BIOMÉRIEUX

2021 UNIVERSAL REGISTRATION DOCUMENT

Including the annual financial report

PIONEERING DIAGNOSTICS

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BIOMÉRIEUX

2021 Universal registration document

INCLUDING
THE ANNUAL FINANCIAL REPORT

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The French language version of the Universal Registration Document was filed on March 17, 2022 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

This Universal Registration Document, including the annual financial report, is a translation of the official version of the Universal Registration Document, including the annual financial report, which has been prepared in French, in format ESEF (European Single Electronic Format) and is available on the issuer's website.

MESSAGE FROM THE CHAIRMAN

“DIAGNOSTIC TESTING HAS BECOME PART OF THE DAILY LIFE OF EVERYONE ON THE PLANET. THIS DEMOCRATIZATION IS ACCOMPANIED BY A GREATER RECOGNITION OF THE VALUE OF DIAGNOSTICS.”

Alexandre Mérieux
Chairman & CEO

Once again, the past year has been extraordinary. In 2021, the COVID-19 pandemic continued to disrupt our lives and health systems, with the appearance of new variants and successive waves of infection. We were able to rely on the extraordinary efforts of all the actors in the healthcare field to deal with the health emergency. I would like also to salute the remarkable commitment of the bioMérieux staff who showed resilience and solidarity in a fast-changing situation without losing sight of the core essence of our business: ceaselessly innovating to provide diagnostic solutions for public health and consumer safety worldwide.

The responsibility to innovate
This pandemic has had an unprecedented impact on our business sector. Diagnostic testing has become part of the daily life of all the inhabitants on the planet. In addition to hospitals and laboratories, it has become accessible on the street corner, in physician’s offices, pharmacies and even at home. This democratization is accompanied by a greater recognition of the value of diagnosis in the healthcare *continuum*, along with prevention and treatment.
In this context, we have the responsibility to innovate and make these innovations accessible. This year again, we have invested 12% of our sales in research and development to prepare future solutions and we have improved our production capacities. When we built new units in Salt Lake City (United States) or Suzhou (China), when we enlarged our International Distribution Center in Saint-Vulbas (France), we made a long-term commitment to combatting infectious diseases.

Fighting antimicrobial resistance
Our innovative, fast and reliable solutions aim to meet the needs of clinical pathologists, clinicians and patients. Beyond COVID-19, bioMérieux has made fighting antimicrobial resistance a major part of its strategy. We launched a mass spectrometer, VITEK® MS Prime, which revolutionizes routine microbial identification and adds to our already robust product lines. We have been committed to the fight against this silent pandemic for a long time. Here again, diagnostics have an essential role to play, particularly by supporting healthcare professionals in the reasoned management of antibiotics. In response to crucial medical needs, we also marketed new tests in 2021, such as VIDAS® TB IGRA to identify latent tuberculosis infection and NEPHROCLEAR™ CCL14 to predict persistent severe acute kidney injury.

Innovative solutions for industry
Our innovations also serve industry, a quickly evolving sector. In the food segment, we have especially developed our molecular biology solutions to enhance our product portfolio and address new markets. In the healthcare segment, we support quality control for gene and cell therapies that are so promising for the medicine of the future.

Contributing to improving global health is our purpose. Our social, societal and environmental goals are an integral part of our overall strategy. We will also continue to carry out numerous philanthropic activities: in addition to supporting the humanitarian activities of the Fondation Mérieux, we have initiated an endowment fund to reduce inequalities in education around the world. At bioMérieux, CSR is a real ambition shared by every level of the organization.

OUR COMPANY PURPOSE

WE HELP
MAKE THE WORLD A HEALTHIER PLACE

This dedication to public health is the thread that connects everything we do.

It connects us to our history. Since 1963, we have been fulfilling the vision of the Mérieux family to **improve health**, while maintaining the values of **respect, accountability, transparency**, and **sharing**. Building on our strong legacy, we understand that our expertise in infectious diseases and our international presence give us a **special duty to act as a responsible corporate citizen**, serving the **greater good** and the **community**.

This commitment also connects us with our environment: infectious diseases are one of the major threats to human kind. Their emergence and spread are dramatically accelerated by climate change and globalization. The risk of finding ourselves unarmed to face ultra-resistant bacteria is now a reality. Diagnostics is a game changer in this fight. By pioneering diagnostic solutions, we help clinicians **improve patient care** and we help industries **prevent contamination** of the food and pharmaceuticals they produce.

At bioMérieux, we are convinced that only by taking into account our **entire ecosystem** and the **public interest**, will we be able to succeed in building a **healthier world** and a more **inclusive society**.

- We pioneer, develop and produce high quality *in vitro* diagnostics to improve **public health** worldwide.
- We sustain a robust business model that allows us to invest in **innovation and create value**.
- We implement environmentally responsible actions **to preserve the planet as a healthy place to live**.
- We support **the development, well-being and inclusion of our employees**, who all help to save lives.
- We foster **transparent and ethical dialogue** with the healthcare ecosystem to advance diagnostics.
- We build long-term partnerships to increase our **positive impact on local communities** and provide our **support to the most vulnerable populations**.

We are bioMérieux.
We act for a positive impact.
We act for a healthier world.

PROFILE

BIOMÉRIEUX DEVELOPS AND MARKETS *IN VITRO* DIAGNOSTICS SOLUTIONS

intended for hospital and private clinical laboratories primarily for the diagnosis of infectious diseases. Results obtained from patient samples (blood, urine, stool, cerebrospinal fluid, saliva, etc.) provide clinician information to support medical decisions. bioMérieux also brings its expertise acquired in clinical applications to industrial microbiological control to manage contamination risks for food, healthcare or cosmetic products throughout the production chain.

A FAMILY COMMITMENT IN THE FIGHT AGAINST INFECTIOUS DISEASES

bioMérieux is a family-run human and scientific adventure that began over 55 years ago. Our expertise and commitment to push the boundaries of knowledge in biology are grounded in an entrepreneurial story that has been ongoing for more than a century.

In 1897, Marcel Mérieux, who had studied with Louis Pasteur, founded a laboratory in Lyon where he developed the first anti-tetanus sera. This pioneering Institut Mérieux laid the foundations for a bio-industrial complex that would leave its mark on vaccinology and diagnosis of infectious diseases globally. bioMérieux, with a registered office in Marcy l'Étoile, France, was created in 1963 by Alain Mérieux and currently has around 13,000 employees.

The company serves more than 160 countries via its subsidiaries and its network of distributors. More than 90% of its sales are international. Alexandre Mérieux, Marcel's great-grandson, took the helm as chief executive officer of the family company in 2015. He was appointed chairman and chief executive officer by the Board of Directors in December 2017.

59%

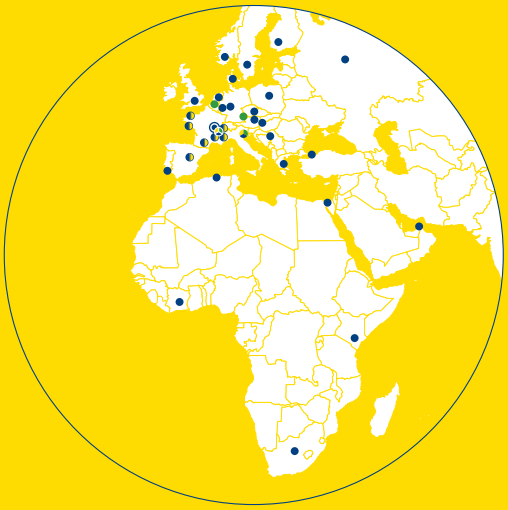
of bioMérieux is held by Institut Mérieux.

A GLOBAL PLAYER IN THE FIELD OF *IN VITRO* DIAGNOSTICS

PRESENT IN **44 COUNTRIES**
15 BIO-INDUSTRIAL SITES
14 R&D CENTERS

AMERICAS

EMEA
Europe,
Middle East,
Africa



ASIA PACIFIC

MORE THAN 35 YEARS OF DEVELOPMENT

An innovation model based on partnerships with international research and joint research laboratories.

1985 – 2005

1986
API Systems - *France*
API ®

1988
VITEK - *United States*
VITEK® & VIDAS®

2001
Organon Teknika - *Netherlands*
BACT/ALERT®

2004
Initial Public Offering

2005 – 2015

2007
Biomedics - *Spain*
BTF - *Australia*
BIOBALL®

2008
AB Biodisk - *Sweden*
ETEST®

2011
AES - *France*
AES BLUE LINE ™ CHEMUNEX®

Argène - *France*
ARGENE®

2012
RAS - *India*

2014
BioFire - *United States*
BIOFIRE® FILMARRAY®

2015 – 2021

2016
Hyglos - *Germany*

2018
Astute Medical - *United States*
NEPHROCHECK®

Hybiome - *China*
HYBIOME AE-180

2019
Invisible Sentinel - *United States*

2021
Banyan Biomarkers - *United States*

DIAGNOSTICS
AT THE HEART OF THE ISSUES

Diagnostic tests
help improve patient care.

60% TO 70%
of medical decisions are based on diagnostic test results (1).

For improved patient care

Diagnostic tests have a major influence on the quality of patient care:

- for diagnosis and prognosis, particularly in the case of infectious diseases, to identify the causative pathogen and the antimicrobial resistance profile thereof;
- for therapeutic decisions and treatment monitoring;
- for screening in the context of the prevention of certain diseases;
- for early diagnosis, that is, during the early stages of a disease when symptoms are still very mild.

A major asset for healthcare systems

Spending on medical biology represents only 2 to 3% of healthcare expenditure(2). This cost is limited when weighed against the medical value of diagnostics and the savings it can generate – both by reducing the over-prescription of treatments and by shortening the onset of care and length of hospital stays. Diagnostics are also a valuable healthcare policy instrument, in particular for epidemiological monitoring.

Antimicrobial resistance: a global health emergency

For decades, the widespread and inappropriate use of antibiotics in humans, animals and agriculture has triggered the emergence and spread of resistant bacteria. Every 45 seconds, a person dies from an infection caused by bacteria that have become resistant to antibiotics(3).
Diagnostic tests help to reduce the inappropriate use of antibiotics and to maintain their efficacy in the treatment of bacterial infections in both humans and animals.

The fight against sepsis and improved patient care in critical care units: early diagnosis as a the first line of defense

Sepsis affects 49 million people each year, 11 million of whom do not survive(4). It is one of the main causes of death worldwide. This syndrome appears in patients after an infection resulting in uncontrolled immune response. Making a diagnosis as quickly as possible is crucial for patients in critical care units. High medical value tests for the diagnosis of bacterial infections and severe sepsis, myocardial infarction and pulmonary embolism provide clinicians with quick results and help optimize patient care.

Diagnostics at the heart of safety for food and healthcare products

600 million people fall ill after eating contaminated food every year(5). In the agri-food sector, providing consumers with healthy products is an imperative. In the pharmaceutical sector, the aim of microbiological control is to prevent the bacterial contamination of medicinal products.
The manufacture of these products requires very strict microbiological controls throughout the production chain, from raw materials to finished products, and in the production environment.

(1) The Lewin Group: "The Value of Diagnostics Innovation, Adoption and Diffusion into Health Care" (2005). This figure considers all diagnostic tools: in vitro diagnostic tests and medical imaging examinations.
(2) DREES (French Directorate for Research, Studies, Evaluation and Statistics) and Court of Auditors, 2011.
(3) Based on 700,000 deaths caused each year by antimicrobial resistance as quoted in "Antimicrobial Resistance: Tackling a crisis for the health and wealth of nations," Jim O'Neill, December 2014.
(4) Global, regional, and national sepsis incidence and mortality, 1990–2017: analysis for the Global Burden of Disease Study. Kristina E Rudd, MD, Sarah Charlotte Johnson, MSc, Kareha M Agesa, BA, Katya Anne Shackelford, BA, Derrick Tsoi, BS Daniel Rhodes Kievlan, MD et al. The Lancet, volume 395, issue 10219, P200-211, January 18, 2020. www.thelancet.com/journals/lancet/article/PIIS0140-6736(19)32989-7/fulltext
(5) Source: www.who.int/fr/news-room/campaigns/world-food-safety-day/2020

NEW RESPONSES TO CHANGES IN THE HEALTH SECTOR

The COVID-19 pandemic has made the general public aware of the importance of diagnostic testing in the course of care. In only two years, technologies and uses have advanced with unprecedented speed, a prelude to future major trends. To meet patient medical needs and healthcare professional expectations, businesses are pursuing their efforts to increase the medical and economic value of their solutions.

The health crisis has acted as a catalyst accelerating the education of the general public regarding the value of *in vitro* diagnostics in public health. While its importance was once poorly recognized, today it is an undisputed pillar of the care *continuum.*
"*In only two years, we have achieved ten years of progress!"* states Mark Miller, Executive Vice President and Chief Medical Officer at bioMérieux.
This recognition is accompanied by a tremendous technological acceleration. The pandemic has also generated new operating procedures for clinical testing and faster studies, without harm to patient safety or product quality. The joint capital expenditure of governments and industry in research and production have made it possible to fund innovations while accelerating procedures and minimizing risks.
Mark Miller is convinced that *"these developments are here for the long term. Everyone agrees that we will never go back."*

NEED FOR FASTER, RELIABLE AND USABLE RESULTS

The COVID-19 pandemic has confirmed the three major challenges of *in vitro* diagnostics. First, the speed and relevance of the information delivered by the tests: *"These two points are crucial. We must have results as quickly and reliably as possible, but this is not sufficient. It is also necessary that the information provided be usable in a concrete and immediate way to optimize patient care"*, explains Mark Miller. The third challenge is that of decentralization. This consists of conducting tests as close as possible to patients. Making sure that results are accessible and usable quickly is the precise goal of the solutions developed by bioMérieux.
"*Good information that arrives too late is meaningless!"* adds Pierre Boulud, Chief Operating Officer, Clinical Operations at bioMérieux.
"*This is the whole point of BIOFIRE® respiratory panels, which give results in 45 minutes or VITEK® MS PRIME, which make it possible to prioritize urgent samples."*

THE CONTRIBUTION OF DATA AND ARTIFICIAL INTELLIGENCE

For even faster and more efficient solutions, the diagnostics world has widely invested in the *data science* and artificial intelligence fields. Data and the correct interpretation thereof are at the heart of the diagnostics of the future. It is a matter of managing the data generated by diagnostic solutions, combining them with other data and facilitating interpretation for the laboratory and the clinician. bioMérieux, aware of the considerable field opened by these new technologies, already has connectivity tools and is accelerating its research in this field.

THE SYNDROMIC APPROACH FOR DEALING WITH THE DIVERSITY OF INFECTIONS

In late 2021, in addition to COVID-19 and seasonal flu, severe [(1)], atypical and unpredictable respiratory viruses have appeared, particularly in Asia, Europe and the United States. These unusual, even abnormal forms, emphasize the importance of the syndromic approach of our BIOFIRE® range because multiplex tests are the best response to know immediately what pathogen is affecting a patient presenting with respiratory symptoms.
Pierre Boulud goes on regarding COVID-19: "*Unfortunately, it is possible that this virus has become part of the health landscape, along with flu and several other respiratory viruses. So the value of the syndromic approach is apparent. By diagnosing several pathogens in one step, our syndromic solutions best meet long-term needs."*

23
respiratory pathogens detected by the BIOFIRE® RP2.1*plus*, panel, including SARS-CoV-2.

(1) *Increased Interseasonal Respiratory Syncytial Virus (RSV) Activity in Parts of the Southern United States, https://emergency.cdc.gov/han/2021/han00443.asp and Ujiie M, Tsuzuki S, Nakamoto T, Iwamoto N. Resurgence of Respiratory Syncytial Virus Infections during COVID-19 Pandemic, Tokyo, Japan. Emerg Infect Dis. 2021;27(11):2969-2970. https://doi.org/10.3201/eid2711.211565*

STRATEGY

BIOMÉRIEUX AIMS
TO BE A GLOBAL LEADER IN INFECTIOUS DISEASE DIAGNOSTICS AND IN MICROBIOLOGICAL QUALITY CONTROLS.

OUR VALUE PROPOSITION

WE OFFER
a broad portfolio **of innovative solutions** that will participate in **market** developments.

WE ARE COMMITTED
to a **broad range of high quality and reliable products that our customers can trust.** We serve our customers with the **highest standards to improve their satisfaction.**

WE CONTRIBUTE
to improving laboratory efficiency and medical value, in order to increase the operational performance of our customers and to help improve patient health and consumer safety.

OUR PRIORITIES

1 TO BOLSTER ITS LEADERSHIP IN CLINICAL MICROBIOLOGY

which is a cornerstone in the fight against AMR. In particular the Company is seeking to:

- **expand the geographical deployment** and access to its product throughout the world;
- **maximize the value** provided to customers by combining its existing offers;
- **augment the value of individual test results** by leveraging data and IT solutions to give a broader perspective around the results;
- **provide faster solutions** to evaluate the susceptibility and resistance of bacteria to antibiotics.

2 TO CONSOLIDATE ITS POSITION AS A GOLD STANDARD IN SYNDROMIC DIAGNOSIS

in the field of infectious diseases through the BIOFIRE® molecular biology product line. Its strategy is based, in particular, on:

- **expanding the system's test menu** to additional disease states;
- broadening the **geographical reach** of this product line in the world, in particular outside of the United States;
- **maintaining the highest standards** in terms of quality;
- broadening the user types / customer settings, beyond the labs.

3 TO DIFFERENTIATE IN IMMUNOASSAYS

through the launch of high medical value markers or differentiated tests on existing attractive markets with a **renewed and upgraded instrument**.

