 April 2024	22.17	25.67	25.68	94,992	2,436,696	21
May 2024	22.17	14 May 2024	20.84	24 May 2024	21.73	24.47	24.51	59,228	1,448,452	22
June 2024	23.50	25 June 2024	21.38	3 June 2024	23.24	25.09	25.16	308,339	7,713,089	20
July 2024	26.61	12 July 2024	20.00	25 July 2024	21.50	24.26	24.22	93,711	2,283,538	23
August 2024	24.30	26 August 2024	20.20	5 August 2024	23.00	21.85	21.95	117,461	2,545,660	22
September 2024	24.20	23 September 2024	22.20	4 September 2024	23.80	23.14	23.21	76,835	1,760,222	21
October 2024	28.20	28 October 2024	23.50	2 October 2024	27.80	25.13	25.33	66,271	1,666,400	23
November 2024	28.20	5 November 2024	25.40	11 November 2024	27.20	27.69	27.68	29,844	822,931	21
December 2024	28.00	16 December 2024	26.50	20 December 2024	27.60	27.38	27.44	41,656	1,140,891	20

7.8 Dividends

The Board of Directors reviews annually, based on the prior year's results, the appropriateness of asking shareholders to approve a dividend distribution. The Company has chosen not to have a specific dividend distribution policy, in favour of an annual assessment by the Board of Directors.

The 74Software Board of Directors' meeting on 26 February 2025 decided to propose to the next Shareholders' Meeting (i) not to pay a dividend in respect of fiscal year 2024 and (ii) to allocate the profit for the year of €3,757,857 to retained earnings, bringing this reserve from a debit amount of €31,330,215 to a debit amount of €27,572,358.

7.9 Rights, privileges and restrictions attached to each category of shares outstanding

7.9.1 Rights and obligations attaching to shares (Article 12 of the Articles of Association)

1. "Each share gives the right to a portion of the earnings, corporate assets and liquidation surplus in proportion to the percentage of the share capital it represents. It moreover carries voting and representation rights at General Meetings, as well as the right to be kept informed about the Company's performance and to receive certain corporate documentation when and in the manner provided for by law and in the Articles of Association.
2. Shareholders are only liable for corporate liabilities up to the amount of their contributions. The rights and obligations stay with the share regardless of who owns it. Ownership of a share implies acceptance of the Company's Articles of Association and the decisions of General Meetings.
3. Whenever a certain number of shares is required to exercise any particular right, owners not holding that number shall be personally responsible for grouping together, or potentially buying or selling the required number of shares."

The Company's leading shareholders do not enjoy any additional rights attached to their shares.

Moreover, it is specified that since the General Meeting of 4 June 2014 a double voting right is attached to shares held by shareholders that meet the conditions specified in paragraph 4 of Article 31 of the Articles of Association, available on the 74Software website at this link: https://www.74software.com/bylaws-regulations-agreements.

7.9.2 Indivisibility of shares – Bare ownership – Beneficial ownership (Article 13 of the Articles of Association)

1. "Shares are indivisible with respect to the Company. Joint owners of undivided shares are represented at General Meetings by one of them or by a sole agent. In the event of a dispute, the agent is appointed by the courts at the request of the joint owner who acts first.
2. Voting rights are held by beneficial owners in Ordinary General Meetings and by bare owners in Extraordinary General Meetings. Nevertheless, shareholders may agree to share voting rights at General Meetings in any way they see fit. The Company is notified of the agreement by registered letter and shall be required to apply this agreement for any meeting held any time from one month following the sending of this letter. Nevertheless, the bare owner is entitled to participate in all General Meetings. His voting rights can never be completely eliminated. The beneficial owner cannot be denied the right to vote on decisions involving the appropriation of earnings. Voting rights of pledged securities are exercised by the owner."

7.10 Information on takeover bids pursuant to Article L. 22-10-11 of the French Commercial Code

1. The Company's share capital structure is set out in Chapter 7, Section 7.2 of the Universal Registration Document.
2. There are no restrictions in the Articles of Association on the transfer of shares, which are freely transferable, except where provided otherwise under applicable laws or regulations (Article 11 of the Articles of Association). The Company and the markets have been informed of the shareholders' agreement between shareholders acting in concert with respect to the Company. Information available to the Company is detailed in Chapter 7, Section 7.2.4 of this Universal Registration Document, in accordance with Article L. 233-11 of the French Commercial Code.
3. Any direct or indirect equity investments in the Company's share capital of which the Company has been informed pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code are set out in Chapter 7, Section 7.2 of the Universal Registration Document.
4. In accordance with the provisions of Article 31 of the Articles of Association, any shares held in registered form by the same shareholder for at least two (2) years have a double voting right. With this proviso, there are no special controlling rights covered by Article L. 225-100-3, paragraph 4, of the French Commercial Code. The Company's Articles of Association are available in the Governance Section of the 74Software website: https://www.74software.com/bylaws-regulations-agreements
5. There is no control mechanism provided under an employee share ownership scheme.
6. Agreements between shareholders of which the Company is aware and that may result in restrictions on share transfers and the exercise of voting rights can be found in Chapter 7, Section 7.2.4 of the Universal Registration Document.
7. The rules applicable to the appointment and replacement of the members of the Board of Directors comply with applicable legal and regulatory requirements and are set out in Article 14 of the Articles of Association. The Articles of Association may be modified by the Company in accordance with applicable legal and regulatory provisions.
8. The powers of the Board of Directors are set out in Article 17 of the Articles of Association. "The Board of Directors determines the overall business strategy of the Company and supervises its implementation, in accordance with its corporate interest, taking the social and environmental issues of its activity into consideration. It examines any and all matters related to the efficiency and effectiveness of business operations and reaches decisions about any and all issues concerning the Company, within the limits of the corporate purpose and except for those matters which, by law, can only be decided by shareholders in a General Meeting." Moreover, the Board of Directors has the delegated powers set out in Chapter 7, Section 7.5 of this Universal Registration Document.
9. The agreements entered into by the Company that could be amended or terminated in the event of a change in control of the Company mainly concern the syndicated credit facility renewed on 21 January 2019.
10. There are no agreements providing for the payment of compensation to members of the Board of Directors or employees upon resignation or dismissal without just cause or should their employment contracts be terminated following a public tender offer.

7.11 Agenda

Event	Date	Publication/Meeting
Publication of 2024 full-year results	Wednesday, 26 February 2025	Press release (after market closing)
Publication of Q1 2025 revenue	Thursday, 24 April 2025	Press release (before market opening)
2025 General Meeting	Tuesday, 20 May 2025	Shareholders' Meeting (2.30 p.m. CET) - Pavillon Dauphine – Paris
Publication of H1 2025 results	Thursday, 24 July 2025	Press release (after market closing)
Publication of Q3 2025 revenue	Thursday, 30 October 2025	Press release (before market opening)
Publication of 2025 full-year results	Wednesday, 25 February 2026	Press release (after market closing)

7.12 Investor relations and shareholder dialogue

The Investor Relations Department dialogues with the financial community through:

- a team dedicated to investor relations and shareholder dialogue:

  Arthur Carli, Head of Investor Relations & CSR
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- exchanges and meetings are held throughout the year during institutional investor roadshows and conferences, individual meetings, annual and half-year results presentations and the General Shareholders' Meeting;
- information useful to shareholders and investors may be consulted on the website: www.74software.com/investor-relations.

8 Combined General Meeting of 20 May 2025

The Chairman of the Board of Directors, committed to sustainably aligning the interests of the Company and those of shareholders, seeks to establish frequent dialogue with shareholders in close conjunction with the Chief Executive Officer. Accordingly, in 2024, in addition to the General Meeting, shareholders were invited to attend all presentations of 74Software's results by video-conference. A recording of these meetings can be viewed on the Company's website at the following link: https://www.74software.com/investor-relations.

Similarly, the Board of Directors, under the impetus of its Chairman and Executive Management, analysed voting results at the Combined General Meeting of 16 May 2024. This analysis showed that minority shareholders, for the most part, followed the voting recommendations of the Board of Directors.

In addition, the procedures for shareholders to attend the General Meeting are presented in Articles 25 to 34 of the Articles of Association, which may be consulted on the 74Software investors website: https://www.74software.com/bylaws-regulations-agreements.

8.1 Agenda AFR

Ordinary General Meeting

1. Approval of the annual financial statements for the year ended 31 December 2024 - Approval of non-tax-deductible expenses and charges,
2. Approval of the consolidated financial statements for the year ended 31 December 2024,
3. Appropriation of earnings for the year,
4. Statutory Auditors' special report on regulated agreements – Approval of these agreements,
5. Fixed annual sum to be allocated to members of the Board of Directors including the Board observer(s),
6. Approval of the compensation policy for the Chairman of the Board of Directors,
7. Approval of the compensation policy for the Chief Executive Officer,
8. Approval of the compensation policy for the Deputy Chief Executive Officer,
9. Approval of the compensation policy for members of the Board of Directors including the Board observer(s),
10. Approval of the information set out in Section I of Article L. 220-10-9 of the French Commercial Code,
11. Approval of the fixed, variable and exceptional components of total compensation and benefits of all kind paid during the year or awarded in respect of the same fiscal year to Pierre Pasquier, Chairman of the Board of Directors,
12. Approval of the fixed, variable and exceptional components of total compensation and benefits of all kind paid during the year or awarded in respect of the same fiscal year to Patrick Donovan, Chief Executive Officer,
13. Approval of the fixed, variable and exceptional components of total compensation and benefits of all kind paid during the year or awarded in respect of the same fiscal year to Eric Bierry, Deputy Chief Executive Officer since 2 September 2024,
14. Reappointment of Nicole-Claude Duplessix as a director,
15. Ratification of the cooptation of Olivier Placca as a director,
16. Reappointment of Olivier Placca as a director,
17. Ratification of the cooptation of Patrick Renouvin as a director,
18. Ratification of the cooptation of Michael Gollner as a Board observer,
19. Reappointment of Michael Gollner as a Board observer,
20. Reappointment of Forvis Mazars as Principal Statutory Auditor,
21. Reappointment of Aca Nexia as Principal Statutory Auditor,
22. Reappointment of Forvis Mazars as Statutory Auditor responsible for certifying sustainability information,
23. Reappointment of Aca Nexia as Statutory Auditor responsible for certifying sustainability information,
24. Authorisation granted to the Board of Directors, for a period of 18 months, to buy back shares in the Company under the mechanism set out in Article L. 22-10-62 of the French Commercial Code.