To capitalize on the success of VIDAS® in emerging countries to provide a higher throughput low-cost system.

4 TO SHAPE THE FUTURE OF INDUSTRIAL MICROBIOLOGY

through cutting-edge rapid and digitalized testing solutions that support innovative treatments and patient health and improve consumer safety and customer productivity in food industry.
In particular, bioMérieux intends to:

- **digitalize traditional sterile Quality Control** and bring to market solutions dedicated to cell and gene therapies segment;
- **expand molecular solutions** to all food segments and develop predictive diagnostics based on data and genomics.

SOLUTIONS FOR HEALTHCARE PROFESSIONALS AND INDUSTRY

bioMérieux is on the front line in the fight against microbial resistance.

3 KEY TECHNOLOGIES FOR *IN VITRO* DIAGNOSTICS

MICROBIOLOGY
is based on cultures of biological samples, microorganism identification and antimicrobial resistance measurement.

MOLECULAR BIOLOGY
is based on the detection of genetic DNA or RNA sequences characteristic of a microorganism (bacteria, viruses, fungi and parasites).

IMMUNOASSAYS
are based on the principle of immunological reaction, to identify or quantify the presence of antigens and/or antibodies in a sample.

80%

of bioMérieux clinical applications help to fight against microbial resistance.

Innovation at the heart of our priorities.
For more than 55 years, bioMérieux has been committed to innovation by mobilizing its key technologies in order to meet the expectations of clinical pathologists and physicians.
The solutions developed enhance the medical and predictive value of its tests. They also optimize laboratory operational performance.

ANTIMICROBIAL RESISTANCE

A unique range

bioMérieux offers a full range of diagnostic solutions that make it possible to:

- confirm bacterial infection and identify the pathogens responsible to ensure optimal patient care and prevent any unnecessary antibiotic use;
- determine the resistance profile of the pathogen to select the most appropriate treatment, limit broad-spectrum antibiotic use and prevent unwanted side effects;
- monitor the progress of the patient's health status to personalize treatment duration and discontinue antibiotics as soon as possible;
- detect and prevent the propagation of multidrug-resistant organisms (MDROs).

It is also useful to monitor the antimicrobial resistance of pathogens at local, regional and global levels. Understanding the epidemiology of this resistance helps to determine the actions necessary to control it. To this end, bioMérieux is the sole private sponsor of the Global Point Prevalence Survey (GLOBAL-PPS), the largest global study on the use of antibiotics and microbial resistance in hospitals, with the aim of improving practices and slowing down resistance.

SEPSIS SOLUTION

A complete range for combating sepsis

bioMérieux is targeting sepsis on a comprehensive scale, with the most extensive range of solutions on the market. This range enables simultaneous diagnosis of the disease and of the organism's inflammatory response by combining immunoassay, microbiology and molecular biology testing.

"Sepsis solution" makes it possible to:

- identify the infectious agent and determine the appropriate antibiotic treatment (e.g. BIOFIRE® blood culture identification panels);
- test, analyze and monitor the host's response (e.g., VIDAS® B.R.A.H.M.S PCT™);
- optimize laboratory workflow (Lab Consulting and MYLA® solutions).

EPIDEMIC RISK MANAGEMENT RELATED TO EMERGING PATHOGENS

Promoting access to diagnosis

Faithful to its public health mission, bioMérieux is also taking action in the event of health crises related to emerging or re-emerging pathogens, such as the Ebola virus epidemic in West Africa in 2014 or the pneumonic plague epidemic in Madagascar in 2017, via studies to assess new, rapid and automated molecular diagnostic tests. In 2020, in response to the COVID-19 epidemic, bioMérieux immediately developed and marketed a full range of molecular and serological tests.

INDUSTRIAL APPLICATIONS: FOR DIGITAL, PREDICTIVE AND PREVENTATIVE DIAGNOSIS

The food and healthcare industries are constantly evolving. The bioMérieux diagnostic tests are used to guarantee the microbiological quality of raw materials, the production environment and products throughout the manufacturing process. As one of the leaders in industrial microbiology, the Company invests in innovative alternative technologies, in collaboration with these industries, in order to best tailor its solutions to their needs.
"We have understood the full value of diagnostics in industry as well, especially upstream in order to predict and prevent contamination. In this context, the greatest challenge is to understand how to manage data!" explains Yasha Mitrotti, Executive Vice President of Industrial Microbiology at bioMérieux.
For the food sector, the Company is developing predictive solutions to anticipate and therefore prevent the appearance of pathogens or problems altering the smell and taste of food. Promising markets include nutraceuticals (foods having a beneficial effect on the body), therapeutic cannabis (in the United States), alcoholic beverages, plant-based beverages and chocolate.
In the pharmaceutical field, buoyed by messenger RNA vaccines and personalized drugs, the Company is launching new products making it possible to digitize and automate environmental control. It is supporting the expected revolution of the gene and cell therapy market with the development of diagnostic solutions adapted to the technical requirements thereof.

INNOVATION,
THE DRIVER OF OUR RESPONSE TO PUBLIC HEALTH CHALLENGES

Our employees develop innovative solutions for detecting and identifying pathogens as well as improving time to results and analyzing data. Our approach relies on internal R&D programs, international multidisciplinary collaborations and acquisitions.

A EUROPEAN PROJECT TO DEMONSTRATE THE VALUE OF DIAGNOSTICS

Started in 2019, VALUE-Dx is a unique European project that seeks to provide scientific evidence of the medical, technological and economic value of *in vitro* diagnostics for a more rational use of antibiotics. Led by a public-private research consortium of 26 partners, the European Commission provides half of the funding for the project. VALUE-Dx comprises two clinical trials, including one co-directed by bioMérieux called ADEQUATE (Advanced Diagnostics for Enhanced QUality of Antibiotic prescription in respiratory Tract infections in Emergency rooms). It uses our BIOFIRE® Respiratory 2.1 plus (RP2.1*plus*) and BIOFIRE® Pneumonia panels to demonstrate the impact of syndromic diagnostic tests on the emergency management of severe respiratory infections.

ANTIMICROBIAL RESISTANCE: FUNDING APPROPRIATE TO THE CHALLENGE

€9 million is the public funding obtained by the ARPEGE project, whose total budget equals €17 million over four years. Combining preventative, diagnostic, therapeutic and economic approaches for the fist time, this consortium aims to provide a multidisciplinary solution to the problem of antimicrobial resistance. Coordinated by PME Antabio, it brings together bioMérieux, the *Hospices Civils de Lyon (HCL)* and the Toulouse School of Economics.

OUR R&D TEAMS COMMITTED TO THE FIGHT AGAINST COVID-19

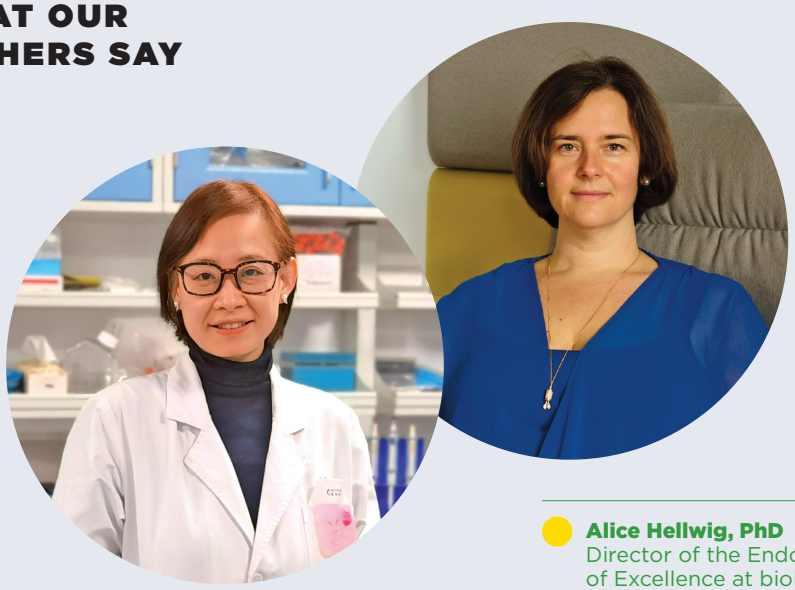
For two years, the COVID-19 pandemic has highlighted our ability to quickly and effectively respond to global health challenges: six additional molecular biology tests and three serological tests have been marketed.

A NEW TEST TO CHARACTERIZE THE IMMUNE RESPONSE

Via a simple test, clinicians can identify patients in intensive care with failing immune systems that do not allow them to combat infections effectively in order to adjust their care and restore a balanced response. This approach was opened thanks to the identification of specific biomarkers in the REALISM study (REAnimation Low Immune Status Markers) in which bioMérieux is participating. bioMérieux's goal is to develop an Immune Profiling Panel (IPP) on the BIOFIRE® platform to stratify patients and identify those who have a risk of secondary infections and/or death in order to provide immunotherapy treatment. Following the publication of the study results by bioMérieux in 2021 in Critical Care Medicine [1], an observational study is in progress to demonstrate the performance of this test.

(1) Immune Profiling Demonstrates a Common Immune Signature of Delayed Acquired Immunodeficiency in Patients With Various Etiologies of Severe Injury, Crit Care Med. 2021 Nov 10, Fabienne Venet et al.

WHAT OUR SEARCHERS SAY



Jill Liang, PhD
Laboratory manager of the Shanghai Children's Medical Center Joint Research Laboratory (China).

"I think it is meaningful to identify novel tests beneficial for children health and help to save lives."

Jill Liang began her career in cancer research, and joined bioMérieux in 2014 as laboratory manager of the Fudan Joint Research Laboratory, in partnership with a cancer hospital. In 2019, this Unit was transferred to Shanghai Children's Medical Center (SCMC) to be dedicated to infectious diseases. Its purpose is to identify host and pathogen biomarkers under critical care conditions.
The research team is currently working on the Immune Profiling Panel project to explore the host immune status, including those with severe pneumonia, sepsis, as well as patients undergoing immunotherapy or transplantation. In France, our Joint Research Laboratory with the Hospices Civils de Lyon works on a related topic targeting adult patients.
"For me, innovation is not only owned by R&D, everyone at every level can do it. Innovation emerges from collaboration between different kinds of partners, with the aim of building a better world together. I think it is meaningful to identify novel tests beneficial for children health and help to save lives."

Alice Hellwig, PhD
Director of the Endotoxin Center of Excellence at bioMérieux in Bernried (Germany).

"Innovation is a priority at bioMérieux. For me, it is a mindset above all."

After 12 years experience in the diagnostics industry for the pharmaceutical sector, in 2019 Alice was appointed General Manager of Hyglos GmbH, acquired by bioMérieux in 2016. She has been the Director of our Endotoxin Center of Excellence since 2020.
This center has a unique and recognized expertise in the development and production of recombinant protein-based reagents used for the detection of endotoxins in pharmaceutical quality control.
This site develops the ENDONEXT® range of products using an innovative approach based on a recombinant enzyme. It is an alternative to traditional methods which use the blood of horseshoe crabs.
"Innovation is a priority at bioMérieux. For me, it is a mindset above all. We look beyond what is usual practice and we step out of what is convenient in order to question ourselves: are we doing it this way because it is the best way or because it's the way we are used to? When human health is at stake, we especially need to invest in the future and ensure we are doing everything technically possible to provide the best solutions. bioMérieux provides an excellent environment for innovation and its open-minded culture is extremely supportive of innovation."

A RESPONSIBLE AND HUMANIST COMPANY

bioMérieux adopts a socially responsible, humanistic approach to its activities in line with the values upheld by the Mérieux family. The Company takes a long-term view with regard to employees as well as to outside stakeholders and the community in general. Its public health mission means it has a particular responsibility toward today's society and future generations.

A CSR STRATEGY DESIGNED IN CLOSE COLLABORATION WITH ITS STAKEHOLDERS

In 2020, bioMérieux consulted a panel comprised of 3,690 internal and external stakeholders in 7 countries. The results made it possible to develop a materiality matrix on which the Company relied to define its new CSR ambitions.

bioMérieux CSR strategy gives priority to issues that support the UN Sustainable Development Goals (SDGs) such as:

- good health and well-being; **SDG 3**;
- decent work and economic growth **SDG8**;
- reduced inequality **SDG 10**;
- responsible consumption and production **SDG 12**;
- combating climate change **SDG 13**.

This strategy is fully in line with bioMérieux's commitment to the United Nations Global Compact, which has been renewed each year since 2003.

A CSR STRATEGY DRIVEN BY **A MISSION THAT SUPPORTS PATIENTS' HEALTH WORLDWIDE**

Building on the long-term vision of the Mérieux family, each year, bioMérieux renews its commitment to the United Nations Global Compact and works toward the United Nations Sustainable Development Goals (SDGs).
The Company's contribution consists first and foremost in serving the needs of patients, throughout their healthcare experience by providing *in vitro* diagnostic solutions to fight against infectious diseases.
Corporate Social Responsibility (CSR) is driven by the Executive Committee, which monitors the implementation of ambitions and progress performed on a quarterly basis. The CSR policy and non-financial risks are shared with the Audit Committee and the Board of Directors every year.

The CSR Department leads the CSR Committee, which includes all the Company's departments. This committee handles the operational rollout of the CSR strategy, taking a cooperative approach to setting CSR objectives and then embracing them at all levels of the Company and on all continents.

OUR MAIN CSR COMMITMENTS

HEALTH

Antimicrobial Resistance (AMR) & Stewardship (AMS)

+30%
of patient results(1) supporting AMS by 2025

≥80%
of referenced antibiotics addressed by our **AST solutions**(2)

PLANET

Carbon & environment footprint

-50%
GHG absolute emissions in 2030 vs. 2019 scope 1&2

-45%
water consumption(3)

-50%
energy consumption(3)

-50%
waste generation(3)

HEALTHCARE ECOSYSTEM

Stakeholder dialogue

Collaboration projects with patient associations
x2 by 2025

Materiality assessment updated every
3 years

EMPLOYEES

Safety, Diversity & Inclusion

Lost Day Incident Rate
÷2 to 0.6
in 2025 vs. 1.2 in 2020

Corporate leadership team(4)

>40%
women

>35%
international

EXTENDED COMPANY

Partners & Communities

≥1%
of net income Group share dedicated to Philanthropy (Endowment fund excluded)

Distributors covering
55%
of sales(5), trained on CSR by 2025

(1) 2019 estimation: 183 million results.
(2) At least 80% based on EUCAST list and 90% based on CLSI cat A,B,U list.
(3) Per million € of sales.
(4) Direct reports to the Executive Committee with a Global Corporate mission (international profiles are defined as non-French).
(5) Sales realized through the distributors network.

BUSINESS MODEL

PIONEERING DIAGNOSTICS TO ADDRESS PUBLIC HEALTH CHALLENGES

OUR RESOURCES AND STRENGTHS

INTERNATIONAL AND COMMITTED TEAMS

- Around 13,000 employees
- Operations in 44 countries
- Diversity, multiculturalism and inclusion
- Good social dialog

SOLID FINANCIAL FUNDAMENTALS

- Stable family shareholder structure
- Mutual trust with financial partners (investors and banks)
- Solid structural cash flow generation

SUSTAINED INVESTMENT IN INNOVATION

- Between 11 and 13% of sales
- 14 R&D centers

STRICT REQUIREMENTS FOR OUR OPERATIONS

- 15 bio-industrial sites
- Over 12,000 suppliers
- Policy of sustained investment
- Code of Conduct

A RESPONSIBLE ENVIRONMENTAL POLICY

- Careful, responsible consumption of natural resources and primary raw materials and optimization of waste production and recycling
- Greenhouse gas emission management
- Eco-design development and optimization of the life cycle of our products

A HUMANIST AND SUPPORTIVE CORPORATE CULTURE

- Humanist commitment
- Ties with local stakeholders

OUR FUNDAMENTALS

A FAMILY-OWNED COMPANY WITH A LONG-TERM VISION

4 GENERATIONS

COMMITTED TO SERVING PUBLIC HEALTH

OUR VALUE CREATION

To address our customers' challenges

- Clinical laboratories
- Hospital laboratories
- Physicians
- Blood banks
- Vets
- Industrial control laboratories (food, pharmaceuticals and cosmetics)

PROMOTING EMPLOYEE ACHIEVEMENTS AND WELL-BEING

- 19 hours of training/employee
- Training take-up rate: 93%
- 7.3% of internal promotions, or 869 employees
- Employee share ownership plans

ACHIEVING RESULTS THAT GUARANTEE INDEPENDENCE

(CAGR 2018-21)

- Sales + 12%
- Net income + 33%
- Free cash flow + 45%
- Dividends + 22%

INTERACTING WITH THE HEALTH ECOSYSTEM

- Extensive industrial know-how
- ISO 9001 certifications: 56 sites and subsidiaries in 2021 versus 55 in 2020
- ISO 13485 certifications: 15 sites and subsidiaries in 2021 as in 2020
- Health economics studies
- Responsible commitment to our suppliers and local procurement policy
- Expertise sharing with healthcare professionals
- Responsible personal data management
- Code of Conduct training for everyone

IMPROVING PUBLIC HEALTH WORLDWIDE

- Open innovation (joint research laboratories, public/private partnerships)
- Product quality and safety
- 76% of R&D expenditure dedicated to the fight against antimicrobial resistance

PRESERVING THE PLANET

- bioMérieux's GHG emissions reduction approach and targets have been recognized by the Science Based Targets initiative as meeting the levels required to achieve the goals of the Paris Climate Agreement and to keep global warming limited to 1.5°C, the scientifically recognized threshold for avoiding the most serious consequences of climate change
- Ecodesign approach for products

ENSURING A POSITIVE EFFECT ON COMMUNITIES

- Nearly €6 million spent in 2021
- 4.1‰ of sales dedicated to sponsorship
- Employee and Company involvement in local communities
- Fair tax contribution

1897

After studying alongside Louis Pasteur, Marcel Mérieux creates Institut Mérieux

1937

Dr. Charles Mérieux takes over

1963

Alain Mérieux creates bioMérieux

2015

Alexandre Mérieux becomes Chief Executive Officer of bioMérieux and Chairman in 2017

COMMITTED **GOVERNANCE**

THE BOARD OF DIRECTORS
as at December 31, 2021

bioMérieux is governed by a Board of Directors comprised of nine members, including five independent directors and one director representing employees.

MAIN SKILL SETS OF BOARD MEMBERS

The Board of Directors benefits from the varied, complementary skills of the individuals who comprise it.

- Management of major groups/listed companies
- International environment
- Strategy and M&A
- Health sector
- Finance/Audit
- CSR
- Digitalization

1 **Alexandre Mérieux**, Chairman and Chief Executive Officer [(a)]
2 **Philippe Archinard** Non-independent director [(a) (b)]
3 **Jean-Luc Bélingard** Non-independent directors [(a) (c)]
4 **Frédéric Besème** Director representing employees [(a)]
5 **Harold Boël** Independent director [(a) (b)]
6 **Marie-Hélène Habert-Dassault** Independent director [(a) (c)]
7 **Marie-Paule Kieny** Independent director [(a)]
8 **Agnès Lemarchand** Independent director [(a) (b)]
9 **Fanny Letier** Independent director [(a) (c)]

59.6 YEARS
Average age

92.5%
Attendance rate on Board

5 INDEPENDENT directors

4 WOMEN on the Board

9.8 YEARS
Average term of office

(a) Strategy Committee.
(b) Audit Committee.
(c) Human Resources and CSR Committee

THE EXECUTIVE COMMITTEE
as at December 31, 2021

THE EXECUTIVE COMMITTEE IS RESPONSIBLE FOR IMPLEMENTING THE COMPANY'S GENERAL STRATEGY VALIDATED BY THE BOARD OF DIRECTORS.

The committee is responsible for overseeing strategic projects, deciding on priorities and implementing the necessary resources within the Company's various departments, such as deciding on significant capital expenditure. It also reviews the Company's operations as well as its regulatory and quality management, financial position, sales and headcount, and monitors the Group's most important projects. The Executive Committee meets every month.

Alexandre Mérieux
Chairman and
Chief Executive Officer

Pierre Boulud
Chief Operating Officer,
Clinical Operations

Guillaume Bouhours
Chief Financial Officer,
Executive Vice President,
Purchasing & Information
Systems.

Pierre Charbonnier
Executive Vice President,
Global Quality,
Manufacturing
& Supply Chain

François Lacoste
Executive Vice President,
R&D

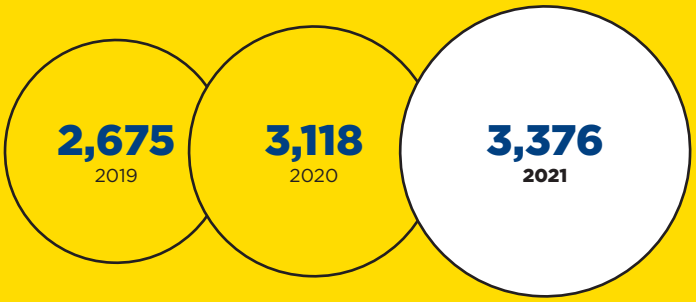
Valérie Leyldé
Executive Vice President
Human Resources and
Communication

Mark Miller
Executive Vice President,
Chief Medical Officer

Yasha Mitrotti
Executive Vice President,
Industrial Microbiology

Esther Wick
Executive Vice President,
Legal Affairs, Intellectual
Property and Compliance

2021 PERFORMANCE



SALES
(in millions of euros)

SALES BY GEOGRAPHIC AREA

49%

AMERICAS

44% North America

5% Latin America

33%

EMEA
Europe, Middle East, Africa

17%

ASIA PACIFIC

SALES BY APPLICATION

38%

Molecular biology

31% Microbiology

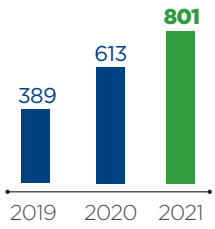
14% Immunoassays

15% Industrial applications

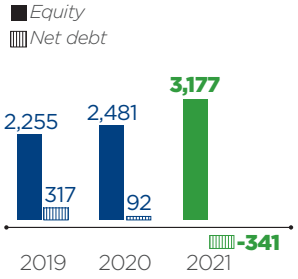
3% Other ranges

FINANCIAL INDICATORS

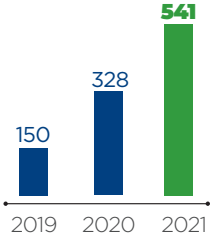
CONTRIBUTIVE OPERATING INCOME BEFORE NON-RECURRING ITEMS[1]
(in millions of euros)



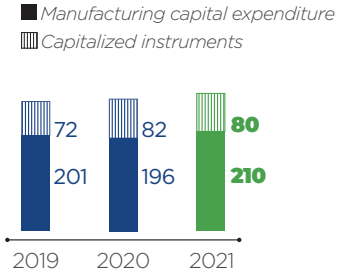
CHANGE IN FINANCIAL POSITION
(in millions of euros)



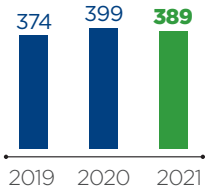
FREE CASH FLOW[2]
(in millions of euros)



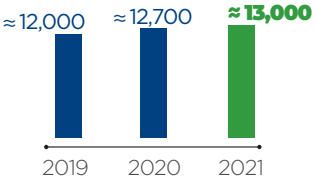
CAPITAL EXPENDITURE
(in millions of euros)



R&D EXPENSES
(in millions of euros)



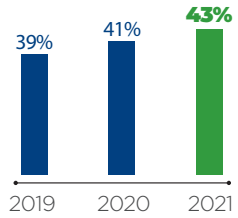
HEADCOUNT
AS AT DECEMBER 31[3]



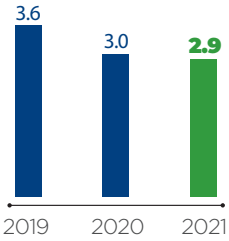
(1) The contributive operating income before non-recurring items corresponds to the operational income excluding non-recurring items related to the integration of BioFire, and accounting entries related to the allocation of its acquisition cost.
(2) Cash flow prior to the acquisition of companies, treasury shares, divested businesses and dividends.
(3) In full-time equivalent, including temporary employees.

NON-FINANCIAL INDICATORS

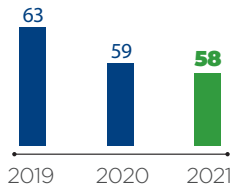
SHARE OF WOMEN IN MANAGEMENT POSITIONS



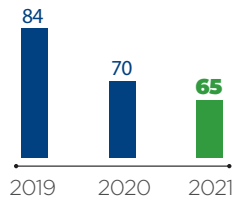
WASTE GENERATION
IN RELATION TO SALES
(Metric tons per million euros)



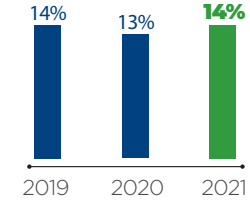
GHG EMISSIONS[1]
(in thousands of tCO_2e)



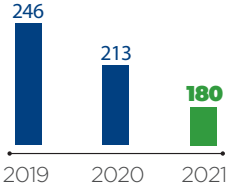
TOTAL ENERGY CONSUMPTION
IN RELATION TO SALES
(MWh per million euros)



PERCENTAGE OF ENERGY CONSUMPTION FROM RENEWABLE SOURCES



WATER CONSUMPTION
(all sources)
IN RELATION TO SALES
(m^3 per million euros)



(1) Scopes 1 and 2 greenhouse gas emissions.

1.

PRESENTATION OF BIOMÉRIEUX AND ITS ACTIVITIES

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1.1 HISTORY AND DEVELOPMENT

1.1.1 bioMérieux and the Institut Mérieux

bioMérieux's commitment to public health and its expertise in biology are rooted in the unique history of the Mérieux family. In 1897, Marcel Mérieux, a student of Louis Pasteur, founded a clinical analysis laboratory in Lyon, which became the Institut Mérieux. It was the start of an extraordinary adventure in the fields of biology and industry.

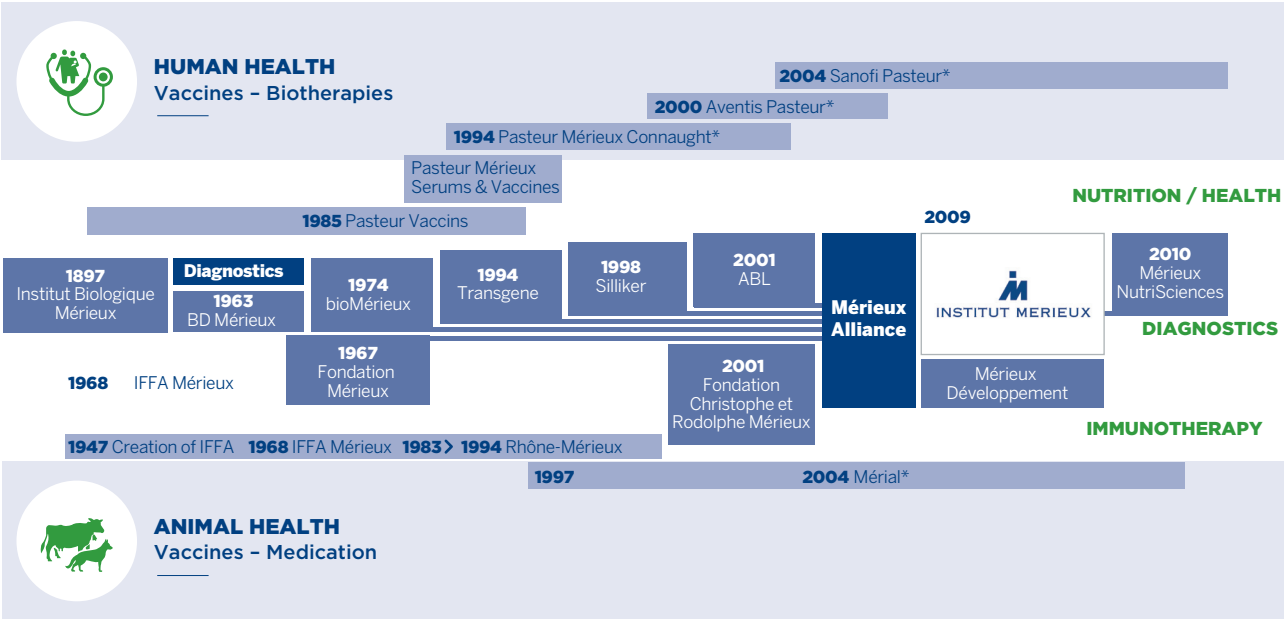
In 1937, Marcel Mérieux's son, Doctor Charles Mérieux, took charge of the laboratory. During the 1940s, he introduced a technique developed by the Dutch professor Frenkel – *in vitro* culture – which revolutionized the manufacture of vaccines and led to the production of reagents for *in vitro* diagnostics tests.

The Institut Mérieux became a worldwide leader in the field of human and veterinary vaccines.

Simultaneously with these activities, in 1963 Alain Mérieux, the grandson of Marcel Mérieux, founded the company B-D Mérieux, which became bioMérieux, dedicated to *in vitro* diagnostics.

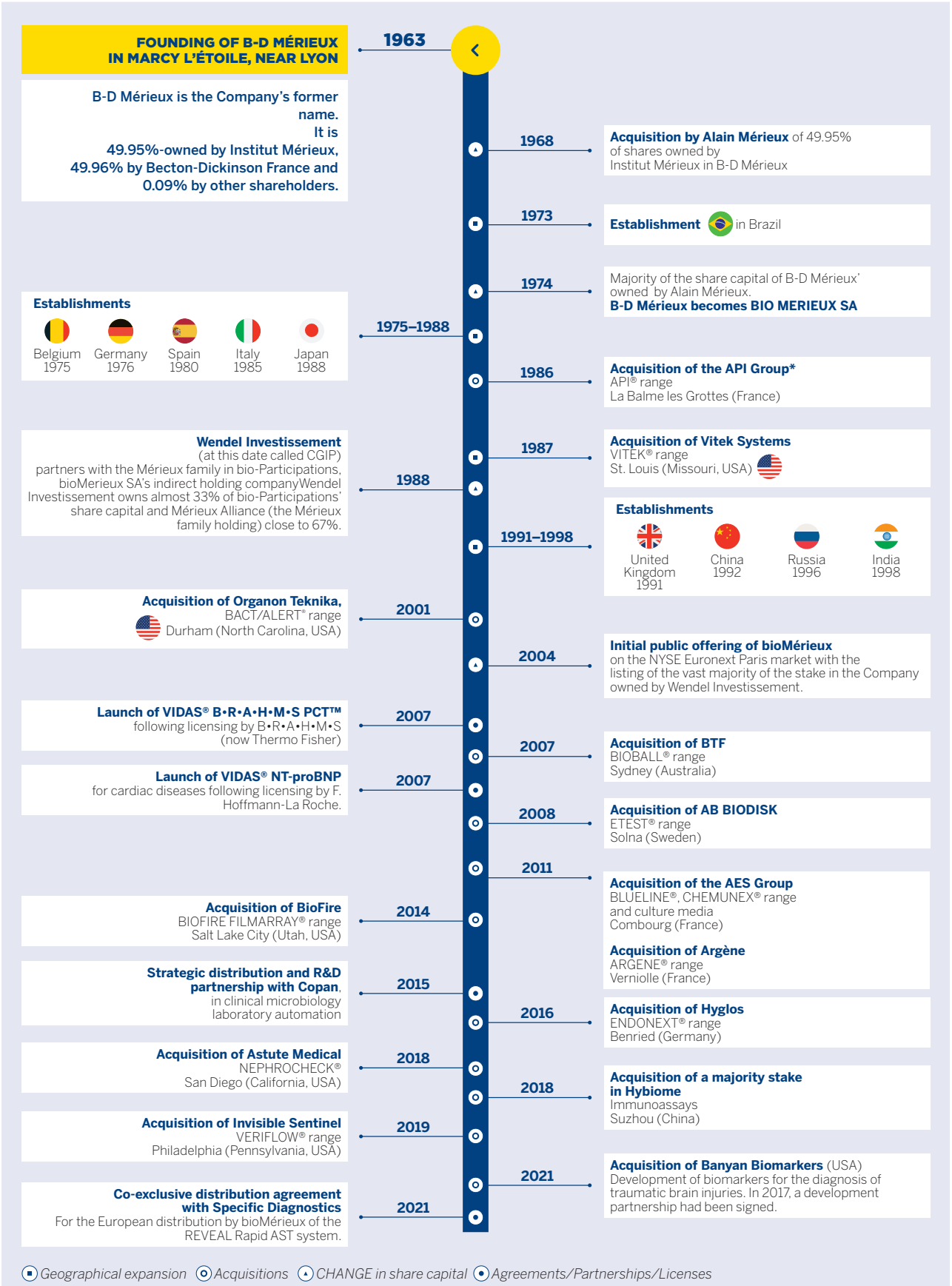
The Institut Mérieux gave rise to numerous companies which formed part of the Mérieux family scope until 1994, the date of disengagement of the family from vaccinology activities.

These companies are still major players in the field of public health; in human medicine, Pasteur Mérieux Connaught, which became Aventis Pasteur and then Sanofi Pasteur; and in veterinary medicine, IFFA (Institut Français de Fièvre Aphteuse), which became Rhône Mérieux, then Mérial, and is now integrated into the Boehringer Ingelheim group.



* *Companies deconsolidated from the companies controlled by the Mérieux family in 1994.*

1.1.2 Significant developments



* *On March 21, 1987, bioMérieux merged with API SA, a company incorporated in 1967. bioMérieux, which had been established in 1963, was absorbed by API SA. Following this operation, API SA took on the name bioMérieux.*

1.2 ORGANIZATION OF ACTIVITIES

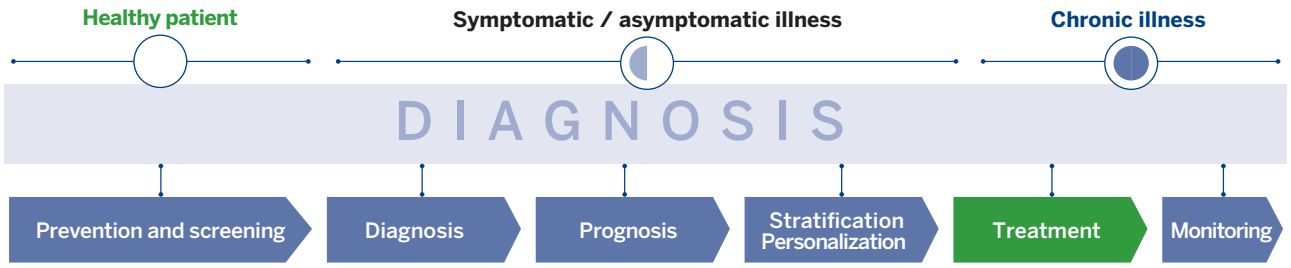
1.2.1 The *in vitro* diagnostics market

Given the very limited amount of official statistics on its market, the Company does its own analyses on the basis of work prepared by financial specialists, specialized independent consultants, other companies in the sector and its internal experts.