Extraordinary General Meeting

25. Authorisation granted to the Board of Directors, for a period of 26 months, to cancel treasury shares bought back by the Company under the mechanism set out in Article L. 22-10-62 of the French Commercial Code,
26. Delegation of authority granted to the Board of Directors, for a period of 26 months, to increase the share capital by capitalising reserves, profits and/or share premiums,
27. Delegation of authority granted to the Board of Directors, for a period of 26 months, to increase the share capital, with retention of preferential subscription rights, by issuing ordinary shares and/or securities granting access to share capital and/or conferring entitlement to the allocation of Company debt securities,
28. Delegation of authority to the Board of Directors, for a period of 26 months, to issue ordinary shares and/or securities granting access to share capital and/or debt securities, with cancellation of preferential subscription rights, through a public offering (excluding the offers set out in Section 1 of Article L. 411-2 of the French Monetary and Financial Code), and/or in consideration for securities as part of a public exchange offering,
29. Delegation of authority to the Board of Directors, for a period of 26 months, to issue ordinary shares and/or securities granting access to share capital and/or debt securities, with cancellation of preferential subscription rights, through an offering referred to in Section 1 of Article L. 411-2 of the French Monetary and Financial Code,
30. Authorisation to increase the amount of issues decided pursuant to the 27th, 28th and 29th resolutions of this General Meeting,
31. Delegation of authority granted to the Board of Directors, for a period of 26 months, to increase the share capital by issuing ordinary shares and/or securities granting access to the Company's share capital, immediately or in the future, up to a maximum of 10% of the share capital, in consideration for contributions-in-kind comprising equity securities or securities granting access to share capital, outside of a public exchange offer,
32. Overall limit on the delegations provided for in the 27th, 28th, 29th and 31st resolutions of this General Meeting,
33. Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities granting access to share capital, with cancellation of preferential subscription rights, for members of a Company savings plan pursuant to Articles L. 3332-18 *et seq.* of the French Labour Code; duration of the delegation of authority, maximum par value amount of the share capital increase, issue price, ability to grant free shares pursuant to Article L. 3332-21 of the French Labour Code,
34. Authorisation to the Board of Directors, for a period of 38 months, to grant free shares to eligible employees and/or Company officers of the Company and affiliated companies and economic interest groups, up to a maximum of 5% of the share capital, with waiver by shareholders of their preferential subscription rights,
35. Authorisation to the Board of Directors, for a period of 38 months, to grant share subscription and/or purchase options to eligible employees and/or Company officers of the Company and affiliated companies and economic interest groups,
36. Amendment of Article 15 "Organisation of the Board of Directors" of the Articles of Association, to clarify the determination of the compensation of the Chairman of the Board of Directors,
37. Amendment of Article 16 "Board deliberations" of the Articles of Association, concerning the use of telecommunication means and recourse to written consultations,
38. Amendment of Article 17 "Powers of the Board of Directors" of the Articles of Association, to bring it into line with Article L. 225-36 of the French Commercial Code,
39. Amendment of Article 23 "Board Observers" of the Articles of Association to simply the wording and implementation,
40. Amendment of Article 29 "Access to General Meetings - Powers - Composition" of the Articles of Association, concerning the use of telecommunication means,
41. Amendment of Article 40 "Shareholders' equity below 50% of the share capital" of the Articles of Association, to bring it into line with Article L. 225-248 of the French Commercial Code.

Ordinary General Meeting

42. Powers to perform legal formalities.

8.2 Explanatory statement and proposed resolutions

Dear Shareholders,

We have convened a Combined General Meeting on 20 May 2025 to present the consolidated and parent Company financial statements for the fiscal year ended 31 December 2024, and to submit a certain number of resolutions for your approval, the content of which is presented below.

As part of the approval of the consolidated and parent Company financial statements for the fiscal year ended 31 December 2024, we present the annual management report, included in the Universal Registration Document filed with the AMF.

This Board of Directors' report seeks to explain the contents of the resolutions submitted for your approval, and indicate the vote recommended by the Company's Board of Directors.

8.2.1 Resolutions presented for the approval of the Ordinary General Meeting

a) Approval of the accounts proposed by the Board of Directors (1st to 3rd resolutions)

EXPLANATORY STATEMENT

In light of the Statutory Auditors' reports and the Board of Directors' management report, shareholders are asked to:

- approve the annual financial statements for the fiscal year ended 31 December 2024, showing a profit of €3,757,857 and approve the transactions reflected in these financial statements or summarised in these reports (1st resolution);
- approve the consolidated financial statements for the fiscal year ended 31 December 2024, showing a consolidated net profit, Group share, of €39,166,795 and the transactions reflected in these financial statements and/or summarised in these reports (2nd resolution); and
- approve the appropriation of earnings (3rd resolution).

It is recalled that Article 37 of the Articles of Association sets out the following rules for the appropriation and distribution of earnings:

The income statement summarises the income and expenses for the fiscal year and, after deductions for amortisation, depreciation and provisions, shows the profit for the year. Any prior losses are deducted from the profit for the year, along with at least five per cent for allocation to the legal reserve. This allocation ceases to be mandatory when the legal reserve represents one-tenth of the share capital.

Profit available for distribution comprises the profit for the year less any losses carried forward and amounts allocated to reserves, pursuant to the law and the Articles of Association, plus retained earnings. The General Meeting may deduct from this profit all amounts that it deems appropriate for allocation to all discretionary, ordinary or extraordinary reserves, or to retained earnings.

The balance, if any, is apportioned by the General Meeting between all shareholders in proportion to the number of shares held.

Furthermore, the General Meeting may resolve to distribute sums deducted from available reserves, by expressly indicating the reserves from which the deductions are to be made. However, dividends are first deducted from the profit for the year.

Except in the event of a share capital reduction, no distribution may be carried out to shareholders where shareholders' equity is, or would subsequently be, less than the minimum amount of share capital plus reserves not enabling a distribution, pursuant to the law or the Articles of Association. Revaluation surpluses may not be distributed. Some or all of them may be incorporated into the capital.

Any losses shall, following approval of the financial statements by the General Meeting, be carried forward to be set against earnings in subsequent fiscal years, until fully used up.

First resolution

Approval of the annual financial statements for the year ended 31 December 2024 – Approval of non-tax-deductible expenses and charges

The General Meeting, after reviewing the Board of Directors' and Statutory Auditors' reports for the year ended 31 December 2024, approves the annual financial statements as presented at this date showing a net profit of €3,757,857.

The General Meeting specifically approves the overall amount of €34,703 for expenses and charges referred to in Section 4 Article 39 of the French General Tax Code, as well as the corresponding tax of €8,676.

Second resolution

Approval of the consolidated financial statements for the year ended 31 December 2024

The General Meeting, after reviewing the Board of Directors' and Statutory Auditors' reports on the consolidated financial statements for the year ended 31 December 2024, approves these consolidated financial statements as presented showing a net profit (Group share) of €39,166,795.

Third resolution

Appropriation of earnings for the year

The General Meeting, at the proposal of the Board of Directors, decides to allocate the net profit for the year ended 31 December 2024 of €3,757,857 to retained earnings, bringing this reserve from a debit amount of €31,330,215 to a debit amount of €27,572,358.

Pursuant to the provisions of Article 243 bis of the French General Tax Code, the General Meeting notes that it was reminded of the following dividend and revenue distributions for the past three fiscal years:

	Revenue eligible for deduction		Revenue not eligible for deduction
For the fiscal year	Dividends	Other distributed revenue	
2021	€8,653,439[(1)] *i.e.* €0.40 per share	–	–
2022	€8,653,439 *i.e.* €0.40 per share	–	–
2023	–[(2)]	–	–

(1) Excluding any adjustments in the event of a change in the number of shares conferring entitlement to dividends compared to the number of shares making up the share capital at the date of drafting the appropriation of earnings resolution.
(2) A dividend was not distributed in respect of fiscal year 2023 due to the debt subscribed for the acquisition of SBS.

b) Approval of regulated agreements (4th resolution)

EXPLANATORY STATEMENT

Pursuant to Articles L. 225-38 *et seq.* of the French Commercial Code, shareholders are asked to approve the so-called "regulated" agreements entered into by the Company and previously authorised by the Board of Directors, particularly at its meeting of 16 May 2024. The Statutory Auditors drafted a report on these agreements which is presented in Section 4.2.4 of Chapter 4 of the 2024 Universal Registration Document, presenting (i) the purpose of these agreements and the reasons for their conclusion, and (ii) the agreements and commitments approved in previous financial years which had continuing effect during the year. For full information, shareholders are also referred to Sections 4.2.1. and 4.2.2 of Chapter 4 and Section 1.1.5.1 of Chapter 1.

Fourth resolution

Statutory Auditors' special report on regulated agreements – Approval of these agreements

The General Meeting, having considered the Statutory Auditors' special report on regulated agreements presented to it, approves the new agreements detailed therein.

c) Company officer compensation (5th to 13th resolutions)

EXPLANATORY STATEMENT

In the 5th resolution, the General Meeting will be asked to increase the fixed annual amount to be allocated to directors to €500,000 in respect of the current fiscal year and until a new decision is made.

In addition, the General Meeting will be asked to approve the compensation policy for all Company officers (6th to 9th resolutions). Shareholders are asked to refer to Chapter 4, Section 4.4.2 of the Universal Registration Document, "Compensation policy", to review this information.

The General Meeting will also be asked to approve the fixed, variable and exceptional components of total compensation, and benefits of all kind paid during the year or awarded in respect of the same fiscal year to all Company officers (10th to 13th resolutions). Shareholders are asked to refer to Chapter 4, Section 4.4.1 of the Universal Registration Document to review this information.

Fifth resolution

Fixed annual sum to be allocated to members of the Board of Directors, including the Board observer(s)

The General Meetings decides to increase the fixed annual sum to be allocated to the Board of Directors, including the Board observer(s), from €330,000 to €500,000.

This decision is applicable to the current fiscal year and will be upheld until a new decision is made.

Sixth resolution

Approval of the compensation policy for the Chairman of the Board of Directors

The General Meeting, acting pursuant to Article L. 22-10-8 of the French Commercial Code, approves the compensation policy for the Chairman of the Board of Directors disclosed in the Report on corporate governance presented in the 2024 Universal Registration Document in Section 4.4.2.3 a).

Seventh resolution

Approval of the compensation policy for the Chief Executive Officer

The General Meeting, acting pursuant to Article L. 22-10-8 of the French Commercial Code, approves the compensation policy for the Chief Executive Officer disclosed in the Report on corporate governance presented in the 2024 Universal Registration Document in Section 4.4.2.3 b).

Eighth resolution

Approval of the compensation policy for the Deputy Chief Executive Officer

The General Meeting, acting pursuant to Article L. 22-10-8 of the French Commercial Code, approves the compensation policy for the Deputy Chief Executive Officer disclosed in the Report on corporate governance presented in the 2024 Universal Registration Document in Section 4.4.2.3 c).

Ninth resolution

Approval of the compensation policy for members of the Board of Directors, including the Board observer(s)

The General Meeting, acting pursuant to Article L. 22-10-8 of the French Commercial Code, approves the compensation policy for members of the Board of Directors, including the Board observer(s), disclosed in the Report on corporate governance presented in the 2024 Universal Registration Document in Section 4.4.2.2.

Tenth resolution

Approval of the information set out in Section I of Article L. 22-10-9 of the French Commercial Code

The General Meeting, acting pursuant to Article L. 22-10-34 I of the French Commercial Code, approves the information set out in Section I of Article L. 22-10-9 of the French Commercial Code disclosed in the Report on corporate governance presented in the 2024 Universal Registration Document in Section 4.4.1.