The sources used to estimate the market (size, growth and split), as well as the Company's competitive position relative to its competitors, are mentioned in the corresponding paragraphs.

1.2.1.1 General description

In clinical applications, *in vitro* diagnostics is an essential link the healthcare process. It has a role to play at each stage of patient care:



In vitro diagnostic tests are used to determine the origin of an infection, make a correct diagnosis, propose the most appropriate therapy, monitor patient care, avoid costly complications and evaluate the evolution of a disease: between 60 and 70% of medical decisions rely on the results of a diagnostic test. This reaches 100% for some diseases which can only be detected by analyzing patient samples, such as AIDS or early-stage cancers.

The analyses are performed on samples taken from a patient (outside the patient's body). They are generally carried out at the request of a physician, in private or public biomedical laboratories belonging to hospitals or commercial entities, blood banks and physician offices. The results are then sent to the physician who can use them to confirm or establish a diagnosis (often in combination with other examinations such as a medical examination or imaging). In some countries, the physician or patients themselves perform certain analyses.

In the industrial market, *in vitro* diagnostics technologies are used to monitor the microbiological quality of food and veterinary products, pharmaceuticals and cosmetics. These microbiological tests (sterility of products, absence of pathogenic bacteria, etc.) are conducted throughout the production chain, from raw materials to the finished product, and are also used in the manufacturing environment (air, water and surfaces).

The *in vitro* diagnostics market is part of the health sector but is a distinct market from the pharmaceutical market. Although it is becoming increasingly stringent, its regulatory environment is still more flexible than that applicable to pharmaceutical products, and its customer base is more stable, principally due to the initial costs (capital and training expenditure, and the cost of connecting platforms to laboratories' information systems) incurred by diagnostics customers. The evolution of sales for companies in this market is also more regular due to:

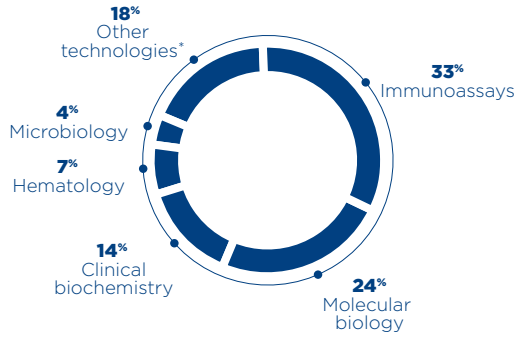
- the significant proportion of reagent sales, because of the "closed" nature of most systems, which function only with reagents developed and marketed by the manufacturers of these systems (captive market);
- the obligation to offer customers a wide selection of reagents per instrument, which leads to a distribution of the *in vitro* diagnostics companies' activities across a large number of products, in contrast to pharmaceutical groups that are often dependent on blockbusters;
- relatively steady changes in demand in the diagnostics market, compared to with drugs sales, which can vary widely, due, in particular, to changes in the regulatory environment and competition from generic drugs.

1.2.1.2 A market determined by technologies

In vitro diagnostics covers all techniques, systems and products used on samples, of biological fluids or human tissue within biomedical laboratories. It is based on several types of technology:

- biochemistry, measurement of the basic components of the body, particularly concerning tests for monitoring diabetes;
- immunoassays, principle of an antigen-antibody reaction which is used in the detection or assay of infectious agents (such as bacteria, viruses and parasites) and pathological markers;
- microbiology, the culture of biological samples in a medium allowing any bacteria present to multiply. Any bacteria detected are then identified and tested for susceptibility to antibiotics;
- molecular biology: detection of genetic sequences of DNA or RNA that are characteristic of a bacterium, virus, protein or cell. In the field of infectious diseases, the process consists of extracting nucleic acids (extraction), multiplying (amplifying) them, marking the resulting copies of this amplification and detecting a signal, in order to determine the presence and quantity of infectious agents in the original sample;
- hematology: study of the components of the blood (e.g., platelets, red and white cells, etc.).

ESTIMATE OF THE DISTRIBUTION OF THE GLOBAL CLINICAL *IN VITRO* DIAGNOSTICS MARKET IN 2020 BY TECHNOLOGY:



* *This section includes next-generation sequencing, flow cytometry, rapid testing, blood gas analysis and urine testing.*

Source: final IQVIA estimates based on company publications in the sector for 2020.

1.2.1.3 A global market

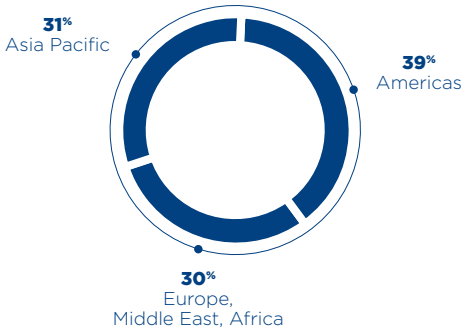
In 2020, the global market for *in vitro* diagnostics was estimated at €73 billion for clinical applications and approximately €2.9 billion for industrial applications.

The estimated growth rate of the *in vitro* diagnostics market for clinical applications was approximately 28% in 2020, at constant currencies, driven by the effects of the COVID-19 pandemic.

The market for clinical applications is concentrated at approximately 65% in developed countries (mainly North America, Europe and Japan). For the Company, the breakdown of its revenues by geographic area and by application is presented in Section 5.1.1.

Since the end of the 1990s, the clinical *in vitro* diagnostics market has experienced a period of growth due to the increased recognition its medical value, as explained in the previous section.

ESTIMATE OF THE GEOGRAPHICAL DISTRIBUTION OF THE GLOBAL CLINICAL *IN VITRO* DIAGNOSTICS MARKET IN 2020:



Source: final IQVIA estimates based on company publications in the sector for 2020.

1.2.1.4 Market trends and growth prospects

The trends presented below are for illustrative purposes and may vary significantly for the reasons indicated in Section 2 (Risk factors).

Several **structural factors** explain growth in the *in vitro* diagnostics market:

- in developed countries, **demographic and lifestyle changes** favor a rapid, but also preventative and predictive, diagnosis:
  - extended life expectancy results in the aging of the population in all countries, not just in developed countries. For example, in 2004, 22% of the French population was age 60 or older and this proportion will probably reach 35% by 2040 (source: Institut National d'Etudes Démographiques - French Institute for Demographic Studies). This will lead to an increase in chronic diseases and age related disorders, such as cardiovascular diseases, neurodegenerative diseases, respiratory infections and certain cancers,
  - lifestyles (inactivity, stress, etc.) and new eating habits contribute to the development of diseases such as diabetes and food allergies;
- in developing countries, there is great **demand for improved healthcare** and public health systems due to:
  - rapid population growth and urbanization, recent pollution problems, and changing lifestyle and eating habits, which foster the emergence of infectious and chronic diseases,
  - rising living standards, the introduction of ambitious health reforms and new or renovated infrastructure, which are also stimulating an increase in demand, particularly for widely accessible medicines. Moreover, healthcare spending for OECD members is only 10% on average of the gross domestic product (versus approximately 17% in the United States and approximately 6% in Mexico, according to OECD.Stat). However, it is increasing (9% in 2019) due to the COVID-19 pandemic;

- **the emergence or reemergence of pathogens** imposes the need to develop new diagnostic tests:
  - microorganisms that are resistant to antibiotics and antivirals are emerging and impose better management of the therapeutic arsenal. In 2014, the World Health Organization (WHO) published its first report on global antimicrobial resistance, including resistance to antibiotics. This report shows that this serious threat is already a reality in every part of the world. Since 2015, several national or international initiatives have been put in place (United States, China, France, United Nations), notably to highlight the importance of increased monitoring of the emergence of resistant bacteria, or the necessity for rapid diagnostics in order to better control the prescription of antibiotics,
  - pathogens are appearing, emerging, reemerging and spreading worldwide. The COVID-19 pandemic gives an illustration of this. Before this crisis, the WHO has qualified two recent epidemics as a "global public health emergency"; in 2014, the Ebola virus epidemic, the most deadly since the discovery of the virus in 1976 and, in February 2016, the Zika virus epidemic, associated with increasing cases of microcephaly in babies whose mothers were infected during pregnancy,
  - the proliferation of healthcare-associated infections has led to the need to detect the carriers of multi-resistant bacteria before they infect themselves or other patients. Furthermore, the high cost of treatment of these infections (estimated in Europe at €7 billion per year, according to MedTech Europe) favors screening tests for the carriers of these bacteria so as to implement the appropriate hygiene measures. Furthermore, an actual or suspected hospital contamination requires epidemiological studies to be conducted in order to understand how the pathogen was transmitted, and to implement appropriate hygiene measures to contain and stop its spread;
- **reducing health expenditure** is an economic obligation:
  - the continuing economic difficulties experienced by developed countries are leading governments to optimize and even reduce their healthcare spending. Diagnosis usually only accounts for approximately 2 to 3% of this spending (excluding the COVID-19 pandemic) but is used in most treatment decisions and provides better patient care; thanks to its effectiveness at every stage of an illness, it can make a significant contribution to healthcare spending optimization,
  - reimbursement for medical care is increasingly carried out by pathology and not by examination. In this context, hospitals bear the cost of patient treatment and monitoring, which gives them an incentive to conduct diagnostic tests in order to select the most appropriate treatment and avoid hospitalization wherever possible;
- *in vitro* diagnostic testing is medically important to the healthcare process through its incorporation into **4P medicine** (preventive, predictive, personalized and participatory):
  - progress in medical know-how leading to the discovery of new innovative biomarkers which may result in the development of *in vitro* diagnostics tests improving patient care,
  - molecular biology has added a new dimension to *in vitro diagnostics*. This has been confirmed during the COVID-19 health crisis, with the massive use of *polymerase chain reaction (PCR) testing*. More often than not, it is not a substitute for traditional techniques, but supplements the diagnostic offering by providing superior performances compared to traditional techniques (sensitivity and/or speed),
  - molecular biology has also enabled a new approach to infectious diseases: the syndromic approach. Numerous infectious diseases have a similar clinical profile but may be caused by different pathogens, including viruses, bacteria, fungi or parasites. The syndromic approach is based on the simultaneous analysis of multiple pathogens which may cause this illness. The syndromic approach improves patient care,
  - technological progress has enabled the development of next-generation sequencing (NGS), which allows high-throughput genetic analyses on a much greater scale than traditional sequencing techniques. These innovations make it possible to expand the field of application for *in vitro* diagnostics to heart disease, cancer, autoimmune and degenerative disease,
  - "Theranostics", which combine a diagnostic test with a treatment could grow in the medium and long term. This approach enables the analysis of one or more biomarkers in order to stratify patients or diseases and develop more targeted, and thus more effective, medicines,
  - Bioinformatics, Big Data and IT and digital applications more generally may lead to progress of *in vitro* diagnostics by gradually erasing the border between offering services in clinical laboratories and solutions marketed by *in vitro* diagnostic companies and by providing laboratories with more precise information to make more informed clinical decisions and thus offer better care to their patients;
- **the structure of laboratories** is evolving:
  - new technologies are contributing to the development of new diagnostic systems, improving the medical value of each diagnosis along with laboratory workflows and efficiency,
  - an increasing shortage of qualified personnel, greater consolidation among laboratories, and the need to standardize analyses and improve operational efficiency, particularly in clinical microbiology, have led to the automation of laboratories and increased needs for services such as training, maintenance, accreditation assistance and laboratory productivity optimization,

  - the development of molecular biology is leading to new, faster and more accurate diagnoses (see Section 1.2.1.2), and expertise in this area has resulted in the development of easier to use integrated platforms,
  - demand is increasing in hospitals, particularly in the emergency and intensive care departments, for diagnostic solutions that make it possible to choose patient treatment more quickly, resulting in point-of-care (POC) tests and decentralized analyses,
  - developments in technology are also opening up new fields to *in vitro* diagnostics instruments outside the laboratory. Thus, certain tests could be decentralized and carried out in physician offices or pharmacies,
  - advances in communication technologies are impacting *in vitro* diagnostics, as devices must now increasingly be connected to laboratory information systems. In addition, with new generation connected tools, results can be communicated quickly to medical professionals via smartphones and, in certain cases and for certain applications, to patients themselves. More and more, patients want to play an active role in their own healthcare and health decisions, creating a need for better access to medical information and to faster, more precise and easier to understand analysis results;
- demand in **industrial applications** is driven by structural factors:
  - quality control obligations in food, pharmaceutical and cosmetics applications are increasing,
  - food, pharmaceutical and cosmetics companies are looking to protect their trademarks and reputation. These companies also want to be able to improve test automation, so as to be able to test raw materials before their use in production chains or to release batches of finished products faster, thereby encouraging the development of technologies such as cytometry,
  - changing eating habits (such as increasing meat consumption in emerging countries) are stimulating demand in the food industry,
  - the development of new "on demand" personalized medicine or short series treatments is sustaining demand in the biopharmaceutical industry due to the need for more regular and faster testing,
  - veterinary laboratories are increasingly having to deal with antimicrobial resistance in animals and have to increasingly run infertility and emerging animal diseases diagnostic tests in livestock. Moreover, new regulations are restricting the use of antibiotics on farms,
  - emerging countries want to protect their consumers and export their own food production. As a result, they are strengthening their food safety testing requirements,
  - end consumers are demanding increasingly higher standards when it comes to the quality of the food, pharmaceuticals and cosmetics that they buy.

Conversely, **some economic factors may impact growth in the market**:

- the budget situation of many countries may remain structurally difficult, especially following governmental economic support measures during the COVID-19 pandemic;
- chronic deficits, the excessive indebtedness of healthcare systems, and economic and monetary crises are leading to austerity measures (lower reimbursements, reduced capital expenditure, streamlining of the management of reagent inventories, etc.) and limiting users' ability to increase consumption;
- increased demand for diagnostic tests could put downward pressure on the sales prices paid by clinical laboratories for their reagents;
- the introduction of new tests and their reimbursement requires an evaluation of their cost/benefit ratio. These evaluation processes are still complex and rather informal, and represent an opportunity to better demonstrate the value of *in vitro* diagnostics tests;
- the emerging countries are traditionally markets for equipment, for which revenues are more irregular, and are characterized by a growing consumption of reagents; furthermore, these countries are becoming increasingly price-sensitive. These countries can also experience significant currency fluctuations;
- for several years, the consolidation of clinical laboratories, both in hospitals and commercial laboratories, has been materializing. This movement has been developing at different rates depending on the country. It is already very advanced in North America and Japan and, to a lesser extent, in Europe.

  This consolidation strengthens the negotiating power of customers and brings new interlocutors into the process of purchasing an *in vitro* diagnostics system, such as hospital managers and specialized buyers, which could negatively impact the level of prices charged by market stakeholders;
- egulatory requirements are increasing (see Section 2.2.3.2).

1.2.1.5 The main stakeholders

Increasing R&D costs related to innovation, consolidation of the customer base, the need for broader product lines, as well as critical mass considerations are leading stakeholders in the *in vitro* diagnostics market to continue their collaboration and partnerships. In addition, this market has attracted several new stakeholders.

The *in vitro* diagnostics market remains highly concentrated. The Company estimates that the 15 largest stakeholders in the market for *in vitro* diagnostics currently constitute 75% of the worldwide market (including diabetes tests). These are the large pharmaceutical groups (Roche, Abbott) or diversified conglomerates (Becton Dickinson, Thermo Fisher, Danaher and Siemens Healthineers), or specialized companies (bioMérieux, Diasorin, Sysmex, and Qiagen).

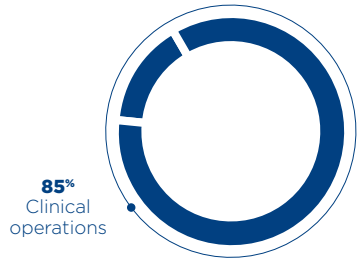
Based on its 2021 revenue, bioMérieux ranks itself in sixth place in the *in vitro* diagnostics market. This ranking reflects its specialized positioning; it is not present in either diabetes testing or in clinical chemistry testing.

1.2.2 General presentation of the Company

1.2.2.1 Areas of expertise

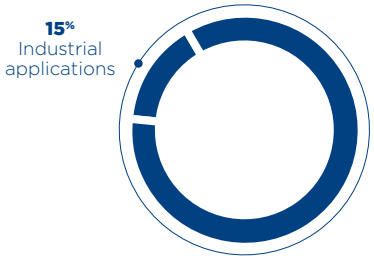
bioMérieux designs, develops, produces and markets systems that are used in two fields:

Clinical applications



From a biological sample (blood, saliva, urine, etc.), these systems make it possible to diagnose mainly infectious diseases. As a specialized stakeholder, bioMérieux ranks sixth worldwide in *in vitro* diagnostics, but is the world leader in clinical microbiology and molecular syndromic diagnostics of infectious diseases. The Group's historic and priority activity focuses on the diagnosis of infectious diseases: bacterial infections (such as staphylococcus), parasitic infections (such as toxoplasmosis) and viral infections (such as influenza). The diagnosis of infectious diseases represented approximately 95% of its revenue in 2021. Since 2011, bioMérieux has been making its expertise in microbiology available to healthcare professionals in animal health, notably with the aim of contributing to the fight against microbial resistance, epizootics and emerging zoonoses. This forms part of the "One Health" approach promoted by international organizations, and based on the principle of a continuum from animal to man in the transmission of infectious agents and resistance to antibiotics.

Industrial applications



These systems enable microbiological control of production or the production environment, mainly in the food, pharmaceutical and cosmetic industries. bioMérieux is a global leader in this sector.

Each of these two areas has its own management, the managers of which sit on the Executive Committee (see Section 4.2.1).

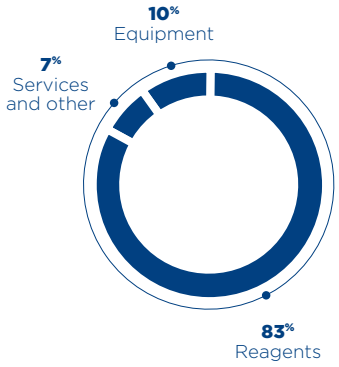
Given the current market, the Company believes that it is important to master three complementary techniques in order to successfully compete in the targeted areas:

- **microbiology**, which is based on culturing biological samples, identifying microorganisms and measuring their antimicrobial resistance;
- **immunoassays**, based on the principle of immunological reaction, to identify or quantify the presence of antigens and/or antibodies in a sample;
- **molecular biology**, which is based on the detection of genetic sequences of DNA or RNA characteristic of a pathogen to identify bacteria, viruses, fungi and parasites.

The Group's diagnostics line is made up of equipment, reagents and services (ERS):

- equipment (also referred to as instruments, platforms or automated analyzers) are used to conduct automated tests in series or individually. It is primarily closed systems, i.e., only specifically developed reagents can be used. Instruments are either sold or provided to customers for use on their premises under an agreement to purchase a minimum volume of reagents and consumables, under terms designed to cover the depreciation and financing of the instrument. In certain markets, instruments may also be leased to customers. Instruments that are sold or provided to customers are accompanied by services which include the installation and servicing of the instrument, as well as user training. Instruments are integrating software and expert systems for managing analyses and interpreting results;
- reagents and consumables are used to carry out biological tests, in order to perform screening, diagnostic assistance, prognosis and treatment monitoring;
- related services such as the installation and maintenance of instruments, user training or the audit of laboratory workflows.

BREAKDOWN OF 2021 REVENUE BY ERS



bioMérieux's business therefore involves integrating highly diversified technologies covering biology, instrumentation and engineering, as well as IT and data processing. This integration can often be complex, as it entails verifying the essential compatibility of the various components, monitoring overall coherence, adhering to the different standards applicable in each field, and respecting quality and cost objectives as well as deadlines for the provision of solutions.

1.2.2.2 Geographical presence and commercial network

The Company markets its products in over 160 countries through a network of international subsidiaries and distributors.

In its subsidiaries, sales and marketing forces are specialized by clinical or industrial application. In the most developed and mature markets, such as the United States, most European markets and Japan, sales forces in clinical applications are specialized according to product line. Likewise, the industrial applications sales forces are becoming increasingly specialized to meet customer needs in the pharmaceutical and food sectors. Conversely, in smaller markets, sales forces are pooled.

The Company has a strong presence across all continents through independent distributors. These distributors are primarily chosen based on their ability to maintain a strong brand awareness with regard to the Group's products and to comply with legal restrictions in terms of traceability and after-sales services (technical personnel, training, availability of spare parts). They are generally major players in the health field in their countries and are often exclusive in the diagnostics field, subject to the applicable laws. They are also selected by the Company based on their knowledge of local healthcare market stakeholders, and their material and human resources. The Company ensures that its distributors have adequate financial resources to fund the instruments provided to end customers.

In certain especially large emerging countries, such as China, Russia or India, the Company's subsidiaries may lead a network of local distributors. This organization, consistent with local distribution practices, allows the Company to sell its product ranges in a large part of these territories. *On the other hand*, using intermediaries can, in certain cases, make it harder to understand how the market is evolving.

1.2.2.3 Group Customers

Clinical market

The organization of the *in vitro* diagnostics sector varies considerably from country to country, depending on the structure of the healthcare system itself. This structure is a combination of variable balances between public and private actors. The Company primarily sells its products to hospital and commercial clinical laboratories. It estimates that these two types of customer represent around two-thirds of the *in vitro* diagnostics market, with hospital laboratories alone accounting for approximately half the market. To a lesser extent, the Group's customers include distributors, blood banks, the point-of-care market (including hospital emergency rooms) and physicians (physician office laboratories or POLs). The Group does not sell products to patients themselves.

The Company's clinical microbiology offering includes systems of any capacity and is based on the concept of microbiology lab automation. It is, therefore, perfectly in line with the shift toward the consolidation of laboratories described previously (see Section 1.2.1.4). Moreover, the Company is continuously developing its commercial offering by integrating its services and offering high added value comprehensive solutions (medical and/or economic). In the immunoassay field, the VIDAS® platform is suitable for decentralized laboratories and high medical value tests.

Industrial applications

The Group's customers are either quality control laboratories of large industrial food, pharmaceutical and cosmetics groups, or independent laboratories to which such industrial quality control is outsourced. In addition, with the development of the fight against healthcare-associated infections, the Company targets hospitals as industrial customers for the installation of disinfection and monitoring systems.

Statistics

France has a mixed healthcare structure, combining public and private laboratories.

Private laboratories represented 30% of sales in 2021, while hospitals totaled 39% of the Company's sales.

Industrial customers represented 31% of sales in 2021.

In the United States, the largest market for the Group, public or private hospitals represented 66% of sales in 2021 and commercial laboratories represented 13%. Also, less than 10% of sales were made with other customers in clinical applications, including POLs and University hospitals.

Industrial customers represented 10% of sales.

Despite the overall trend toward concentration of its customers, bioMérieux does not feel that it has a concentrated customer base. The main customer represented less than 1% of total Group sales in 2021.

1.2.2.4 Competition

Clinical market

In the infectious disease segment, the Company is one of the few players to have access to all the technologies used (microbiology, immunoassay and molecular biology). Its competitors differ according to the technology in question. The Company believes that its expertise in these complementary technologies gives it a significant competitive advantage:

- in clinical microbiology, as estimated internally and by an independent consultant specialized in *in vitro* diagnostics, the Company's market share is around 40%, putting it in the leading position worldwide. This market is estimated at about €3 billion, growing by around 5% a year at constant exchange rates. Other significant stakeholders in this market include Becton Dickinson, Danaher and Thermo Fisher. The line between technologies is becoming increasingly porous; start-ups offering identification technologies and/or rapid antimicrobial susceptibility testing (AST) based on molecular biology approaches are emerging, and stakeholders in the field of molecular biology are offering an increasing number of tests for the rapid identification of bacteria;
- in immunoassay, large diversified pharmaceutical groups (Roche, Abbott, Siemens Healthineers and Danaher) are dominant. Among specialized stakeholders, the main competitors include Bio-Rad and DiaSorin. According to its internal estimates, the Company holds a market share of around 3%. It is strengthening its position as a specialized stakeholder thanks to VIDAS® 3, the most recent generation of its VIDAS® automated system, to its range of high medical value tests and to its establishment in emerging countries;
- in molecular biology, the market leader is Roche. The other significant stakeholders are Hologic, Qiagen, Becton Dickinson, Danaher (Cepheid), Abbott and Siemens. The use of molecular biology has been massive since the start of the current pandemic, especially tests using PCR technology. This market can be divided into 3 segments depending on the number of pathogens detectable by the platforms in a single test: mono, low (≤ 5 pathogen) and multiplex. bioMérieux mainly offers a multiplex syndromic product with the BIOFIRE® system, which provides a new standard in the diagnosis of infectious diseases. Interest in multiplex testing has increased in the past few years both for healthcare professionals and for stakeholders in the diagnostics market. Several acquisitions have transformed the competitive picture for multiplex testing in 2020/2021: Roche, Diasorin and Hologic respectively acquired GenMark, Luminex and Mobidiag. In this segment, in late 2021, the BIOFIRE® range represented approximately 80% of the installed base worldwide. Furthermore, the Company is present in the extraction field with EMAG®, the new generation of its automated NUCLISENS® EASYMAG® system.

Industrial market

In the industrial microbiology market, which remains relatively fragmented, the Company considers itself one of the world leaders. Based on its internal studies, it evaluates its market share to be around 20%.

The other significant stakeholders are Merck Millipore, Charles River, EW Group, Thermo Fisher, Neogen and Becton Dickinson and a number of smaller companies in niche segments.

1.2.3 The Group's products

The Company has implemented a global marketing strategy. Its various systems are marketed under identical trademarks worldwide. In addition, the product portfolio is tailored to specific regional and local needs and its rationalization is continuously assessed.

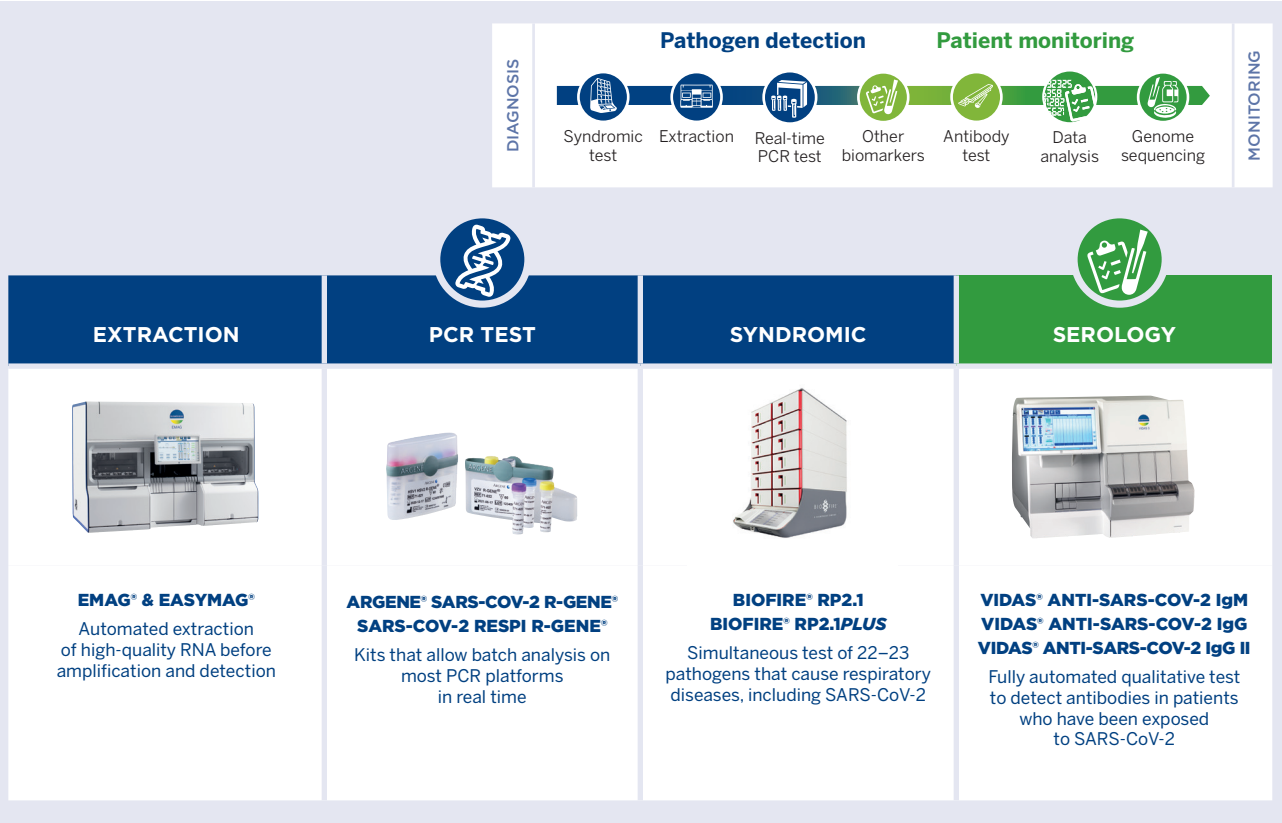
The Company's ten leading products accounted for 38% of the Company's sales in 2021.

bioMérieux is developing complete offer in order to meet public health challenges via specific product ranges.

1.2.3.1 Responding to public health challenges: comprehensive solutions

Specific solutions for combating the COVID-19 pandemic

On the strength of its expertise in the fields of molecular biology and immunoassay, bioMérieux is responding to major public health challenges in the fight against emerging pathogens (see Section 3.4.1.3), especially the COVID-19 pandemic. The Company has developed and provided various diagnostic solutions, some aimed at detecting the presence of SARS-CoV-2 in the body and others at determining the immune status of the patient.

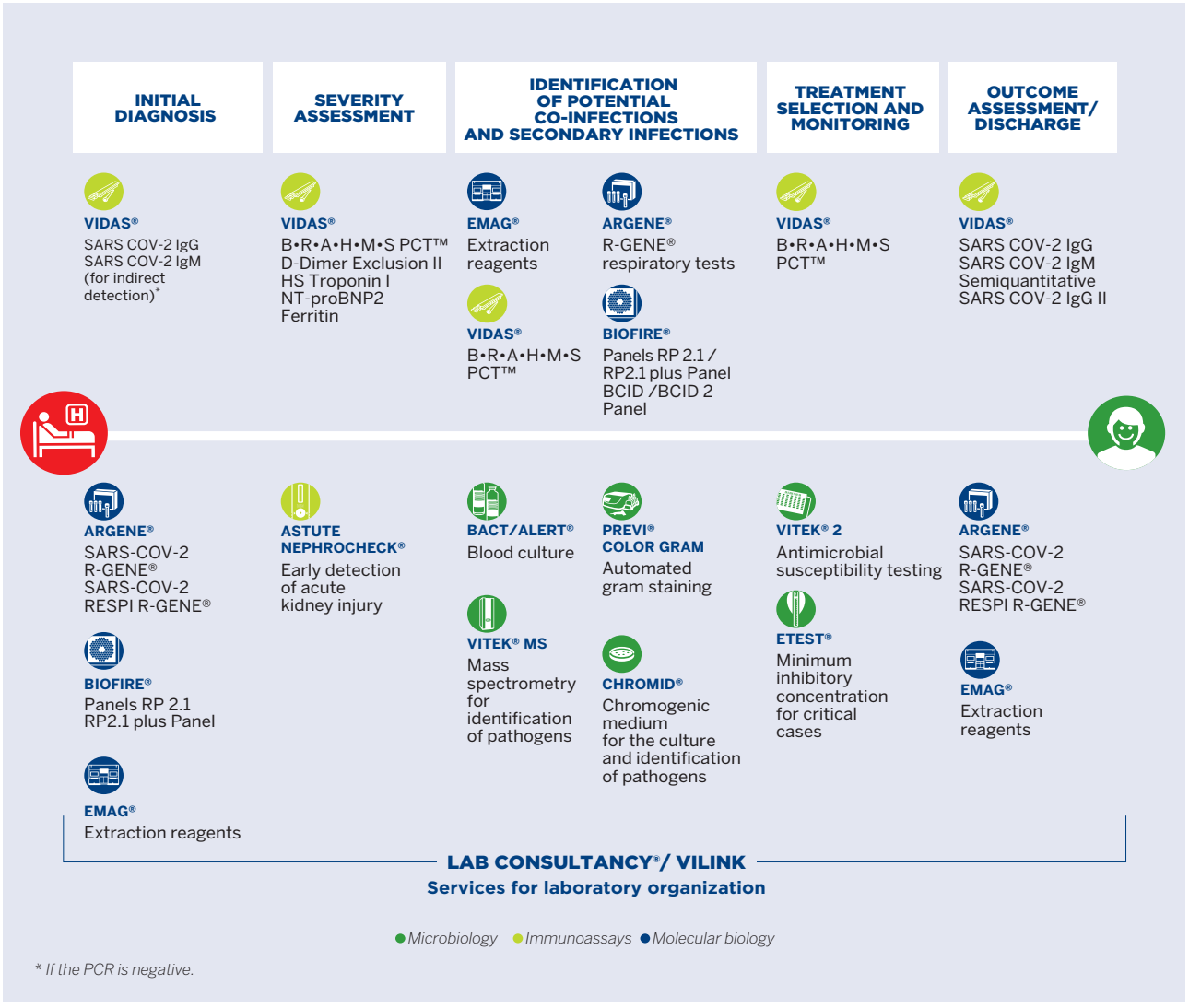


Various tests have been developed:

- molecular biology tests based on polymerase chain reaction (PCR) technology to amplify and detect the RNA of the coronavirus responsible for COVID-19:
  - the ARGENE SARS-CoV-2 R-GENE® test that specifically detects SARS-CoV-2 from nasopharyngeal, oropharyngeal or salivary samples by testing several patients simultaneously. It may be used with the majority of nucleic acid extraction and amplification platforms available on the market. The test is produced in France and gives a result in 4 to 5 hours,
  - BIOFIRE® 2.1 (RP2.1) and BIOFIRE® 2.1 plus (RP2.1 *plus*) *respiratory panels are updated versions of the RP2 and RP2 plus* panels that incorporate the detection of SARS-CoV-2 in addition to 21 pathogens frequently responsible for respiratory infections and already included in these panels. The RP2.1 also incorporates detection of MERS-CoV. These two panels are available on the BIOFIRE® FILMARRAY® 2.0 and FILMARRAY® TORCH platforms. The tests are produced in the United States and give results in 45 minutes;
- the VIDAS® anti-SARS-CoV-2 IgM and VIDAS® anti-SARS-CoV-2 IgG tests (US excluded) that rely on the enzyme-linked fluorescent assay (ELFA) technology of the VIDAS® range for the detection of antibodies indicating past or current infection. These tests make it possible to determine the immune status of the patient by detecting antibodies specifically directed against SARS-CoV-2. More specifically, these tests detect IgG and IgM immunoglobins produced by the immune system during SARS-CoV-2 infection. These three tests are produced in France and give a result in less than 30 minutes.