Eleventh resolution

Approval of the fixed, variable and exceptional components of total compensation and benefits of all kind paid during the year or awarded in respect of the same fiscal year to Pierre Pasquier, Chairman of the Board of Directors

The General Meeting, acting pursuant to Article L. 22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional components of total compensation and benefits of all kind paid during the year or awarded in respect of the same fiscal year to Pierre Pasquier, Chairman of the Board of Directors, disclosed in the Report on corporate governance presented in the 2024 Universal Registration Document in Section 4.4.1.2.

Twelfth resolution

Approval of the fixed, variable and exceptional components of total compensation and benefits of all kind paid during the year or awarded in respect of the same fiscal year to Patrick Donovan, Chief Executive Officer

The General Meeting, acting pursuant to Article L. 22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional components of total compensation and benefits of all kind paid during the year or awarded in respect of the same fiscal year to Patrick Donovan, Chief Executive Officer, disclosed in the Report on corporate governance presented in the 2024 Universal Registration Document in Section 4.4.1.3.

Thirteenth resolution

Approval of the fixed, variable and exceptional components of total compensation and benefits of all kind paid during the year or awarded in respect of the same fiscal year to Eric Bierry, Deputy Chief Executive Officer since 2 September 2024

The General Meeting, acting pursuant to Article L. 22-10-34 II of the French Commercial Code, approves the fixed, variable and exceptional components of total compensation and benefits of all kind paid during the year or awarded in respect of the same fiscal year to Eric Bierry, Deputy Chief Executive Officer, disclosed in the Report on corporate governance presented in the 2024 Universal Registration Document in Section 4.4.1.4.

d) Renewal and ratification of the terms of office of directors and the Board observer (14th to 19th resolutions)

EXPLANATORY STATEMENT

The Board reminds shareholders that the term of office of Nicole Claude Duplessix expires at the end of the next General Meeting.

The Board asks shareholders to approve her reappointment as a director based on (i) her profile and expertise, which are beneficial to the development of the Group, and (ii) the work she has already accomplished. Nicole Claude Duplessix has demonstrated great commitment to the work of the Board of Directors as well as that of the various Committees and has expertise useful to the operation of the Board.

The Board also informs shareholders that Olivier Placca and Patrick Renouvin were co-opted as directors at the Board of Directors' meeting of 23 October 2024, to replace Michael Gollner and Yves de Thalouët, respectively, who resigned their directorships after reaching the 12 year threshold. The Board asks shareholders to ratify their co-optation and/or appointment for a further term of four years.

Finally, the Board asks shareholders to appoint Michael Gollner as Board observer for a term of four years, to continue to benefit, in an advisory capacity, from his expertise in the fields of finance, control and risk management.

It is specified that the Board of Directors, on the recommendation of the Appointments, Governance and Corporate Responsibility Committee, considers that, amongst the directors that shareholders are asked to appoint and/or ratify their cooptation, Olivier Placca and Patrick Renouvin qualify as independent with regard to the independence criteria set out in the Middlenext Code adopted by the Company as its reference Code for corporate governance issues. In this respect, it is stated in particular that these individuals have no business relations with the Group.

Fourteenth resolution

Reappointment of Nicole-Claude Duplessix as a director

The General Meeting decides to reappoint Nicole-Claude Duplessix as director for a term of four years, expiring at the end of the General Meeting held in 2029 and called to approve the financial statements for the previous fiscal year.

Fifteenth resolution

Ratification of the cooptation of Olivier Placca as a director

The General Meeting ratifies the provisional appointment as director of Olivier Placca by the Board of Directors' meeting of 23 October 2024 to replace Michael Gollner following his resignation, for the remainder of his predecessor's term of office, *i.e.* until the end of the General Meeting held in 2025 and called to approve the financial statements for the previous fiscal year.

Sixteenth resolution

Reappointment of Olivier Placca as a director

The General Meeting decides to reappoint Olivier Placca as director for a term of four years, expiring at the end of the General Meeting held in 2029 and called to approve the financial statements for the previous fiscal year.

Seventeenth resolution

Ratification of the cooptation of Patrick Renouvin as a director

The General Meeting ratifies the provisional appointment as director of Patrick Renouvin by the Board of Directors' meeting of 23 October 2024 to replace Yves de Thalouët following his resignation, for the remainder of his predecessor's term of office, *i.e.* until the end of the General Meeting held in 2027 and called to approve the financial statements for the previous fiscal year.

Eighteenth resolution

Ratification of the cooptation of Michael Gollner as a Board observer

The General Meeting ratifies the provisional appointment as Board observer of Michael Gollner by the Board of Directors' meeting of 23 October 2024.

Nineteenth resolution

Reappointment of Michael Gollner as a Board observer

The General Meeting decides to reappoint Michael Gollner as Board observer for a term of four years, expiring at the end of the General Meeting held in 2029 and called to approve the financial statements for the previous fiscal year.

e) Renewal of the terms of office as principal Statutory Auditor and Statutory Auditor responsible for certifying sustainability information (20th to 23rd resolutions)

EXPLANATORY STATEMENT

The Board reminds shareholders that the terms of office as joint principal Statutory Auditors of Forvis Mazars (formerly Mazars) and Aca Nexia expire at the end of the next General Meeting. The renewal of their terms of office is recommended.

Shareholders are also reminded that their terms of office as Statutory Auditors responsible for certifying sustainability information, awarded for the first time at the previous Ordinary General Meeting, expire at the same date. After a rigorous selection process and with a year's hindsight and taking into account their strengths (see Section 8.2.1 d) of the 2023 Universal Registration Document) and the quality of the services provided by these two firms, the Audit Committee recommends their reappointment for a period equivalent to that of their new term of office as principal Statutory Auditors.

Shareholders are therefore asked to reappoint Forvis Mazars and Aca Nexia as Statutory Auditors for two engagements: (i) the audit and certification of the annual and consolidated financial statements and (ii) the certification of the sustainability information, in each case for a period of six years, that is until the end of the General Meeting called to approve the financial statements for the year ending 31 December 2030.

Twentieth resolution

Reappointment of Forvis Mazars as principal Statutory Auditor

The General Meeting, at the proposal of the Board of Directors, reappoints Forvis Mazars, whose term of office expires at the end of this General Meeting, as principal Statutory Auditor for a period of six fiscal years, *i.e.* until the end of the Annual Ordinary General Meeting to be held in 2031 and called to approve the financial statements for the year ending 31 December 2030.

Forvis Mazars indicated that it accepted these duties and that it was not subject to any incompatibility or prohibition that would prevent its appointment.

Twenty-first resolution

Reappointment of Aca Nexia as principal Statutory Auditor

The General Meeting, at the proposal of the Board of Directors, reappoints Aca Nexia, whose term of office expires at the end of this General Meeting, as principal Statutory Auditor for a period of six fiscal years, *i.e.* until the end of the Annual Ordinary General Meeting to be held in 2031 and called to approve the financial statements for the year ending 31 December 2030.

Aca Nexia indicated that it accepted these duties and that it was not subject to any incompatibility or prohibition that would prevent its appointment.

Twenty-second resolution

Reappointment of Forvis Mazars as Statutory Auditor responsible for certifying sustainability information

The General Meeting, at the proposal of the Board of Directors, reappoints Forvis Mazars, whose term of office expires at the end of this General Meeting, as Statutory Auditor responsible for certifying sustainable information for a period of six fiscal years, *i.e.* until the end of the Annual Ordinary General Meeting to be held in 2031 and called to approve the financial statements for the year ending 31 December 2030.

Forvis Mazars indicated that it accepted these duties and that it was not subject to any incompatibility or prohibition that would prevent its appointment.

Twenty-third resolution

Reappointment of Aca Nexia as Statutory Auditor responsible for certifying sustainability information

The General Meeting, at the proposal of the Board of Directors, reappoints Aca Nexia, whose term of office expires at the end of this General Meeting, as Statutory Auditor responsible for certifying sustainable information for a period of six fiscal years, *i.e.* until the end of the Annual Ordinary General Meeting to be held in 2031 and called to approve the financial statements for the year ending 31 December 2030.

Aca Nexia indicated that it accepted these duties and that it was not subject to any incompatibility or prohibition that would prevent its appointment.

f) Share buyback programme (24th resolution)

EXPLANATORY STATEMENT

During the last General Meeting, the Board of Directors was authorised to implement a share buyback programme for the Company's shares. As this authorisation will soon expire, shareholders are asked to renew it for a further period of 18 months (*i.e.* until 19 November 2026 inclusive), to enable the Board to again purchase shares in the Company, on one or more occasions and at the times it determines (except during a public tender offer period).

These buybacks may be carried out on and/or off market, on a multilateral trading system, with a systematic internaliser or over the counter, in particular by means of acquisition or disposal of share blocks, or the use of derivatives. We would recall that in any event, share purchases carried out in this manner must not result in the Company holding more than 10% of the shares making up the Company's share capital on the date such purchases are made.

Share buybacks may be performed for the following objectives, without this list being exhaustive:

- enabling secondary market making or ensuring the liquidity of 74Software shares. To this end and pursuant to the delegation granted until now to the Board, a market-making agreement was signed by the Company with Kepler Cheuvreux;
- retaining shares that are bought back for subsequent exchange or use as consideration in acquisitions;
- providing coverage, as was the case this year, of free share grant plans (or similar plans) for employees and/or Company officers of the Group. A record of all statements of share buyback transactions can be consulted on our investor website at https://www.74software.com/investor-relations/regulated-information;
- cancelling any shares purchased, pursuant to the authorisation granted or to be granted by the Combined General Meeting.

These buybacks may be performed for all objectives listed in the 24th resolution presented to this General Meeting and, more broadly, any other objective which is authorised or will be authorised by the regulations in force.
The maximum share buyback price in connection with the share buyback programme would be set at €60 per share, representing a maximum total amount of €178,477,164 that the Company may devote to share purchases (excluding acquisition costs).

Twenty-fourth resolution

Authorisation granted to the Board of Directors, for a period of 18 months, to buy back shares in the Company under the mechanism set out in Article L. 22-10-62 of the French Commercial Code

The General Meeting, after reviewing the Board of Directors' report, authorises the latter, for a period of eighteen month s, pursuant to Articles L. 22-10-62 *et seq.* and L. 225-210 *et seq.* of the French Commercial Code, to buy back the Company's shares on one or more occasions, and at the times it determines, up to a maximum number of shares representing no more than 10% of the number of shares making up the share capital at the date of this General Meeting, where applicable, adjusted to take into account potential share capital increase or decrease transactions which might take place during the term of the programme.

This authorisation supersedes the authorisation granted to the Board of Directors by the General Meeting of 16 May 2024 in its fourteenth ordinary resolution.

The acquisitions may be performed with a view to:

- enabling secondary market making or ensuring the liquidity of 74Software shares through an investment services provider *via* a market-making agreement that complies with regulations, it being noted that the number of shares used to calculate the aforementioned limit is equal to the number of shares bought back, less the number of shares sold;
- retaining shares that are bought back for subsequent exchange or use as consideration in mergers, demergers, contributions or acquisitions;

- providing coverage of share purchase option plans and/or free share plans (or similar plans) for employees and/or Company officers of the Group, including affiliated economic interest groups and companies as well as granting shares through a group or Company savings plan (or similar plan), Company profit-sharing and/or all forms of assigning shares to employees and/or Company officers of the Group, including affiliated economic interest groups and companies;
- providing coverage of securities conferring entitlement to the grant of shares in the Company in view of regulations in force;
- cancelling any shares purchased, pursuant to the authorisation granted or to be granted by the Extraordinary General Meeting;
- pursuing any other objective which is authorised or will be authorised by the regulations in force.

The share buybacks can take place *via* any means, including the acquisition of blocks of shares, and at the times the Board of Directors determines.

Unless previously authorised by the General Meeting, the Board of Directors may not use these delegated powers during a public tender offer by a third party for the Company's shares, up to the end of the tender period.

The Company reserves the right to use optional mechanisms or derivatives in line with applicable regulations.

The maximum purchase price is set at €60 per share. In the event of a share capital transaction, particularly the split or reverse split of shares or the allocation of bonus shares to shareholders, the amount indicated above will be adjusted in the same proportion (multiplying coefficient equal to the ratio between the number of shares making up the share capital before the transaction and the number of shares after the transaction).

The maximum transaction amount is set at €178,477,164.

The General Meeting grants full powers to the Board of Directors to perform these transactions, to decide upon the terms and conditions, to enter into all agreements and to complete all the required formalities.

8.2.2 Resolutions presented for the approval of the Extraordinary General Meeting

a) Resolution concerning share cancellations (25th resolution)

EXPLANATORY STATEMENT

Given the cancellation objective provided for in the 24th resolution of this General Meeting, it is proposed to supplement this authorisation with an authorisation enabling the Board of Directors to reduce the share capital by cancelling all or part of the shares purchased under Article L. 22-10-62 of the French Commercial Code (purchase authorisation explained above), up to a maximum of 10% of the share capital calculated on the day of the cancellation decision, after deducting any shares cancelled during the previous 24 months. This authorisation would be granted for a period of twenty-six (26) months.

Twenty-fifth resolution

Authorisation granted to the Board of Directors, for a period of 26 months, to cancel treasury shares bought back by the Company under the mechanism set out in Article L. 22-10-62 of the French Commercial Code

The General Meeting, pursuant to Article L. 22-10-62 of the French Commercial Code, having reviewed the Board of Directors' report and Statutory Auditors' special report:

1. authorises the Board of Directors to cancel, on one or more occasions and at its sole discretion, within the limit of 10% of the share capital calculated on the cancellation decision date, less any shares cancelled in the previous 24 months, the shares that the Company holds or may hold following buybacks performed in accordance with Article L. 22-10-62 of the French Commercial Code and reduce the share capital by the same amount in accordance with prevailing laws and regulations;
2. sets the period of validity of this authorisation at twenty-six months, commencing the date of this General Meeting;
3. grants full powers to the Board of Directors to perform the transactions necessary for such cancellations and the corresponding share capital reductions, amend the Articles of Association accordingly and complete the required formalities.

b) Resolutions concerning financial delegations and authorisations (26th to 32nd resolutions)

EXPLANATORY STATEMENT

Most of the delegations of authority granted by previous General Meetings to the Board of Directors to increase the share capital, with or without preferential subscription rights, expire in July 2025.

The statement of current delegations and authorisations granted by the General Meeting to the Board of Directors and the statement of delegations and authorisations used by the Board of Directors is presented in Section 7.5 of the 2024 Universal Registration Document.

The Board of Directors therefore asks shareholders to renew these delegations of authority for a period of twenty-six (26) months, by approving the 26th to 32nd resolutions to enable it, if necessary, to launch, at the time it considers appropriate, the financial transactions best adapted to the financing requirements of the Group's development and the opportunities available on the market.

The share capital increases potentially resulting from these resolutions may be performed (i) by capitalising reserves, profits, issue premiums or other amounts that may be capitalised and issuing shares and granting bonus shares, or increasing the par value of existing ordinary shares, or a combination of these two methods (26th resolution), (ii) by issuing ordinary shares and/or securities granting access to share capital and/or debt securities, with retention of preferential subscription rights (27th resolution), (iii) by issuing ordinary shares or securities granting access to share capital, without preferential subscription rights, in consideration for contributions-in-kind granted to the Company and consisting of equity securities or securities granting access to share capital, when the provisions of Article L. 22-10-54 of the French Commercial Code are not applicable, outside of a public exchange offer (31st resolution).

Share capital increases may also be performed by issuing ordinary shares granting, where applicable, access to ordinary shares or conferring entitlement to the allocation of debt securities, and/or securities granting access to ordinary shares, (i) with cancellation of preferential subscription rights through an offering referred to in Section 1 of Article L.411-2 of the French Monetary and Financial Code (29th resolution), (ii) with cancellation of preferential subscription rights through a public offering (excluding offerings referred to in Section 1 of Article L. 411-2 of the French Monetary and Financial Code), and/or in consideration for securities as part of a public exchange offering (28th resolution).

The issue ceilings applicable to issues performed pursuant to the 26th to 29th and 31st resolutions would be as follows:

- €20 million par value amount for share capital increases that may result from the 26th resolution;
- 50% of the share capital for share capital increases that may result from the 27th resolution;
- 10% of the share capital for share capital increases that may result from the 28th, 29th and 31st resolutions, increased to 20% of the share capital for the 28th resolution in the event of priority rights;
- excluding each time the par value amount of share capital increases necessary to safeguard, under the law or under any applicable contractual agreement providing for other cases of safeguard, the rights of holders of securities granting access to the Company's share capital, share subscription or purchase options or rights to the grant of free shares;
- the overall nominal amount of Company debt securities that may be issued may not exceed (i) €200,000,000 pursuant to the 27th and 28th resolutions of this General Meeting and (ii) €100,000,000 pursuant to the 29th resolution of this General Meeting;
- it being specified that all share capital increases likely to result from the 27th, 28th, 29th and 31st resolutions of this General Meeting would be subject to an overall maximum par value equal to 50% of the share capital as set forth in the 32nd resolution of this General Meeting. The €20 million ceiling set forth in the 26th resolution of this General Meeting is an independent ceiling.

In addition, pursuant to the terms of the 30th resolution presented for your vote, the Board of Directors could also decide, for each of the issues performed pursuant to the 27th to 29th resolutions, to increase the number of ordinary shares and/or securities granting access to ordinary shares of the Company, under the conditions provided for in Articles L. 225-135-1 and R. 225-118 of the French Commercial Code, subject to the ceilings set by this General Meeting.

Twenty-sixth resolution

Delegation of authority granted to the Board of Directors, for a period of 26 months, to increase the share capital by capitalising reserves, profits and/or share premiums

The General Meeting, having fulfilled the quorum and majority requirements for Ordinary General Meetings, having reviewed the Board of Directors' report, and pursuant to the provisions of Articles L. 225-129-2, L. 225-130 and L. 22-10-50 of the French Commercial Code:

1. delegates to the Board of Directors the authority to increase the share capital, on one or more occasions, at the times and in the manner it determines, by capitalising reserves, profits, premiums or other amounts that may be capitalised, and issuing shares and granting bonus shares or increasing the par value amount of existing ordinary shares, or a combination of these two methods;
2. decides, should the Board of Directors use this delegation, pursuant to Articles L. 225-130 and L. 22-10-50 of the French Commercial Code, that in the case of a share capital increase in the form of a bonus share grant, fractional rights will not be negotiable or transferable and the corresponding equity securities will be sold; the proceeds from the sale will be allocated to those holding the rights within the deadline provided for in the regulations;
3. sets the period of validity of this delegation at twenty-six months, commencing the date of this General Meeting;
4. decides that share capital increases pursuant to this resolution may not exceed the par value amount of €20,000,000, without taking into account the par value amount of share capital increases required to safeguard, in accordance with law and, where applicable, contractual provisions setting forth other safeguard measures, the rights of holders of various types of securities granting access to the Company's share capital. This limit is separate from all the limits set forth in the other resolutions of this General Meeting;

5. grants the Board of Directors full powers to implement this resolution, and, generally, take all measures and carry out all formalities required to ensure proper completion of each share capital increase, record such completion and amend the Articles of Association accordingly;
6. acknowledges that this delegation supersedes, from this day forth, the unused portion of any previous delegation with the same purpose, where applicable.

Twenty-seventh resolution

Delegation of authority granted to the Board of Directors, for a period of 26 months, to increase the share capital, with retention of preferential subscription rights, by issuing ordinary shares and/or securities granting access to share capital and/or Company debt securities

The General Meeting, having reviewed the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of the French Commercial Code and, specifically, Articles L. 225-129-2, L. 228-92 and L. 225-132 *et seq.*:

1. delegates to the Board of Directors the authority to issue, free of charge or at cost, on one or more occasions, and in the proportions and at the times it determines, on the French and/or international market, either in euros or in foreign currency or any other unit of account established in reference to a collection of currencies:
   - ordinary shares,
   - and/or securities granting access to share capital and/or debt securities;
2. sets the period of validity of this delegation at twenty six months, commencing the date of this General Meeting;
3. decides to set, as follows, limits on the authorised issue amounts should this authorisation be used by the Board of Directors. The overall par value amount of ordinary shares that may be issued pursuant to this delegation may not exceed 50% of the share capital at the date of this General Meeting.

   The par value amount of share capital increases required to safeguard, in accordance with law and, where applicable, contractual provisions setting forth other safeguard measures, the rights of holders of various types of securities granting access to the Company's share capital will be added to this amount.

   This amount is deducted from the overall maximum par value amount of ordinary shares set in the 32nd resolution of this General Meeting.

   The nominal amount of Company debt securities that may be issued pursuant to this delegation may not exceed €200,000,000.

   This amount is deducted from the maximum nominal amount of debt securities set in the 32nd resolution of this General Meeting;
4. should the Board of Directors use this authorisation for the issues indicated in 1) above:
   A. decides that the issue(s) of ordinary shares or securities granting access to share capital will be reserved in preference for shareholders who can subscribe in priority,

   B. decides that, if the entire issue indicated in 1) above is not taken up through priority subscriptions, and where necessary, non-priority subscriptions, the Board of Directors may use the following options:
   - limit the issue amount to the amount of subscriptions, within the limits set forth in the regulations,
   - freely allocate all or part of the unsubscribed securities,
   - offer to the public all or part of the unsubscribed securities;
5. decides that Company share subscription warrants may be issued by offer of subscription or bonus grant to holders of existing shares, it being specified that the Board of Directors may decide that fractional allocation rights will not be negotiable and the corresponding securities will be sold;
6. decides that the Board of Directors will have, within the limits set forth above, the powers required to determine the conditions of the issue(s) and the issue price, where applicable, record completion of the resulting share capital increases, amend the Articles of Association accordingly, charge, at its sole discretion, the expenses generated by the share capital increases to the corresponding premium amounts and deduct from this amount the sums needed to raise the legal reserve to one-tenth of the new share capital following each increase, and more generally, carry out the necessary formalities;
7. acknowledges that this delegation supersedes, from this day forth, the unused portion of any previous delegation with the same purpose, where applicable.