These products are part of bioMérieux's complete offering for the diagnosis and management of COVID-19 patients.

THE BIOMÉRIEUX COVID-19 SOLUTION: COMPLEMENTARY DIAGNOSTICS



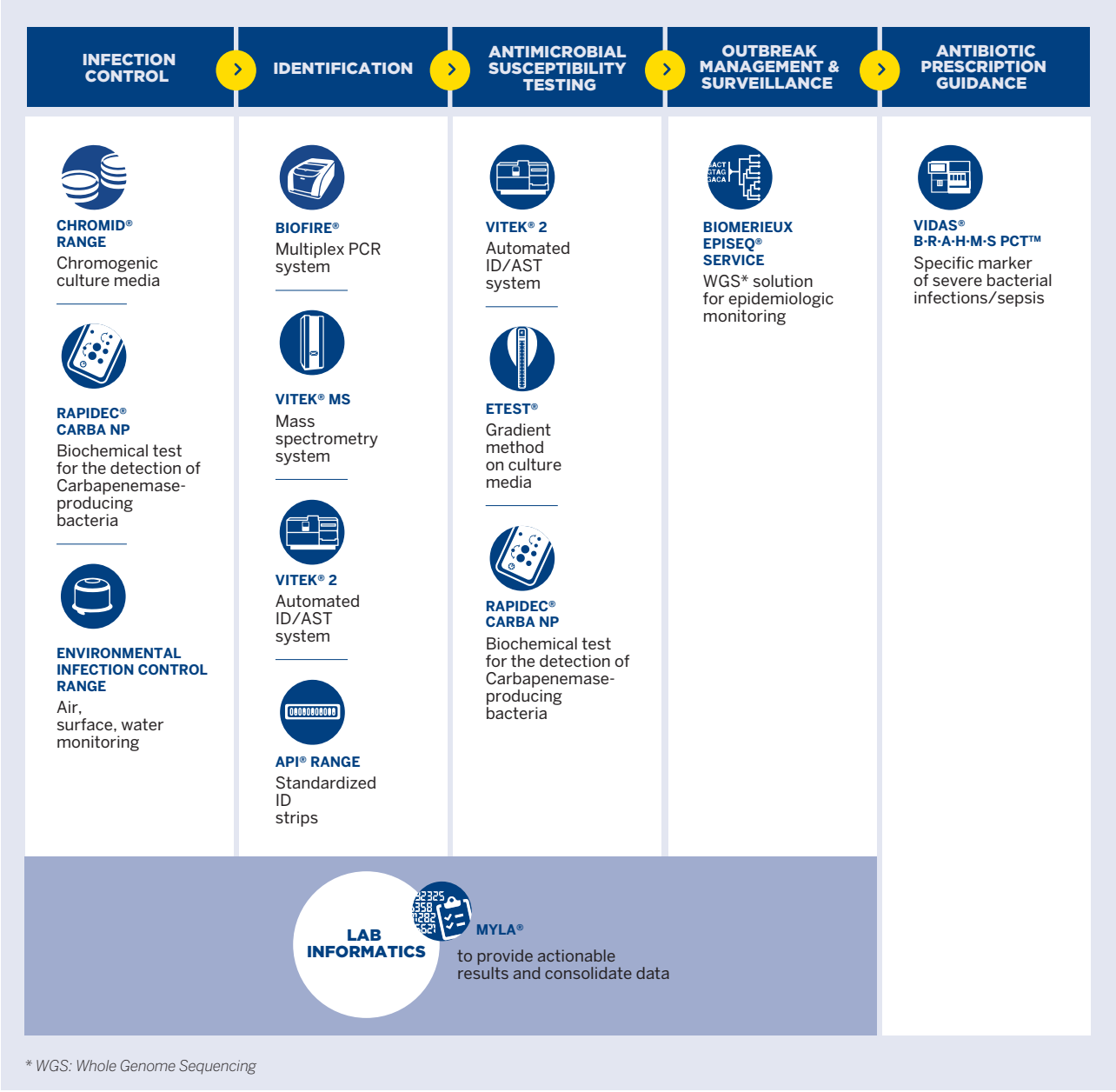
** If the PCR is negative.*

Finally, in the industry field, the SARS-Cov-2 test makes it possible to specifically detect coronavirus in environmental samples and, in particular, on surfaces. This test is used on the GENE-UP® molecular platform and gives a result in two hours. It is produced at the Philadelphia site, in the United States.

Specific solutions for combating antimicrobial resistance

bioMérieux is a key stakeholder in the fight against antimicrobial resistance (see Section 3.4.1.1). The Company's products cover the full range of public health stakeholder needs.

BIOMÉRIEUX SOLUTIONS FOR COMBATING ANTIMICROBIAL RESISTANCE

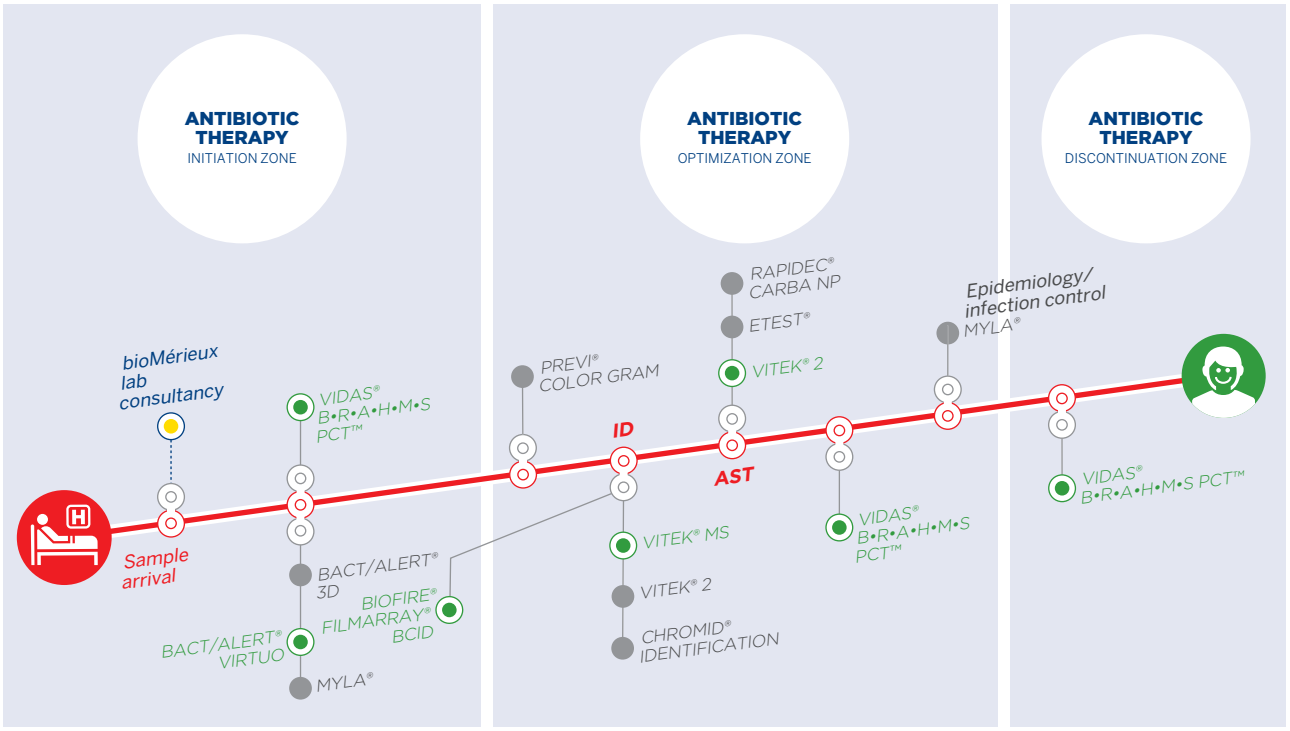


** WGS: Whole Genome Sequencing*

Specific solutions for combating sepsis

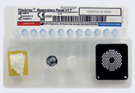
bioMérieux has a long standing commitment to sepsis control (see Section 3.4.1.2) and has a comprehensive "sepsis solution" offering.

BIOMÉRIEUX SOLUTIONS FOR COMBATING SEPSIS



1.2.3.2 Description of the main ranges

BIOFIRE®	
EXPERTISE **MOLECULAR BIOLOGY**	TECHNOLOGY **RT-PCR***
CUSTOMERS: Clinical, Industry	TYPE OF PRODUCT: Reagents, Instruments, Software, Services



REAGENTS

FILMARRAY TORCH®

FILMARRAY 2.0®

FILMARRAY EZ®

OBJECTIVE	To simultaneously identify, using a single test, or panel, the pathogens (bacteria, viruses, parasites, fungi, yeast) that most frequently cause an infectious syndrome through the detection of specific genetic DNA or RNA sequences.
CHARACTERISTICS	**Easy to use**: The sample can be prepared for analysis in under two minutes, and it does not require any particular molecular biology skills. No intervention from the laboratory technician once the analysis is launched until the result is received (sample-to-answer). **Rapid**: Test durations of between 45 and 75 minutes, depending on the panel. **Complete**: Broad panels including between 14 and more than 40 pathogens.
PORTFOLIO	**Reagents**: • Respiratory infections: Respiratory 2.1 panel (23 pathogens including SARS-CoV-2), Pneumonia plus panel (34 pathogens); • Blood infections: Positive blood culture identification panel (BCID2 with 43 pathogens and resistance genes); • Gastrointestinal infections: Gastrointestinal panel (22 pathogens); • Nervous system infections: Meningitis/Encephalitis panel (14 pathogens). Variants of these five panels are available, to meet certain regional and local regulatory constraints. **Instruments**: • FILMARRAY® Torch®: modular and scalable. The basic configuration with 2 modules is able to test 44 samples/day and may be extended to 12 modules, which can process 264 samples/day; • FILMARRAY® 2.0 can function with up to 8 individual units and can process 176 samples/day; • FILMARRAY® EZ offers a simplified user interface and uses a single FILMARRAY® 2.0. system. It is only available on the American market for use of the RP-EZ panel exclusively.
OTHER INFORMATION	On the industrial market, BIOFIRE® MYCOPLASMA, an innovative test for the detection of mycoplasmas in biopharmaceuticals (antibodies, hormones, cell or gene therapies, etc.), the most dynamic segment of the pharmaceutical industry.

* *Real-time polymerase chain reaction.*

VITEK® 2

EXPERTISE
MICROBIOLOGY (IDENTIFICATION & ANTIMICROBIAL SUSCEPTIBILITY TESTING (AST))

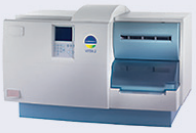
TECHNOLOGY **COLORIMETRY**

CUSTOMERS: Clinical, Industry

TYPE OF PRODUCT: Reagents, Instruments, Software, Services

REAGENTS

VITEK® 2 XL



VITEK® 2

VITEK® 2 COMPACT

OBJECTIVE	To automatically identify bacterial species. To test their resistance to various antimicrobials to obtain a specific antimicrobial susceptibility testing (AST) to adjust patient treatment.
CHARACTERISTICS	**Automated**: Its design ensures an optimized laboratory workflow; fewer repetitive tasks, improved security, maximum standardization and shorter turnaround times for the production and generation of reports. **Ready-to-use reagents**: Once the consumable is loaded, the incubation and reading of each card is managed by the system without any intervention by the laboratory technician. **Expert software for interpreting results**: bioMérieux has integrated into its VITEK® 2 system the Advanced Expert System (AES™), which automatically validates each antimicrobial susceptibility testing (AST) result. In an optimized time frame, it gives a precise phenotype profile of the mechanism(s) of microbial resistance for each isolate tested.
PORTFOLIO	**Reagents**: VITEK® 2 enables the identification of more than 450 bacteria or molds and tests their resistance to over 170 antibiotics. **Instruments**: • VITEK® 2 Compact has a capacity of 15, 30 or 60 cards; • VITEK® 2 has a capacity of 60 cards; • VITEK® 2 XL has a capacity of 120 cards. The VITEK® 2 system can be restricted to antimicrobial susceptibility testing (AST), and identification is then performed by VITEK® MS or VITEK® MS PRIME. This configuration is entirely and transparently integrated by MYLA® (see below), and aims to obtain antimicrobial resistance results more quickly (FAST-Antimicrobial Susceptibility Testing - FAST-AST).
OTHER INFORMATION	VITEK® 2 is the market leader in automated identification and antimicrobial susceptibility testing (AST). The VITEK® range is also used by industrial customers in the food industry and in the pharmaceutical and cosmetic fields, which have to identify pathogens present in products or in the production environment. In the veterinary field, VITEK® solutions make it possible to identify and perform antimicrobial susceptibility testing (AST) on bacteria responsible for diseases in animals.

VITEK® MS / VITEK® MS PRIME

EXPERTISE **MICROBIOLOGY (IDENTIFICATION)**	TECHNOLOGY **MALDI-TOF***
CUSTOMERS: Clinical, Industry	TYPE OF PRODUCT: Reagents, Instruments, Software, Services

VITEK® MS-DS

VITEK® MS

OBJECTIVE	To identify bacteria in a few minutes using mass spectrometry technology that relies on differences in mass. This technology relies on the difference in mass among the constituents of a bacterium to determine a unique signature to identify it.
CHARACTERISTICS	**New generation of mass spectrometry**: VITEK® MS PRIME integrates new, innovative functions such as slide loading and prioritization. These functions lead to enhanced optimization of the laboratory workflow. **Simple and secure workflow**: Rationalized sample preparation and practical kits with reliable, effective inactivation and extraction protocols. The VITEK® MS PRIME system is a new, more compact, system that can be used on the benchtop to improve laboratory productivity. **Rapid, robust and precise identification** at the level of the species, the genus or the group in a few minutes. **Integration with antimicrobial susceptibility testing (AST)**: Seamlessly integrates the identification results with the results from VITEK® 2 thanks to an optimized configuration and turnaround time.
PORTFOLIO	More than 15,000 different strains in the database, taking into account the diversity within a species for increased precision. In addition, specific kits necessary for sample preparation are available for *Mycobacterium/Nocardia* and for molds. VITEK® PICKME™ optimizes and homogenizes the deposition of samples on the VITEK® MS and VITEK® MS PRIME matrices.
OTHER INFORMATION	This bacterial identification technique is particularly suited to laboratories processing large sample volumes. They can obtain results quickly and at an attractive cost. However, MALDI-TOF mass spectrometry cannot perform antimicrobial susceptibility testing (AST).

* *Matrix Assisted Laser Desorption Ionization-Time Of Flight.*

BACT/ALERT®

EXPERTISE **MICROBIOLOGY (BLOOD CULTURE)**

TECHNOLOGY **COLORIMETRY**

CUSTOMERS: Clinical, Industry

TYPE OF PRODUCT: Reagents, Instruments, Software, Services

BACT® FAN PLUS® REAGENTS

BACT/ALERT® VIRTUO® (HERE WITH AN ADDITIONAL MODULE)

OBJECTIVE	To culture and detect microorganisms (bacteria, fungi/yeast, mycobacteria) in the blood and other normally sterile bodily fluids. This step is the key entry point for care of patients suspected to have sepsis.
CHARACTERISTICS	**Fully automatic loading and unloading**: Reduction of manual tasks and economic optimization. The entirely closed system provides better temperature control. **Detection of blood level**: Measures the volume of blood added to each bottle when loading so as to immediately alert the laboratory if samples must be taken again; quality control of blood collection practices with traceability at patient sample level. **Advanced detection algorithms**: Detect positive samples quicker, enabling an accelerated optimization of patient treatment.
PORTFOLIO	**Reagents**: Unbreakable multilayer polycarbonate bottles • BACT/ALERT® FAN® PLUS bottles containing polymer beads for the effective neutralization of antibiotics that may be circulating in patients' blood; • BACT/ALERT® FAN® bottles neutralize antibiotics using activated charcoal; • BACT/ALERT® standard bottles without antibiotic neutralization; • BACT/ALERT® MP bottles for the detection of pulmonary tuberculosis. **Instruments**: • BACT/ALERT® 3D (120 Combo and 240), first-generation instruments, flexible, easy-to-use and modular, with a usable capacity of 120 to 1,440 positions; • BACT/ALERT® VIRTUO®, new-generation instrument, with a capacity of 428 bottles and the ability to connect up to 3 additional modules to a single user interface, to reach a total capacity of around 1,700 bottles.
OTHER INFORMATION	For industrial applications, the range of BACT/ALERT® systems is used for controlling the sterility of biopharmaceutical products, for the microbiological control of beverages and for the quality control of blood products, and more specifically platelets, for which BACT/ALERT® is the most used detection method throughout the world.