Twenty- eighth resolution

Delegation of authority to the Board of Directors, for a period of 26 months, to issue ordinary shares and/or securities granting access to share capital and/or debt securities, with cancellation of preferential subscription rights, through a public offering (excluding the offers set out in Section 1 of Article L. 411-2 of the French Monetary and Financial Code), and/or in consideration for securities as part of a public exchange offering

The General Meeting, having reviewed the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of the French Commercial Code and, specifically, Articles L. 225-129-2, L. 225-136, L. 22-10-51, L. 22-10-52, L. 22-10-54 and L. 228-92:

1. delegates to the Board of Directors the authority to issue, on one or more occasions, and in the proportions and at the times it determines, on the French and/or international market, through an offering to the public excluding offerings referred to in Section 1 of Article L. 411-2 of the French Monetary and Financial Code, either in euros or in foreign currency or any other unit of account established in reference to a collection of currencies:
   - ordinary shares,
   - and/or securities granting access to share capital and/or debt securities.

These securities may be issued in consideration for securities that may be contributed to the Company, as part of a public exchange offer pursuant to the terms of Article L. 22-10-54 of the French Commercial Code;

2. sets the period of validity of this delegation at twenty six months, commencing the date of this General Meeting;
3. the overall par value amount of ordinary shares that may be issued pursuant to this delegation may not exceed 20% of the share capital at the date of this General Meeting, it being specified that this limit shall be reduced to 10% of the share capital in the absence of priority rights.
   The par value amount of share capital increases required to safeguard, in accordance with law and, where applicable, contractual provisions setting forth other safeguard measures, the rights of holders of various types of securities granting access to the Company's share capital will be added to this amount.

   This amount is deducted from the overall maximum par value amount of ordinary shares set in the 32nd resolution of this General Meeting.

   The nominal amount of Company debt securities that may be issued pursuant to this delegation may not exceed €200,000,000.

   This amount is deducted from the maximum nominal amount of debt securities set in the 32nd resolution of this General Meeting;
4. decides to cancel the preferential subscription rights of shareholders to ordinary shares and securities granting access to share capital and/or debt securities covered by this resolution, whilst giving the Board of Directors the authority to grant shareholders a priority right, in accordance with law;
5. decides that the amount payable or that will be payable to the Company for each of the ordinary shares issued under this delegation of authority, after considering, if issuing independent share subscription warrants, the issue price of these warrants, will be at least equal to the weighted average over the last three trading sessions of the Euronext Paris regulated market preceding the offering start date, after correction, if necessary, of this amount for differences in dividend ranking dates and potentially less a maximum discount of 10%;
6. decides, if issuing securities in consideration for securities contributed as part of a public exchange offer, that the Board of Directors will have, within the terms set out in Article L. 22-10-54 of the French Commercial Code and the limits determined above, the powers required to determine the list of securities contributed for exchange, to determine the issue conditions, to set the exchange ratio and, where applicable, the amount of the cash balance to be paid, and to determine the issue terms;
7. decides that, if the entire issue indicated in 1) above is not taken up by subscriptions, the Board of Directors may use the following options:

- limit the issue amount to the amount of subscriptions, where applicable within the limits set forth in the regulations,
  - freely allocate all or part of the unsubscribed securities;

8. decides that the Board of Directors will have and within the limits set forth above, the powers required to determine the conditions of the issue(s), where applicable, record completion of the resulting share capital increases, amend the Articles of Association accordingly, charge, at its sole discretion, the expenses generated by the share capital increases to the corresponding premium amounts and deduct from this amount the sums needed to raise the legal reserve to one-tenth of the new share capital following each increase, and more generally, carry out the necessary formalities;
9. acknowledges that this delegation supersedes, from this day forth, the unused portion of any previous delegation with the same purpose, where applicable.

Twenty-ninth resolution

Delegation of authority to the Board of Directors, for a period of 26 months, to issue ordinary shares and/or securities granting access to share capital and/or debt securities, with cancellation of preferential subscription rights, through an offering referred to in Section 1 of Article L. 411-2 of the French Monetary and Financial Code

The General Meeting, having reviewed the Board of Directors' report and the Statutory Auditors' special report and pursuant to the provisions of the French Commercial Code and specifically Articles L. 225-129-2, L. 225-136, L. 22-10-52 and L. 228-92:

1. delegates to the Board of Directors the authority to issue, on one or more occasions, and in the proportions and at the times it determines, on the French and/or international market, through an offering referred to in Section 1 of Article L. 411-2 of the French Monetary and Financial Code, either in euros or in foreign currency or any other unit of account established in reference to a collection of currencies:
   - ordinary shares,
   - and/or securities granting access to share capital and/or debt securities;
2. sets the period of validity of this delegation at twenty six months, commencing the date of this General Meeting;
3. the overall par value amount of ordinary shares that may be issued pursuant to this delegation may not exceed 10% of the share capital as of the date of this Meeting, within the limits set forth in the regulations.
   The par value amount of share capital increases required to safeguard, in accordance with law and, where applicable, contractual provisions setting forth other safeguard measures, the rights of holders of various types of securities granting access to the Company's share capital will be added to this amount.

   This amount is deducted from the overall maximum par value amount of ordinary shares set in the 32nd resolution of this General Meeting.

   The nominal amount of Company debt securities that may be issued pursuant to this delegation may not exceed €100,000,000.

   This amount is deducted from the maximum nominal amount of debt securities set in the 32nd resolution of this General Meeting;

4. decides to cancel the preferential subscription rights of shareholders to ordinary shares and securities granting access to share capital and/or debt securities covered by this resolution;
5. decides that the amount payable or that will be payable to the Company for each of the ordinary shares issued under this delegation of authority, after considering, if issuing independent share subscription warrants, the issue price of these warrants, will be at least equal to the weighted average over the last three trading sessions of the Euronext Paris regulated market preceding the offering start date, after correction, if necessary, of this amount for differences in dividend ranking dates and potentially less a maximum discount of 10%;
6. decides that, if the entire issue indicated in 1) above is not taken up by subscriptions, the Board of Directors may use the following options:
   - limit the issue amount to the amount of subscriptions, where applicable within the limits set forth in the regulations,
   - freely allocate all or part of the unsubscribed securities;
7. decides that the Board of Directors will have and within the limits set forth above, the powers required to determine the conditions of the issue(s), where applicable, record completion of the resulting share capital increases, amend the Articles of Association accordingly, charge, at its sole discretion, the expenses generated by the share capital increases to the corresponding premium amounts and deduct from this amount the sums needed to raise the legal reserve to one-tenth of the new share capital following each increase, and more generally, carry out the necessary formalities;
8. acknowledges that this delegation supersedes, from this day forth, the unused portion of any previous delegation with the same purpose, where applicable.

Thirtieth resolution

Authorisation to increase the amount of issues decided pursuant to the 27th, 28th and 29th resolutions of this General Meeting

The General Meeting, after reviewing the Board of Directors' report and the Statutory Auditors' special report, decides that for each of the ordinary share or security issues decided pursuant to the 27th to 29th resolutions of this General Meeting, the number of securities to be issued may be increased in accordance with the conditions set forth in Articles L. 225-135-1 and R. 225-118 of the French Commercial Code, and up to the limit of the ceilings determined by the General Meeting.

Thirtieth-first resolution

Delegation of authority granted to the Board of Directors, for a period of 26 months, to increase the share capital by issuing ordinary shares and/or securities granting access to the Company's share capital, immediately or in the future up to a maximum of 10% of the share capital, in consideration for contributions-in-kind comprising equity securities or securities granting access to share capital, outside of a public exchange offer

The General Meeting, after reviewing the Board of Directors' report and Statutory Auditors' special report, and pursuant to Articles L. 225-147, L. 22-10-53 and L. 228-92 of the French Commercial Code:

1. authorises the Board of Directors to issue, based on the report of the independent appraisers *(commissaires aux apports*), ordinary shares and/or securities granting access to the Company's share capital, immediately or in the future, in consideration for contributions-in-kind granted to the Company and consisting of equity securities or securities granting access to share capital, when the provisions of Article L. 22-10-54 of the French Commercial Code do not apply;
2. sets the period of validity of this delegation at twenty six months, commencing the date of this General Meeting;
3. decides that the overall par value amount of ordinary shares that may be issued pursuant to this delegation cannot exceed 10% of the share capital as of the date of this General Meeting, without taking into account the par value amount of the share capital increase required to safeguard, in accordance with law and, where applicable, contractual provisions setting forth other safeguard measures, rights of holders of various types of securities granting access to the Company's share capital. This amount is deducted from the overall maximum par value amount of ordinary shares set in the 32nd resolution of this General Meeting;
4. delegates full powers to the Board of Directors to approve the valuation of the contributions, decide on the resulting share capital increase, record its completion, charge, where necessary, all expenses and disbursements generated by the share capital increase to the premium amount, deduct from this premium the sums needed to raise the legal reserve to one-tenth of the new share capital amount following each increase, amend the Articles of Association accordingly, and carry out the necessary formalities;
5. acknowledges that this delegation supersedes, from this day forth, the unused portion of any previous delegation with the same purpose, where applicable.

Thirty-second resolution

Overall limit on the delegations provided for in the 27th, 28th, 29th and 31st resolutions of this General Meeting

The General Meeting, having reviewed the Board of Directors' report, sets at:

- 50% of the share capital at the date of this Meeting, the overall par value amount of shares that may be issued, immediately or in the future, pursuant to the 27th, 28th, 29th and 31st resolutions of this General Meeting, it being specified that, where applicable, the par value amount of the share capital increase required to safeguard, in accordance with law and, where applicable, contractual provisions setting forth other safeguard measures, the rights of holders of various types of securities granting access to the Company's share capital will be added to this amount;
- €200,000,000, the overall nominal amount of Company debt securities that may be issued pursuant to the 27th, 28th and 29th resolutions of this General Meeting.

c) Resolutions concerning employee share-based incentive schemes (33rd to 35th resolutions)

EXPLANATORY STATEMENT

Shareholders are asked to grant the Board of Directors the authority, as they see fit:

- to increase the share capital, on one or more occasions, by issuing ordinary shares and/or securities granting access to the Company's share capital, with cancellation of preferential subscription rights, reserved for members of a Company savings plan. The maximum share capital increase amount in view of this delegation would be set at 3% of share capital, it being specified that this amount would be independent and separate from any other share capital increase ceilings (see previous and following resolutions). Where applicable, the par value amount of the share capital increase required to safeguard, in accordance with law and, where applicable, contractual provisions setting forth other safeguard measures, the rights of holders of various types of securities granting access to the Company's share capital will be added to this amount. This delegation would be granted for a period of 26 months (33rd resolution). This resolution seeks to comply with the provisions of Article L. 225-129-6 of the French Commercial Code, under the terms of which as Extraordinary General Meetings are required to vote on delegations of authority that may lead to a share capital increase for cash, immediately or in the future, they must also vote on delegations of authority in favour of members of a Company savings plan;
- to implement, by the Company, a free share grant programme aimed at giving eligible employees or company officers a stake in the 74Software Group. The potential total number of free shares granted may not exceed 5% of the Company's share capital on the date of the Board of Directors' grant decision, not taking into account the number of shares to be issued, if applicable, pursuant to the adjustments required to preserve the rights of the beneficiaries of free share grants. This delegation would be granted for a period of thirty-eight (38) months (34th resolution);
- to increase the share capital, on one or more occasions, using as an instrument either share subscription options or share right grants. The total number of options or rights that may be granted may not exceed 1% of the Company's share capital on the date of the Board of Directors' grant decision, not taking into account the adjustments required to preserve the rights of the beneficiaries. This delegation would be granted for a period of thirty-eight (38) months (35th resolution).

Thirty-third resolution

Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or securities granting access to share capital, with cancellation of preferential subscription rights, for members of a Company savings plan pursuant to Articles L. 3332-18 *et seq.* of the French Labour Code; duration of the delegation of authority, maximum par value amount of the share capital increase, issue price, ability to grant free shares pursuant to Article L. 3332-21 of the French Labour Code

The General Meeting, after reviewing the Board of Directors' report and the Statutory Auditors' special report, and pursuant to the provisions of Articles L. 225-129-6, L. 225-138-1 and L. 228-92 of the French Commercial Code and Articles L. 3332-18 *et seq.* of the French Labour Code:

1. delegates its authority to the Board of Directors, at its discretion, to increase the share capital on one or several occasions, by issuing ordinary shares or securities granting access to the Company's shares to members of one or several Group or Company savings plans established by the Company and/or its French or non-French affiliates within the meaning of Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labour Code.
2. cancels, in favour of these individuals, preferential subscription rights to shares and securities which could be issued under this delegation.
3. sets the period of validity of this delegation at twenty-six months, commencing the date of this General Meeting.

4. limits the maximum par value amount of the increases resulting from this delegation to 3% of the share capital on the date of the Board of Directors' decision to perform this increase. This amount is separate from any other ceiling on share capital increases. The par value amount of share capital increases required to safeguard, in accordance with law and, where applicable, contractual provisions setting forth other safeguard measures, the rights of holders of various types of securities granting access to the Company's share capital will be added to this amount;
5. decides that the price of shares to be issued, pursuant to 1) of this delegation, may not be more than 30% lower, or 40% lower if the lock-up period indicated in the plan pursuant to Articles L. 3332-25 and L. 3332-26 of the French Labour Code is equal to or longer than ten years, than the average listed price of the share during the 20 trading sessions on the Euronext Paris regulated market preceding the decision determining the subscription start date, nor higher than this average.
6. decides, pursuant to the provisions of Article L. 3332-21 of the French Labour Code, that the Board of Directors can provide for the free allocation, to the beneficiaries defined in the first paragraph above, of shares to be issued or already issued, or other securities granting access to the Company's share capital to be issued or already issued, for (i) the employer contribution which could be paid pursuant to the regulations of the Group or Company savings plan, and/or (ii) where applicable, the discount, and could decide, if issuing new shares for the discount and/or employer contribution, to capitalise the reserves, profits or premiums required to pay up the shares.
7. acknowledges that this delegation supersedes, from this day forth, the unused portion of any previous delegation with the same purpose, where applicable.

The Board of Directors may or may not implement this delegation, take all measures and perform the required formalities.

Thirty-fourth resolution

Authorisation to the Board of Directors, for a period of 38 months, to grant free shares to eligible employees and/or company officers of the Company and affiliated companies and economic interest groups, up to a maximum of 5% of the share capital, with waiver by shareholders of their preferential subscription rights

The General Meeting, having reviewed the Board of Directors' report and the Statutory Auditors' special report, authorises the Board of Directors, on one or more occasions, pursuant to Articles L. 225-197-1, L. 225-197-2, L. 22-10-59 and L. 22-10-60 of the French Commercial Code, to grant ordinary shares of the Company, existing or to be issued, to:

- employees of the Company or companies or economic interest groups directly or indirectly affiliated with the Company within the meaning of Article L. 225-197-2 of the French Commercial Code;
- and/or company officers meeting the conditions set by Article L. 225-197-1 of the French Commercial Code.

The total number of free shares granted under this authorisation may not exceed 5% of the share capital at the date of the grant decision.

Where applicable, the par value amount of the share capital increase required to safeguard the rights of beneficiaries of free share grants in the event of transactions in the Company's share capital during the vesting period will be added to this ceiling.

Shares will vest to beneficiaries at the end of a vesting period the duration of which will be set by the Board of Directors subject to a minimum of one year.

Beneficiaries will, where applicable, hold the shares during a period, set by the Board of Directors, such that the aggregate duration of the vesting period and, where applicable, the holding period is not less than two years.

As an exception, shares will vest before the end of the vesting period in the event of invalidity of the beneficiary corresponding to a category 2 or 3 classification pursuant to Article L. 341-4 of the French Social Security Code.

Full powers are conferred on the Board of Directors to:

- set the conditions and, where appropriate, the vesting criteria for the shares;
- determine the identity of the beneficiaries and the number of shares granted to each beneficiary;
- where applicable:
  - duly note the existence of sufficient reserves and, at each grant, transfer to a blocked reserve account the amounts necessary to fully pay up the new shares to be granted,
  - decide, when the time comes, the share capital increase(s) by capitalisation of reserves, profits or issue premiums, relating to the issue of new free shares,
  - purchase the necessary shares under the share buyback programme and allocate them to the grant,
  - determine the impact on beneficiary rights of transactions modifying the share capital or likely to impact the value of shares granted, performed during the vesting period, and accordingly adjust or modify, where necessary, the number of shares granted to preserve the rights of beneficiaries,
  - decide whether or not to set a holding obligation at the end of the vesting period and, where applicable, determine the duration and take all useful measures to ensure compliance by the beneficiaries,
  - determine the conditions relating to the performance of the Company, Group or entities that will apply to the grant of shares to executive officers of the Company and, where applicable, those that would apply to the grant of shares to employees, as well as the criteria according to which shares will be granted, it being understood that in the event of the grant of shares without performance conditions, such shares may not be granted to the Chief Executive Officer or the Deputy Chief Executive Officer of the Company and may not exceed 33% of grants authorised by the General Meeting,
  - and, more broadly, do everything necessary to the implementation of this authorisation within the context of prevailing legislation.

This authorisation will entail as of right waiver by shareholders of their preferential subscription rights to the new shares issued by capitalisation of reserves, profits or issue premiums.

It is granted for a period of thirty-eight (38) months from the date of this General Meeting.

It supersedes, from this day forth, the unused portion of any previous delegation with the same purpose, where applicable.

Thirty-fifth resolution

Authorisation to the Board of Directors, for a period of 38 months, to grant share subscription and/or purchase options to eligible employees and/or company officers of the Company and affiliated companies and economic interest groups, with waiver by shareholders of their preferential subscription rights

The General Meeting, having reviewed the Board of Directors' report and the Statutory Auditors' special report:

1. authorises the Board of Directors, pursuant to the provisions of Articles L. 225-177 to L. 225-185 and L. 22-10-56 to L. 22-10-58 of the French Commercial Code, to grant, on one or more occasions, to the beneficiaries detailed below, options granting entitlement to subscribe for new shares of the Company to be issued in the form of a share capital increase or to purchase existing shares of the Company resulting from buybacks performed under the conditions provided by law;
2. sets the period of validity of this authorisation at thirty-eight months, commencing the date of this General Meeting;
3. decides that the beneficiaries of these options may only be:
   - some or all employees, or certain employee categories, of the Company and, where appropriate, the companies or economic interest groups affiliated to the Company pursuant to Article L. 225-180 of the French Commercial Code,
   - company officers meeting the conditions set by Article L. 225-185 of the French Commercial Code;
4. the total number of options that may be granted by the Board of Directors under this authorisation may not grant entitlement to subscribe or purchase a number of shares exceeding 1% of the share capital at the grant date. Where applicable, the par value amount of the share capital increase required to safeguard, in accordance with law and, where applicable, contractual provisions setting forth other safeguard measures, the rights of beneficiaries of options in the event of transactions in the Company's share capital will be added to this ceiling;
5. decides that the share subscription and/or purchase price will be set on the option grant date, it being specified that this price may not be less than the average listed price of the Company's share on the Euronext Paris regulated market during the twenty (20) trading sessions preceding the option grant date, and may not be less than the limits set by regulation;
6. decides that no options may be granted during the lock-up period set by regulation;
7. acknowledges that this authorisation includes the express waiver by shareholders of their preferential subscription rights to the shares that will be issued as the options are exercised, in favour of beneficiaries of the share subscription options;
8. delegates full powers to the Board of Directors to set the other terms and conditions of grant of the options and their exercise and notably to:
   - determine the list or categories of beneficiaries, as provided below and set the conditions under which options will be granted, which may include the attainment of one or more quantitative performance and/or presence conditions set by the Board of Directors and clauses forbidding the immediate sale of all or some of the shares, without the period during which shares must be held exceeding three years from the option exercise date. By derogation from the above, the Board of Directors, under the conditions set by law for executive officers, may impose clauses forbidding the exercise of options before the cessation of their duties or the immediate sale of shares with an obligation to hold some or all of the shares resulting from the exercise of the options in registered form until cessation of their duties,
   - decide the conditions under which the price and number of shares must be adjusted, notably in the scenarios provided in Articles R. 225-137 to R. 225-142 of the French Commercial Code,
   - set the period or periods during which the options granted may be exercised, it being specified that the option term may not exceed eight years, commencing the grant date. This period may not, however, expire less than six (6) months after the end of a period during which company officers are forbidden from exercising such options by the Board of Directors pursuant to Article L. 225-185 of the French Commercial Code and will be extended accordingly,
   - provide the ability to temporary suspend the exercise of options during a maximum period of three months in the event of financial transactions involving the exercise of share rights,
   - where appropriate, purchase the necessary shares under the share buyback programme and allocate them to the option plan,
   - complete or have another party complete all acts and formalities to finalise the share capital increase(s) that may be performed, where applicable, pursuant to the authorisation subject to this resolution; amend the Articles of Association accordingly and generally do all that is necessary,
   - at its sole decision and if it considers it necessary, charge the cost of the share capital increases against the amount of the corresponding premiums and deduct from this amount the sums needed to raise the legal reserve to one-tenth of the new share capital after each increase;
9. acknowledges that this delegation supersedes, from this day forth, the unused portion of any previous authorisation with the same purpose, where applicable.

d) Resolutions concerning amendments to the Articles of Association (36th to 41st resolutions)

EXPLANATORY STATEMENT

Legislative developments have been rich in recent months, notably with the publication of the "Attractiveness" law (Law no. 2024-537 of 13 June 2024). In particular, this law promotes remote consultations and meetings for General Shareholders' Meetings and decision-making bodies of commercial companies, thus allowing for greater flexibility and participation. The Board of Directors may now envisage holding the meeting called to approve the financial statements remotely (37th, 38th and 40th resolutions).