BIOMERIEUX VISION SUITE		
EXPERTISE **MICROBIOLOGY**	CUSTOMERS  Clinical  Industry	TYPE OF PRODUCT  Software
OBJECTIVE	All of the software allowing consolidation of hospital and laboratory data. This software provides relevant and actionable information to support diagnosis and clinical decision making.	
CHARACTERISTICS	The product line is built around three pillars: • Middleware addresses laboratory management and optimization needs; • Analytics provides health data management tools; • Decision support makes it possible to optimize antimicrobial stewardship* and infection control programs.	
PORTFOLIO	**MYLA®**: Middleware product in the form of a web application, connected to the LIS** and accessible from any work station in the laboratory. This solution makes it possible to consolidate analytical data from the range of instruments used. Connected to VITEK® 2, VITEK® MS, VITEK® MS PRIME and BACT/ALERT® VIRTUO, it can both control and improve analytical activity using dashboards, as well as monitor infections and resistance using statistical and epidemiological tools. **CLARION™**: Analytical product in the form of software as a service (SaaS) designed for users outside of the laboratory. It provides hospitals with useful data and information dashboards to support and improve antibiotic stewardship programs* and highlight the value of diagnostics. **EPISEQ®**: next-generation sequencing (NGS) data analysis solution to support diagnostic decisions. The product line is built around three products: EPISEQ®CS (epidemiological monitoring of bacterial infections), EPISEQ®16S (metagenomics) and EPISEQ®SARS-CoV-2 (COVID-19 epidemic monitoring with identification of variants). **BIOFIRE® SYNDROMIC TRENDS**: cloud option for collecting and sharing BIOFIRE® test results from hospitals. It enables its users to see, in real time, the epidemiological trends related to the circulation of pathogens at local, regional, national or global levels and to put the results obtained into context.	

* *Appropriate use of antimicrobials (also called antimicrobial stewardship (AMS)).*
** *Laboratory Information System = Administrative software package running the main processes of a clinical laboratory.*

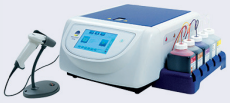
CULTURE MEDIA AND ASSOCIATED INSTRUMENTS

EXPERTISE
MICROBIOLOGY (CULTURE)

CUSTOMERS: Clinical, Industry

TYPE OF PRODUCT: Reagents, Instruments, Software, Services

CULTURE MEDIA (PETRI DISHES)



PREVI® COLOR GRAM

WASP®

WASPLAB®

OBJECTIVE	To culture bacteria and isolate colonies. To identify bacteria and resistance mechanisms using the CHROMID® range.
PORTFOLIO	**Culture media**: Broad range (more than 100 references available in the form of Petri dishes, tubes and bottles), in particular conventional or chromogenic ready-to-use (RTU) media. CHROMID® range of chromogenic media: simultaneous isolation and identification of target microorganisms (e.g.: *Clostridium difficile*, CPS, *Salmonella),* including bacteria responsible for healthcare-associated infections (HAI) (MRSA, CARBA, OXA-48, Colistin R). Bi-plate range: smart combination of two culture media in a single plate making it possible to obtain two pieces of information in one reading (CHROMID® CARBA SMART, CHROMID® SMART MRSA/S. aureus, as well as equipment for laboratory environmental control). Specific media in the field of industrial applications, for the control of microorganisms in food, pharmaceutical and cosmetic products, and environmental monitoring suited to the pharmaceutical sector. PREVI® COLOR GRAM: automated system designed to stain samples on slides according to the GRAM technique (categorization of bacteria into two groups according to their membrane and wall characteristics). **Instruments** (distribution contract with the Italian company Copan): • WASP®, automatic seeding system; • WASPLab®, an intelligent incubation system providing high-resolution images of the culture media and improving the speed, interpretation, reliability and accessibility of the results.
OTHER INFORMATION	Artificial intelligence software (PhenoMATRIX™) is integrated into WASPLab®. It enables the analysis and automatic sorting of agar plates incubated in WASPLab® using the combination of patient data and the analysis of images using highly efficient algorithms. An additional module to WASPLab®, Colibrí, enables the automation of colony picking, the preparation of targets for identification by VITEK®MS, and preparation of the suspension for performing antimicrobial susceptibility testing (AST) with VITEK®2.

VIDAS®

EXPERTISE **IMMUNOASSAYS**	TECHNOLOGY **ENZYME LINKED FLUORESCENT ASSAY**
CUSTOMERS: Clinical, Industry	TYPE OF PRODUCT: Reagents, Instruments, Software, Services

REAGENTS

VIDAS 3®

VIDAS®

MINIVIDAS®

OBJECTIVE	To detect and quantify molecules of biological interest (hormones, tumor markers, antigens or antibodies) for the diagnosis or monitoring of diseases, animal health, and for testing food and pharmaceutical products. Detection is carried out by reading a fluorescent signal emitted when an antibody-antigen complex is formed.
CHARACTERISTICS	Recognized robustness and reliability (TMEP* MINI VIDAS® approximately 2,500 days, VIDAS® more than 1,500 days and VIDAS 3® more than 500 days). It can perform up to 50 tests/hour.
PORTFOLIO	Extensive menu of parameters that fulfills the requirements of each type of customer: • **clinical applications**: More than 70 tests distributed over the following product lines: Emergencies (cardiology, sepsis), Infectious Diseases (HIV, hepatitis, serological monitoring of pregnant women) and Immunochemistry (thyroid function, fertility, bone and mineral metabolism); • **industrial applications**: tests for detecting pathogens commonly implicated in food contamination, notably *Escherichia coli* O157 (including H7), *Salmonella*, *Listeria* and *Campylobacter*.
OTHER INFORMATION	VIDAS® is used firstly as an additional platform for innovative high medical value tests in consolidated central laboratories, and secondly, as a platform for routine tests in laboratories with little consolidation. In 2020, bioMérieux developed anti-SARS-CoV-2 IgM and anti-SARS-CoV-2 IgG serological tests in response to the COVID-19 pandemic. In 2021, a new, semiquantitative VIDAS® SARS-CoV-2 IgG-II test (US excluded) was also developed. In early 2021, bioMérieux also launched the following tests: • VIDAS® NEPHROCHECK® for the detection of acute kidney injury; • VIDAS® TB IGRA for the diagnosis of latent tuberculosis from a blood sample; • VIDAS® DENGUE Panel, composed of three serological tests (NS1: viral marker/IgM/IgG) for complete diagnosis of dengue.

* *Mean time between failures = Arithmetic mean of the time of operation between failures in a system.*

1.2.3.3 Other product ranges marketed

MOLECULAR BIOLOGY

›Monoplex PCR tests: ARGENE® range

The ARGENE® range is composed of open tests, tests that can be done by any type of laboratory using PCR tests. Compatible with the majority of nucleic acid extraction and amplification platforms on the market, they provide a result in 4 to 5 hours and make it possible to test samples from a large number of patients at once.

To respond to the COVID-19 epidemic, bioMérieux developed 2 tests in 2020. The first enables specific detection of two SARS-CoV-2, genes, the second more broadly detects all *beta* coronaviruses, including SARS-CoV, SARS-CoV-2, and MERS-CoV.

In addition, the ARGENE® range is also intended for immunocompromised patients awaiting a graft or transplant. They detect cytomegalovirus, Epstein Barr virus, adenovirus, enterovirus, infectious respiratory pathogens including MERS CoV, responsible for Middle East Respiratory Syndrome, and the herpes virus.

›An offering for automation of the molecular biology laboratory and extraction: NUCLISENS® range

For the extraction of DNA and RNA, bioMérieux offers the following systems: NUCLISENS® MINIMAG® (semi-manual), NUCLISENS® EASYMAG® (automated, 24 extractions/40 minutes), and EMAG® (automated, 48 extractions/90 minutes). These systems offer an extraction flexibility making it possible to process samples of very diverse natures.

During the COVID-19 epidemic, these systems have been widely used by laboratories to extract SARS-CoV-2 RNA in order to perform PCR testing in a second step.

The product range is supplemented by ESTREAM™, an automated preparation station for samples to process PCR tests. This new solution can optimize the analysis flows and improve standardization and traceability in molecular biology laboratories, with the aim of improving the quality of results provided to clinicians.

›Detection of microorganisms for the food industry: GENE-UP® and VERIFLOW® ranges

Intended for stakeholders in the food industry, GENE-UP® enables microbiological testing to be carried out on food, raw materials and the production environment. This innovative solution considerably simplifies laboratory flows.

GENE UP® enables the detection of the most frequently sought pathogens in the food chain, whether they be bacterial (*Salmonella*, *Escherichia coli* O157:H7, *Listeria* spp, *Listeria monocytogenes*, EHEC, Cronobacter) or viral (Norovirus GI, Norovirus GII, Hepatitis A and Hepatitis E).

GENE-UP® also comprises a range dedicated to microbiological control of beverages such as fruit juice, beer and wine.

The VERIFLOW® range offers innovative solutions to detect pathogens and other contaminants in food and beverages (beer, wine, poultry, fruit juices, nutraceuticals). It is very simple to use and does not require sophisticated laboratory infrastructure.

MICROBIOLOGY

Manual measurement of the minimum inhibitory concentration (MIC) of an antibiotic: ETEST® range

ETEST® is a technique for diffusion in an agar medium enabling the minimum inhibitory concentration (MIC) of an antibiotic to be measured. ETEST® is useful to guide antibiotic therapy by measuring the sensitivity of microbes to antibiotics and detecting resistance mechanisms. This technique is perfectly adapted to rarer bacteria, or those with difficult growth, and supplements the VITEK® offer. It enables the sensitivity testing of a newly marketed antibiotic before it is included in the VITEK® cards, and the adding of a test for a particular antibiotic for which more detailed information is necessary.

The agar media necessary for measuring the minimum inhibitory concentration (MIC) of an antibiotic were developed and/or validated so as to facilitate the use of ETEST®.

In 2021, the amoxicillin/clavulanic acid ETEST® was launched.

Identification of bacteria and manual antimicrobial susceptibility testing (AST): API®, ATB™ and RAPIDEC® CARBA NP ranges

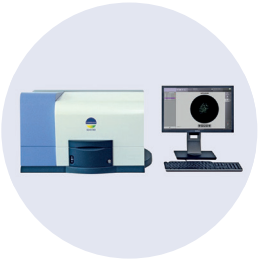
API® analytical profile indices are recognized as global leaders in the manual identification of bacteria. The API® product line is also used by industrial customers.

The Company has developed ATB™ New, a semi-automated instrument for emerging countries which includes analytical profile indices and antimicrobial susceptibility testing (AST) compliant with Clinical and Laboratory Standards Institute (CLSI®) guidelines.

bioMérieux also offers a simple solution to quickly and economically detect or confirm the production of carbapenemases by Gram-negative bacilli using RAPIDEC® CARBA NP.

Solution for quantitative microbiological quality control: BIOBALL® range

Companies and pharmaceutical laboratories must test and ensure the quality and safety of their products. BIOBALL®, which contains a precise number of microorganisms, can be added directly to samples of media or matrices, and thus control the fertility of these media.



Rapid microbiology instruments using cytometry: CHEMUNEX® range

CHEMUNEX® cytometry analyzers are based on a technology combining a fluorescent viability marker and detection by laser beam. They are an alternative to the traditional culture of microorganisms in a Petri dish and can provide results extremely quickly and reliably for food, cosmetic, and pharmaceutical groups.

This line can be used for the accelerated release of batches before marketing finished products, as well as for managing production plants. It includes the SCANRDI® and D-COUNT® instruments:

- SCANRDI® scanning cytometry equipment (also known as solid-phase cytometry) is used by the pharmaceutical industry for testing sterile medicines (e.g. injectables) or nonsterile medicines (e.g. eye lotions), as well as pharmaceutical-quality water;
- D-COUNT® flow cytometry is particularly adapted to the microbiological testing of products that are difficult to filter: dairy products, fruit juice and cosmetics.

›Detection of endotoxins: ENDONEXT™ range

ENDOZYME® II GO is a test for detecting endotoxins from the bioMérieux ENDONEXT™ product line, based on horseshoe crab recombinant Factor C (rFC). The rFC technology makes it possible to completely eliminate the use of horseshoe crabs, a species that is threatened in Asia and protected in the United States, whose blood is used in most tests for the detection of endotoxins currently available on the market.

This test allows for the testing of endotoxins in pharmaceutical-quality water, medicines for injection and other pharmaceutical products.

›Fluorescence counting of bacteria: TEMPO® range

The TEMPO® range, which is designed for the food and cosmetics markets, offers a bacteria counting technology for production flows and finished products. This range is able to automate analyses of hygiene indicators, providing productivity gains of up to 50% and optimization of up to two days with regard to returning results.

It uses dehydrated culture media as a storage facility. The TEMPO® FILLER instrument fills the cards and the TEMPO® READER instrument automates their reading. 12 cards are available to cover the essential needs of the industry: Total Flora, Enterobacteria, *Escherichia coli*, *Staphylococcus* (coag+), Lactic bacteria, Yeasts and Molds, *Campylobacter*, Coliformes (ISO), Coliformes (BAM), *Bacillus cereus*, Challenge Test bacteria, and Challenge Test molds.

IMMUNOASSAYS

›CLIA technology: Hybiome range

Through its Chinese subsidiary, Hybiome, bioMérieux markets automated medium-rate immunoassay platforms that use latest-generation CLIA technology and offer a menu with more than 80 parameters.

1.2.3.4 Companion diagnostic tests

The Company has set up the Companion Diagnostic program with the aim of developing "companion tests"(1), or "supportive/complementary diagnostic(2) tests", in partnership with pharmaceutical companies.

As such, in collaboration with pharmaceutical companies, bioMérieux is developing tests for its ETEST® and VITEK® 2 product lines, which aim to evaluate sensitivity to new antibiotics.

1.2.3.5 Services and solutions

In line with its strategy, bioMérieux continues to develop services in addition to its products in a solutions-based approach so as to help clinical and industrial laboratories address their current and future challenges.

Services for laboratory organization

bioMérieux offers a Lab Consultancy service based on Lean Six Sigma which adapts to the specific needs of microbiology laboratories, providing customers with an objective assessment of their current performance and helping them focus on current and future improvements to their laboratories, both in terms of organization and processes.

(1) *A companion test is a diagnostic test making it possible, through the identification of a predictive marker, to select only patients who are likely to receive the benefit of a so-called targeted therapy.*
(2) *Supportive/complementary diagnostic tests are used to stratify homogeneous cohorts of patients to be treated in clinical trials.*

Training and education

bioMérieux offers a comprehensive range of training modules for technicians and biologists with the aim of developing their skills with regard to the routine and expert use of its products, various scientific subjects, and professional development.

Quality and compliance (accreditation assistance)

In order to support laboratories in the quality and accreditation process, bioMérieux offers method evaluation solutions to validate its products for routine use, in view of obtaining laboratory accreditation.

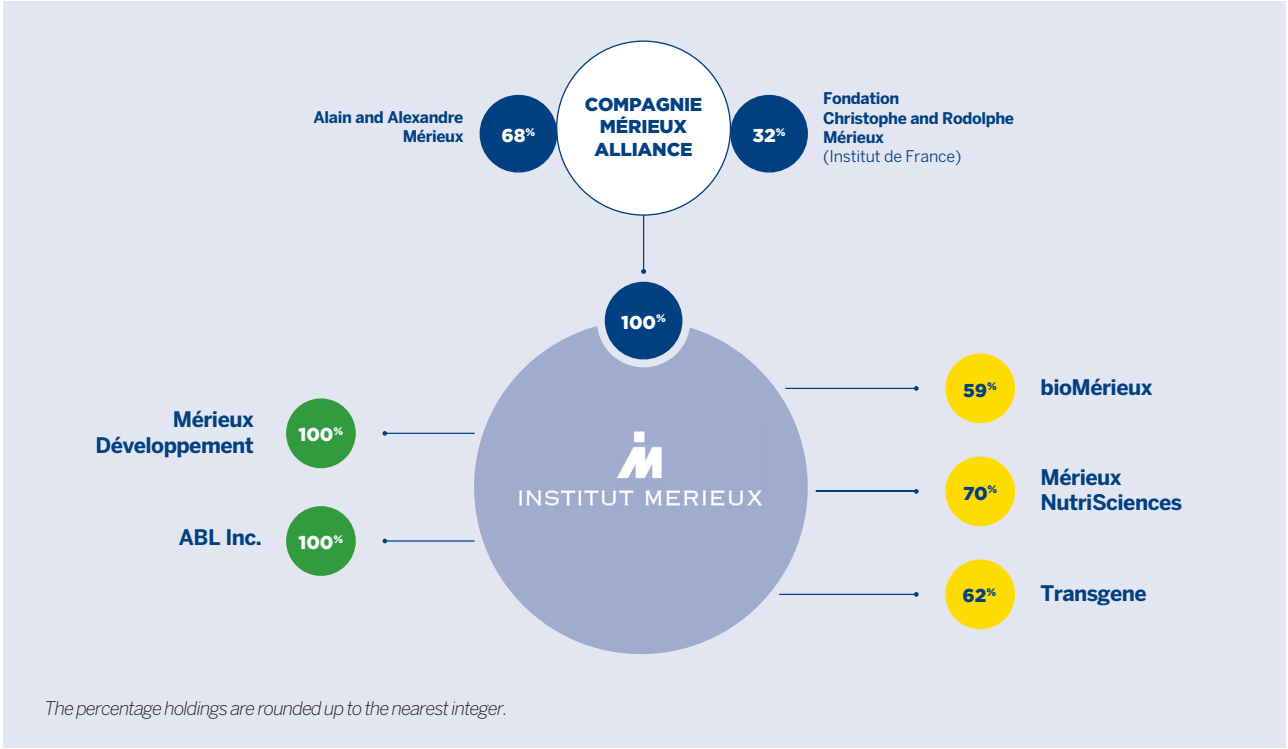
1.2.4 Organizational structures

1.2.4.1 Organization chart within the Institut Mérieux Group

Institut Mérieux is held by Compagnie Mérieux Alliance SAS.