Other legislative and regulatory developments have, moreover, clarified or amended texts relating to the compensation of the Chairman of the Board of Directors and the procedure for restoring shareholders' equity when it falls below half of the share capital. (36th and 41st resolutions).

Finally, the Board proposes to simplify the procedure for the appointment of Board Observers (39th resolution)

The General Shareholders' Meeting is therefore asked to approve several amendments to the Articles of Association primarily to bring them into line with prevailing laws and regulations (36th to 41st resolutions).

Thirty-sixth resolution

Amendment of Article 15 "Organisation of the Board of Directors" of the Articles of Association, to clarify the determination of the compensation of the Chairman of the Board of Directors

The General Meeting, after reviewing the Board of Directors' report, decides:

- to amend Article 15 "Organisation of the Board of Directors" of the Articles of Association, to clarify the determination of the compensation of the Chairman of the Board of Directors;
- to amend accordingly and as follows paragraph 1 of Article 15 of the Articles of Association, with the remainder of the Article unchanged:

Former wording	New wording
The Board of Directors elects a Chairman from among its members, who must be a natural person for the appointment to be valid. The Board shall determine his compensation.	The Board of Directors elects a Chairman from among its members, who must be a natural person for the appointment to be valid. The Board shall determine his compensation in accordance with prevailing legal provisions.

Thirty-seventh resolution

Amendment of Article 16 “Board deliberations” of the Articles of Association, concerning the use of telecommunication means and recourse to written consultations

The General Meeting, after reviewing the Board of Directors' report, decides:

- to amend and bring Article 16 “Board deliberations” of the Articles of Association into line with the provisions of Article L. 22-10-3-1 of the Commercial Code, created by Law no. 2024-537 of 13 June 2024, concerning the use of telecommunication means during meetings of the Board of Directors;
- to amend Article 16 “Board deliberations” of the Articles of Association to allow written consultation of members of the Board of Directors, in accordance with the provisions of Article L. 225-37 of the French Commercial Code as amended by Law no. 2024-537 of 13 June 2024;
- to amend accordingly and as follows Article 16 of the Articles of Association:

Former wording	New wording
The Board of Directors meets as often as the Company’s interests require it to do so, at the request of its Chairman. The Chief Executive Officer, or if the Board has not met for more than two months, at least one-third of the directors, may request the Chairman, who is bound by such request, to convene a meeting of the Board of Directors on the basis of a predetermined agenda. Meeting notices may be given by any means, even verbally. The Meeting takes place at the registered office or at any other venue stated on the Meeting notice. By way of exception, the Board of Directors may adopt, by written consultation, certain decisions provided for in the regulations in force. The Board can only validly deliberate in the presence of at least half the directors. Decisions are taken on the basis of a majority of votes of members present or represented. In the event of a tie in voting, the Chairman of the Board of Directors has the casting vote. If the Chairman of the Board of Directors is absent, the Chair of the meeting does not have the casting vote in the event of a tie. An attendance sheet is signed by the directors taking part in the Board meeting, either in person or by proxy. Internal regulations shall be defined. The internal regulations may include a provision whereby directors who participate in the Meeting by video conference or telecommunication means that enable them to be identified and guarantee their effective participation, in accordance with prevailing regulations, shall be considered to be present for the purpose of calculating the quorum and majority. This provision does not apply for the adoption of the following decisions: ■ the approval of the annual financial statements and consolidated financial statements and the drafting of the management report and Group management report.	The Board of Directors meets as often as the Company’s interests require it to do so, at the request of its Chairman. The Chief Executive Officer, or if the Board has not met for more than two months, at least one-third of the directors, may request the Chairman, who is bound by such request, to convene a meeting of the Board of Directors on the basis of a predetermined agenda. Meeting notices may be given by any means, even verbally. The Meeting takes place at the registered office or at any other venue stated on the Meeting notice. The Board can only validly deliberate in the presence of at least half the directors. Decisions are taken on the basis of a majority of votes of members present or represented. In the event of a tie in voting, the Chairman of the Board of Directors has the casting vote. If the Chairman of the Board of Directors is absent, the Chair of the meeting does not have the casting vote in the event of a tie. An attendance sheet is signed by the directors taking part in the Board meeting, either in person or by proxy. Directors who participate in the Meeting by telecommunication means that enable them to be identified and guarantee their effective participation, in accordance with prevailing regulations, shall be considered to be present for the purpose of calculating the quorum and majority. The internal regulations may provide that certain decisions may not be taken at a meeting held under such conditions.

Former wording	New wording
The deliberations of the Board of Directors are recorded in the minutes, which are prepared in accordance with prevailing legal provisions and signed by the Meeting Chairman and at least one director. In the absence of the Meeting Chairman, they are signed by at least two directors. The copies or extracts of the minutes are certified by the Chairman of the Board of Directors, the Chief Executive Officer, the director temporarily carrying out the duties of Chairman or an officer authorised for this purpose. Where there is a Works Council, representatives of this council, appointed pursuant to the provisions of the French Labour Code, must be invited to attend all meetings of the Board of Directors.	At the initiative of the Chairman of the Board, the Board of Directors may also take decisions by written consultation of its members. In this case, the directors are called upon, at the request of the Chairman of the Board, to decide by any written means, including electronic means, on the decision or decisions addressed to them, within the time limit indicated in the consultation request, which in any event may not be less than three working days following the receipt of the request. A director shall have two working days from the receipt of the request to object to the use of written consultation. In the event of an objection, the Chairman shall immediately inform the other directors and convene a meeting of the Board of Directors. Should a director fail to respond in writing to the Chairman of the Board to the written consultation within the aforementioned time limit and in accordance with the terms and conditions set out in the request, he/she shall be deemed absent and not to have participated in the decision. The decision may only be adopted if at least half of the directors participate in the written consultation, and by a majority vote of participating directors. The Chairman of the Board of Directors is deemed to chair the written consultation and therefore has the casting vote in the event of a tie vote. The internal regulations specify the other terms and conditions of the written consultation not defined by prevailing legal and regulatory provisions or by these Articles of Association. The deliberations of the Board of Directors are recorded in the minutes, which are prepared in accordance with prevailing legal provisions and signed by the Meeting Chairman and at least one director. In the absence of the Meeting Chairman, they are signed by at least two directors. The copies or extracts of the minutes are certified by the Chairman of the Board of Directors, the Chief Executive Officer, the director temporarily carrying out the duties of Chairman or an officer authorised for this purpose. Where there is a Works Council, representatives of this council, appointed pursuant to the provisions of the French Labour Code, must be invited to attend all meetings of the Board of Directors.

Thirty-eighth resolution

Amendment of Article 17 “Powers of the Board of Directors” of the Articles of Association, to bring it into line with Article L. 225-36 of the French Commercial Code

The General Meeting, after reviewing the Board of Directors' report, decides:

- to amend Article 17 “Powers of the Board of Directors” of the Articles of Association in accordance with the provisions of Article L. 225-36 of the French Commercial Code, as amended by Law no. 2024-537 of 13 June 2024, concerning the powers of the Board of Directors to bring the Articles of Association into compliance;
- to amend accordingly and as follows the last paragraph of Article 17 of the Articles of Association, with the remainder of the Article unchanged:

Former wording	New wording
On delegation by the Extraordinary General Meeting, the Board of Directors makes the required changes to the Articles of Association to ensure they comply with legislative and regulatory provisions, subject to ratification of these changes by the next Extraordinary General Meeting.	The Board of Directors may make the required changes to the Articles of Association to ensure they comply with legislative and regulatory provisions, subject to ratification of these changes by the next Extraordinary General Meeting.

Thirty-ninth resolution

Amendment of Article 23 “Board Observers” of the Articles of Association to simply the wording and implementation

The General Meeting, after reviewing the Board of Directors' report, decides:

- to amend Article 23 “Board Observers” of the Articles of Association to simplify the procedure for provisionally appointing Board Observers;
- to amend accordingly and as follows paragraph 3 of Article 23 of the Articles of Association, with the remainder of the Article unchanged:

Former wording	New wording
In the event of a vacancy of one or more Board Observer positions due to death or resignation, the Board of Directors may make provisional appointments. These appointments are subject to ratification by the next Ordinary General Meeting.	The Board of Directors may provisionally appoint Board Observers at any time, at the recommendation of the Chairman. These appointments are subject to ratification by the next Ordinary General Meeting.

Fortieth resolution

Amendment of Article 29 “Access to General Meetings - Powers - Composition” of the Articles of Association, concerning the use of telecommunication means

The General Meeting, after reviewing the Board of Directors' report, decides:

- to amend Article 29 “Access to General Meetings – Powers – Composition” of the Articles of Association in accordance with the provisions of Article L. 225-103-1 of the French Commercial Code, as amended by Law no. 2024-537 of 13 June 2024, to replace reference to video conference and telecommunication means, by reference to telecommunication means;
- to amend accordingly and as follows paragraphs 4 and 5 of Article 29 of the Articles of Association, with the remainder of the Article unchanged:

Former wording	New wording
If so decided by the Board of Directors when convening the Meeting, shareholders may also take part by video conference or any other telecommunication means, under the conditions set out by applicable regulation at the time of use. Shareholders who participate in the Meeting via video conference or any other telecommunication means that enable them to be identified and in accordance with legal provisions shall be considered to be present for the purpose of calculating quorum and majority.	If so decided by the Board of Directors when convening the Meeting, shareholders may also take part by telecommunication means under the conditions set out by applicable regulation at the time of use. Shareholders who participate in the Meeting via telecommunication means that enable them to be identified and in accordance with legal provisions shall be considered to be present for the purpose of calculating quorum and majority.

Forty-first resolution

Amendment of Article 40 “Shareholders’ equity below 50% of the share capital” of the Articles of Association, to bring it into line with Article L. 225-248 of the French Commercial Code

The General Meeting, after reviewing the Board of Directors' report, decides:

- to bring Article 40 “Shareholders’ equity below 50% of the share capital” of the Articles of Association into line with the provisions of Article L. 225-248 of the French Commercial Code as amended by Law no. 2023-171 of 9 March 2023, concerning the procedure applicable when shareholders’ equity is less than half of the share capital;
- to amend accordingly and as follows paragraph 2 of Article 40 of the Articles of Association, with the remainder of the Article unchanged:

Former wording	New wording
If dissolution is not pronounced, the share capital shall, subject to legal provisions relating to minimum share capital in public limited companies (*sociétés anonymes*), be reduced within the period laid down by law by an amount equal to the losses which could not be charged to reserves if, within that period, the shareholders’ equity has not returned to at least half of the share capital.	If dissolution is not pronounced, the Company shall restore its shareholders’ equity or reduce its share capital in accordance with prevailing legal and regulatory conditions.

8.2.3 Resolutions presented for the approval of the Ordinary General Meeting

Powers to perform legal formalities (41st resolution)

EXPLANATORY STATEMENT

Finally, shareholders are asked to confer full powers on the bearer of an original, a copy or an extract from the minutes of the General Meeting of 20 May 2025 for the purposes of carrying out all legal or administrative formalities consecutive to this General Meeting.

The Board considers that the resolutions presented for your approval are consistent with the interests of the Company and contribute to the development of its business.

Forty-first resolution

Powers to perform legal formalities

The General Meeting grants full powers to the holder of an original, copy or excerpt of these minutes to perform all legal filing and posting formalities.

The Board of Directors

Preparation and control of the Universal Registration Document and certification of the person responsible for the Universal Registration Document

Name and position of the person responsible for the Universal Registration Document

Patrick Donovan, Chief Executive Officer

74Software – Tour Trinity, 1 bis Place de La Défense, 92400 Courbevoie, France.

Persons responsible for auditing the financial statements

Principal Statutory Auditors

ACA Nexia

31, rue Henri-Rochefort, 75017 Paris.
Represented by Olivier Juramie.
Office to expire at the General Meeting convened to approve the financial statements for the 2024 fiscal year.
First appointment: December 2000.

ACA Nexia is a member of the Paris Regional Statutory Auditors' Association (*Compagnie régionale des Commissaires aux comptes de Paris*).

Forvis Mazars SA

61, rue Henri-Regnault, 92400 Courbevoie.
Represented by Jérôme Neyret.
Office to expire at the General Meeting convened to approve the financial statements for the 2024 fiscal year
First appointment: December 2000.

Forvis Mazars SA is a member of the Versailles Regional Statutory Auditors' Association (*Compagnie regionale des Commissaires aux comptes de Versailles*).

Certification of the person responsible for the Universal Registration Document

hereby declare that, to the best of my knowledge, the information contained in this Universal Registration Document is in accordance with the facts and contains no omission likely to affect its import.

I hereby certify, to the best of my knowledge, that the annual accounts and the consolidated accounts have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position, and profit or loss of the issuer and the undertakings included in the consolidation taken as a whole and that the management report included in the cross-reference table on page 347 presents a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation as a whole, as well as a description of the main risks and uncertainties they face, and that it was prepared in accordance with applicable sustainability reporting standards.

Patrick Donovan

Chief Executive Officer

General remarks

This Universal Registration Document also includes:

- the annual financial report, which must be prepared and published by all listed companies within four months of the closing date of each fiscal year, pursuant to Article L. 452-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF's General Regulations; and
- the Board of Directors' annual management report, which must be presented to the General Shareholders' Meeting called to approve the financial statements for each fiscal year, pursuant to Articles L. 225-100 and L. 22-10-35 *et seq.* of the French Commercial Code.

Information incorporated by reference

Pursuant to Article 19 of Commission Regulation (EC) no. 2017/1129 of 14 June 2017, the following information is included by reference in this Universal Registration Document:

1. for fiscal year 2023:
   - the Axway consolidated financial statements for fiscal year 2023 and the Statutory Auditors' report on the consolidated financial statements presented in the Registration Document filed on 25 March 2024 (on pages 117 to 167 and 168 respectively),
   - the Axway Software financial statements for fiscal year 2023 and the Statutory Auditors' report on the financial statements presented in the Registration Document filed on 25 March 2024 (on pages 173 to 187 and 188).
2. for fiscal year 2022:
   - the Axway consolidated financial statements for fiscal year 2022 and the Statutory Auditors' report on the consolidated financial statements presented in the Registration Document filed on 24 March 2023 (on pages 145 to 203 and 204 respectively)
   - the Axway Software financial statements for fiscal year 2022 and the Statutory Auditors' report on the financial statements presented in the Registration Document filed on 23 March 2023 (on pages 209 to 226 and 227 respectively).

Glossary

Unless indicated otherwise, in this Universal Registration Document:

- the term “Company” refers to Axway Software;
- the terms “Group”, “Axway” and “Axway Group” refer to the Company and its subsidiaries;
- the terms “Sopra” or “Sopra Steria” refer to Sopra Steria Group.

Sector acronyms and terms specific to Axway

Amplify™: Amplify™ is the registered trademark for Axway’s hybrid integration offering. Amplify™ leverages the proven capabilities of Axway’s API management platform, enhanced with powerful integration tooling, support for complex organisational structures and integrations with its market leading MFT and B2B solutions.

API – Application Programming Interface: IT solution enabling applications to communicate and exchange services and data.

B2B – Business to Business Integration: Automation of business and communication processes between at least two companies.

Cloud computing: Process that consists in using remote IT servers or applications over internet networks.

Composable Banking: A modular approach to banking systems, allowing financial institutions to choose and combine different features according to their needs.

Core Banking: A central computing system enabling banks to manage their essential operations in real-time, such as account management, payments, loans, and regulatory compliance, while ensuring security, automation, and omnichannel accessibility.

DevOps: Range of practices helping software developers (Dev) and IT operations professionals (Ops) to work together by automating the software delivery process and infrastructure changes.

Edge Computing: Data processing at the edge of the network, close to the data sources, to reduce latency and improve responsiveness.

EDI – Electronic Data Interchange: Computer-to-computer interchange of strictly formatted messages.

ERP – Enterprise Resource Planning: Information system enabling the daily management and monitoring of all of a business’ information and operating services.

HIP – Hybrid Integration Platform: Single integration platform enabling the creation of application and data networks adapted to each customer’s technology and structure.

Horizontal software: Software solution able to target the needs of all types of customers, independent of their business sector.

IAM – Identity and Access Management: Systems for managing identities and access to control who can use which computing resources.

IOT – Internet Of Things: Refers to the growing number of devices connected to the Internet that enable physical assets to communicate digitally.

iPaaS – Integration platform as a Service: Suite of cloud services enabling the development, execution and governance of integration flows.

Low-code: Low code development allows developers to design applications rapidly with minimal manual coding. A low-code platform contains a suite of pre-built functions and tools that easily complement developers’ needs.

Machine Learning: Automatic learning technology that enables computer systems to improve their performance by analyzing data.

MFT – Managed File Transfer: Software or platform that manages the secure transfer of data between devices *via* a network.

Middleware: Intermediate software that facilitates communication and data exchange between different applications.

No-code: No code solutions are designed for non-developers who do not know or do not need to know programming languages to use and develop a software. A no code platform integrates all key functions users need to develop applications.

On-Premise: Refers to the use of a Company’s own server and IT environment.

Open Banking: A banking model that allows financial institutions to share access to banking data and services with third parties (fintechs, merchants, other banks) via secure APIs, to foster innovation, improve customer experience, and stimulate competition in the financial sector.

PaaS – Platform as a Service: A cloud computing model where a cloud service provider proposes hardware and software tools as services over the Internet, enabling the user to develop applications.

PKI – Public Key Infrastructure: An infrastructure for managing digital certificates to ensure the authenticity and security of electronic communications.

SaaS – Software as a Service: Cloud-based software distribution model.

Zero Trust Security: A cybersecurity model in which no user or device is considered trustworthy by default.

Alternative performance indicators

Axway ARR: Annual Recurring Revenue – Expected annual billing amounts from all active maintenance and subscription agreements.

SBS ARR: Annual Recurring Revenue – Monthly recurring revenue (MRR) for the last month of the reporting period multiplied by 12. Where contracts are affected by seasonality or contracted volume-based elements, the last 12 months of revenue are aggregated in determining ARR. Expected recurring revenue from contracts signed but not yet active are not included in ARR.

NPS: Net Promoter Score – Customer satisfaction and recommendation indicator for a company.

Organic growth: Growth in revenue between the period under review and the prior period, restated for consolidation scope and exchange rate impacts.

Profit on operating activities: Profit from recurring operations adjusted for the non-cash share-based payment expense, as well as the amortization of allocated intangible assets.

Proforma: Proforma measures assume the acquisition of SBS happened at the beginning of the respective reporting period.

Restated revenue: Revenue for the prior year, adjusted for the consolidation scope and exchange rates of the current year.

Unlevered free cashflow: Free cashflow before exceptional items and before net interest expense.

Corporate responsibility

CSRD – Corporate Sustainability Reporting Directive: European Directive 2022/2464/EU, which replaces Directive 2014/95/EU, strengthening corporate non-financial reporting requirements.

Customer Success organisation: Internal structure dedicated to customer success. 74Software strives continuously for customer satisfaction.

Double Materiality: A key CSRD concept requiring companies to assess both the impact of their activities on the environment and society, as well as the financial risks and opportunities linked to those impacts.

Engagement survey: Independent annual survey conducted each year by Axway covering all employees.

ESRS – European Sustainability Reporting Standards: European reporting standards covering environmental, social, and governance (ESG) aspects.

GDPR: General Data Protection Regulation.

GHG Protocol – Greenhouse Gas Protocol: Standard methodology for measuring greenhouse gas emissions.

GHG – Greenhouse Gas: Greenhouse gases are gas components that absorb infrared radiation emitted by the planet's surface and contribute to the greenhouse effect. The increase in their concentration in the planet's atmosphere is one of the factors behind global warming. GHG emissions are measured in metric tons of CO_2 (T eq. CO_2).

LMS – Learning Management System: Software that accompanies and manages a training process or learning path.

Scope 1, 2, and 3: Categories of greenhouse gas (GHG) emissions used to measure an organization's carbon footprint. Scope 1 includes direct emissions from owned or controlled sources, such as company facilities and vehicles. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating, and cooling consumed by the company. Scope 3 encompasses all other indirect emissions that occur in the value chain, including those from suppliers, transportation, product use, and waste disposal.

SDGs – Sustainable Development Goals: are used to identify the seventeen objectives set by the United Nations Member States for 2030. Governments and civil society have defined targets in a wide range of areas around three founding principles: end poverty in all its forms everywhere, protect the plant and ensure prosperity for all. These objectives are grouped into five pillars: people, prosperity, planet, peace and partnership.

Taxonomy Regulation: Regulation (EU) 2020/852 establishing a framework to facilitate sustainable investments.

UN Global Compact: A United Nations initiative promoting principles in human rights, environmental protection, and anti-corruption.

External sources

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Cross-reference tables

This cross-reference table presents the Sections detailed in Annexes 1 and 2 of Commission Delegated Regulation 2019/980 of 14 March 2019 and refers to the pages of this Universal Registration Document containing the information required by each of these sections.

The Corporate Social Responsibility cross-reference table is presented at the end of Chapter 3 of this Universal Registration Document.

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n/a: not applicable.

Management Report Cross-Reference Table

This Universal Registration Document includes all required disclosures in the Management Report as set out in Articles L. 225-100, L. 22-10-35 *et seq.*, L. 232-1, II and R. 225-102 *et seq.* of the French Commercial Code

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