Institut Mérieux holds, in particular:

- SGH, holding company for Mérieux NutriSciences. Mérieux NutriSciences is an American company specialized in analysis, audit and consulting services to ensure the safety and quality of food, the environment, and consumer goods affecting the health of consumers.
- TSGH, the holding company controlling Transgene SA and Advanced Bioscience Laboratories Inc. (ABL). Transgene is a biotechnology company listed on Euronext, specialized in immune therapies based on viral vectors, including therapeutic vaccines and oncolytic viruses, for the treatment of cancers and infectious diseases. ABL is an American research and manufacturing laboratory under contract.
- Mérieux Développement, a development/innovation capital company in the fields of health and nutrition.



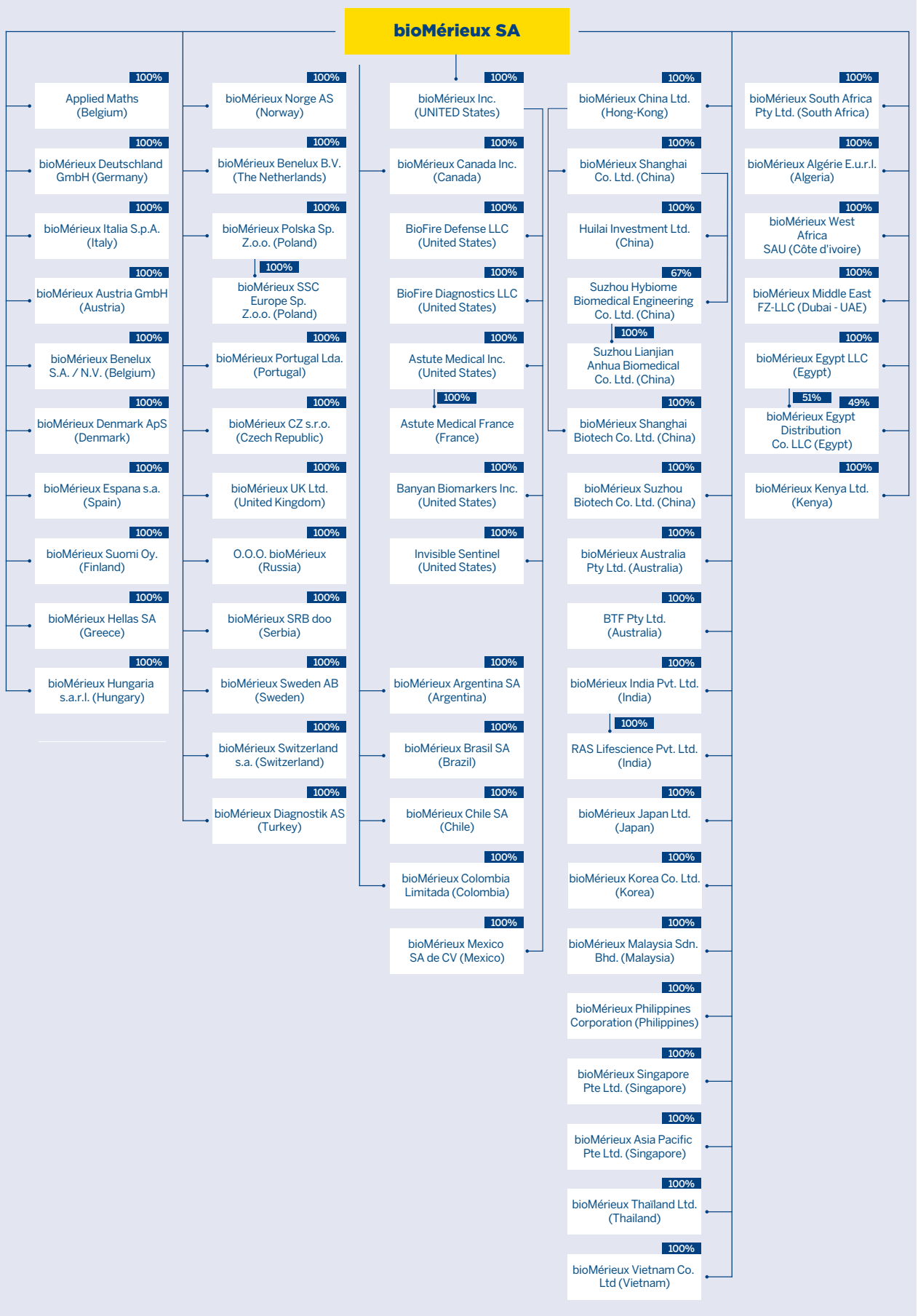
The percentage holdings are rounded up to the nearest integer.

1.2.4.2 Subsidiaries, branches and minority interests

Legal organization chart of the bioMérieux Group as at December 31, 2021

The diagram below represents the organization chart of the main companies held by the Issuer (in percentage of capital and voting rights). The vast majority of the subsidiaries mentioned below have a distribution activity (see Section 1.2.2.2); some of them also have an R&D activity (see Section 1.5.1) and/or a production activity (see Section 1.6.1).

Also, Note 3.3.3 of Section 6.2.2 shows the list of bioMérieux's subsidiaries.



The percentage holdings are rounded to the next higher unit.

Miscellaneous information concerning subsidiaries and minority interests

Acquisitions and disposals of investments during the 2021 fiscal year

In June 2021, bioMérieux invested €15.2 million in Specific Diagnostics, Inc. via convertible debt. In 2019, bioMérieux participated in a first fundraising for Specific Diagnostics, alongside other investors. After that transaction, bioMérieux holds approximately 7.4% of its equity.

In July 2021, bioMérieux acquired all of the shares not previously held in Banyan Biomarkers, Inc. This company identifies blood biomarkers for brain injury screening. bioMérieux had acquired more than 20% of this company in 2017.

New subsidiaries

No subsidiaries were created during 2021.

Branches and representative offices

bioMérieux does not hold any branches directly. No new representative offices were opened in 2021. bioMérieux has a representative office in Saudi Arabia.

Equity investments

Note 3.3.3 in Section 6.2.2 and Note 33 in Section 6.1.2 give the list of equity investments.

The portfolio of listed assets held by the Company is presented in Note 7.2 of Section 6.1.2 and is not significant.

1.3 STRATEGY

1.3.1 Competitive advantages

The Company believes that it has significant advantages:

- a family majority shareholder with a long-term scientific, industrial and commercial vision that has made it possible to carry out its strategy and record strong performances: continuous sales growth, maintenance of satisfactory performance, and successful positioning in technologies of the future;
- a high level of expertise in the diagnosis of infectious diseases, based on over 50 years of experience in microbiology, which is also relevant for new areas such as industrial applications and cardiac diseases;
- a broad and balanced geographic footprint supported by a global distribution network that maximizes marketing opportunities for its products, and a longstanding presence in emerging countries, enabling the Group to seize market growth opportunities;
- around 80% of its sales generated in three sectors where, based on its knowledge, it is one of the market leaders: clinical microbiology, industrial applications, and syndromic molecular diagnostics of infectious diseases;
  - a world-leading position in clinical microbiology, an extremely broad product range that can fulfill the needs of any size microbiology laboratory, one of the most complete libraries of bacteria in existence, and unique expertise in bacteria and microbial resistance mechanisms,
  - a pioneering position in industrial microbiological testing, where the Company has one of the widest product ranges, and strong market positions,
  - a leading player in the field of syndromic molecular diagnostics for infectious diseases, thanks to the BIOFIRE® system, covering upper respiratory tract infections, pneumonia, sepsis, and gastrointestinal infections, as well as meningitis and encephalitis;
- an installed base, primarily composed of closed systems, i.e. designed to only use reagents developed specifically for these instruments and sold by bioMérieux. This installed base requires a service department made up of a team of maintenance and application engineers, who work on the ground or remotely;
- a drive for innovation to enhance the medical value of diagnostics and laboratory efficiency, driven by significant capital expenditure in R&D; based on a percentage of sales, its expenditure exceeds that of its competitors. This drive leads to the regular release of new, innovative products and, combined with an efficient system to track new technologies, facilitates the identification and selection of the most promising advances, particularly in the diagnosis of infectious diseases;
- a genuine capacity to make targeted acquisitions and establish strategic partnerships and expertise in integrating acquired companies and forming commercial and operational synergies.

1.3.2 Strategy and priorities

In the current uncertain economic context, the Company believes that clinical and industrial *in vitro* diagnostics will benefit from dynamic growth engines. Indeed, diagnostics is becoming essential to medical decision making, and to ensuring the safety of end consumers. The COVID-19 pandemic has highlighted the essential role of diagnostics in infectious disease control and prevention. Moreover, it also allows health systems to save money. Finally, emerging countries are an important development opportunity.

In clinical microbiology especially, bioMérieux considers that there are both significant barriers to new entrants and attractive growth opportunities. According to its estimates, average annual growth of the market could accelerate slightly, driven largely by the emergence of new technologies enabling faster results, and by the laboratories' need for automation to optimize workflow, standardize processes and shorten the time for returning results. The global awareness of the risks related to the inappropriate or incorrect use of antibiotics leading to the emergence of resistant bacteria is also a factor for market growth acceleration.

However, the COVID-19 pandemic has also emphasized the importance of basic hygiene practices and the effectiveness of preventive measures. These habits could limit the propagation of some infectious diseases if they continue beyond the current health crisis.

Backed by its competitive advantages, bioMérieux undertakes to be a pioneer serving public health, particularly in the fight against infectious diseases, and sets the following ambitions for itself:

- strengthening its leadership in clinical microbiology, which is a cornerstone of the fight against antimicrobial resistance. In particular, the Company seeks to broaden the geographic coverage of and access to its products worldwide. Moreover, it aims to maximize the added value for its customers by combining various solutions and using IT solutions to put the results in context. Indeed, it intends to provide faster solutions to assess bacterial sensitivity and resistance to antimicrobials. AMR/AMS issues are detailed in Section 3.4.1.1 and the dedicated product line is described in Section 1.2.3.1;
- to consolidate its position as a pioneer and gold standard in the field of syndromic diagnosis of infectious diseases through the BIOFIRE® molecular biology range. Its strategy especially relies on maintaining the highest quality standards for this range and enriching the test menu on the platform. Furthermore, bioMérieux is convinced of the increasing importance of molecular biology in the diagnostics arsenal of health systems and intends to consolidate its position in this key technology, both in laboratories and closer to patients, with solutions complementary to BIOFIRE®;
- to set ourselves apart in immunoassays. bioMérieux intends to capitalize on the VIDAS® franchise by launching markers with high medical value or tests that stand out on existing attractive markets with a new generation platform. It also intends to offer a higher throughput and lower cost system;
- to shape the future of industrial microbiology *via* fast and digital solutions at the cutting edge of the latest technological advances. These support pharmaceutical innovation and improve patient health or increase consumer safety and the productivity of its food industry customers. In particular, bioMérieux intends to digitalize quality control of its traditional sterile pharmaceutical products and market dedicated solutions in the innovative segment of cell and gene therapies. The Company also seeks to expand molecular solutions to all segments of the food industry and develop predictive diagnostics by relying on genomic and data-processing advances.

bioMérieux will also pursue its ambitious international development and will continue to promote innovation throughout the world.

1.4 QUALITY SYSTEMS AND APPLICABLE REGULATIONS

1.4.1 Quality Management System

The Quality Management System is documented in a global quality manual. This document describes the Company's activities, from product conception to delivery, installation and after-sales service.

In order to better meet the needs of customers and regulatory bodies, each subsidiary, production site and R&D site has a local supplement to the global quality manual describing provisions specific to it.

The effective implementation of this system is the responsibility of the Quality Department. It is organized around the product value chain and responds to the challenges of each function. It aims to deliver high-quality, safe and effective products for customers and patients. It coordinates the continuous innovation of business processes by empowering employees, measuring risks and collaborating with functions, internal and external stakeholders while anticipating client and regulatory needs.

1.4.2 Regulatory aspects

The Company pays special attention to complying with quality regulations and standards.

Specific regulations apply to each product category:

- medical devices for *in vitro* diagnostics, used for medical analyses in humans (in private and hospital clinical pathology laboratories), are subject to national or international regulations specific to them. These regulations address the efficacy, performance and safety of systems;
- reagents intended for industrial customers (pharmaceutical, cosmetic and food industries and veterinary applications) for microbiological testing must comply with standards depending on the nature of the tests and specific user requirements (pharmacopeia, AFNOR standards, ISO standards, etc.). Regulations applicable to these products are part of the regulations governing industrial and/or consumer products and primarily concern product safety.

Subsidiaries and production sites are regularly inspected and audited with different and complementary objectives by:

- regulatory authorities (FDA, ANSM, etc.) that authorize the marketing of medical devices for *in vitro* diagnostics, bodies that act for these regulatory authorities, or certifying bodies that verify compliance with ISO 9001, ISO 13485 and MDSAP standards or to applicable national regulations;
- some customers, especially in the industrial field, that ensure that the Company's products and procedures comply with current regulatory standards as well as their own standards and requirements;
- internally, by the Company itself to identify room for improvement in its organization. These tasks are performed by qualified internal auditors according to a program drawn up each year.

The majority of subsidiaries are ISO 9001 certified.

The Group's main manufacturing sites, which produce *in vitro* diagnostics systems, are certified as compliant with the standards ISO 9001, ISO 13485 and MDSAP (Medical Device Single Audit Program, grouping the standards of the following countries: United States, Canada, Japan, Brazil and Australia), considered as the quality standards for this type of activity. This certification is issued within a regulatory framework either by a certifying body acting under the auspices of the regulatory authorities or, where such recourse is not required, by an independent certifying body, as part of a voluntary procedure from the Company.

The main inspections by the regulatory authorities on bioMérieux's sites are shown in Section 3.6.1.

1.4.2.1 Clinical *in vitro* diagnostics

Like any healthcare product, those dedicated to *in vitro* diagnostics are governed by national or international regulations to enable them to be registered and ensure they are monitored after marketing. They are nevertheless subject to regulatory procedures that are less restrictive than those of other health sectors, such as the pharmaceutical industry. Indeed, *in vitro* diagnostic tests analyze a biological sample (blood, urine, stool) drawn or collected from the patient. They detect the presence of pathogens (bacteria, viruses, etc.) or measure substances secreted by the human body. This analysis is not done *in vivo* but rather *in vitro* (outside the patient) in biology laboratories.

Moreover, some countries have their own regulations to govern the marketing and monitoring of medical devices and *in vitro* diagnostics, or rely on those of other countries. Others do not have specific regulations but countries increasingly have their own procedures. When regulations change, certain authorities accept a gradual alignment of products already available on the market. Other countries require full and immediate compliance with their new procedures.

European regulations (CE marking) American regulations (FDA registration) and Chinese regulations are a model for many other countries. These regulations classify devices based on end-applications and level of risk, and are becoming increasingly complex.

Within bioMérieux, in the context of the marketing procedure, the Regulatory Affairs Department creates technical documentation before new solutions are launched. This documentation brings together elements generated during different stages of product development. It makes it possible to verify that the new product meets regulatory requirements. It is then subject to approval by a regulatory affairs manager before a multidisciplinary marketing committee verifies its availability.

Applicable regulatory principles

European Union	The regulatory environment results from directive 98/79/EC of October 27, 1998 and the new European IVDR regulation of 5 April 2017 (2017/746/EU). After a five-year transition period, this regulation will be the only standard applicable to all medical devices for *in vitro* diagnostics. **Directive 98/79/EC**, transposed into French law, harmonizes the *in vitro* diagnostics market. It standardizes marketing procedures. The manufacturer chooses the appropriate evaluation procedure depending on the risk class and options proposed by the directive. Currently, the Company markets approximately 95% of its products under its sole responsibility as manufacturer. It evaluates them and declares compliance (CE marking). As a result, there is no regulatory certification period following this declaration. The Company has obtained and renewed all of the CE marking certificates for all of its products currently marketed in the European Union. The remaining 5% have a medium or high risk profile. The level of intervention by health authorities is therefore proportionate to the risk. This ranges from certifying the Quality Management System, when reviewing the product file (design file), to the inspection of each batch prior to marketing. It is, therefore, necessary to obtain a compliance certificate prior to placement on the market. This certificate is most often issued in less than six months. **The European IVDR regulation** (2017/746/EU) strengthens supervision of the marketing of *in vitro* diagnostics tests. It is applicable without national transposition. The main changes relative to Directive 98/79/EC are: • the classification of products into four classes based on the risk related to the patient and/or public health; • the demonstration by manufacturers of proof of the analytical and clinical performance of their products and the scientific validity; • the strengthening of controls by notified bodies before and after marketing; • the appointment of a qualified person ("person responsible for overseeing compliance with the regulation") in charge of vigilance, the declaration of compliance with the regulations, the release of batches, and the declaration on the performance evaluation of the products most at risk. Since 2014, bioMérieux has implemented a program for compliance with this new regulation. bioMérieux has made provision enabling it to adjust to the consequences of Brexit in order to continue to market its products in the UK.
United States	The FDA becomes involved in the examination of the files submitted to it in proportion to the risk for the subject or public health. Some products in the microbiology product line are exempt from registration and are under the manufacturer's responsibility. Medium-risk products and those for which an equivalent product or products exist on the American market must be 510(k) registered, which consists of demonstrating equivalence (in terms of safety and efficacy) with a product already on the American market. For the most innovative products (with no equivalent on the American market) or higher risk ones, the FDA requires Premarket Approval (PMA) through a complete scientific and regulatory review of product safety and efficacy. A so-called *de novo* process has been created by the FDA for products at low or moderate risk for which no equivalent product exists on the market. This process leads to the creation of a classification for the device and the identification of the submission process for substantially equivalent future products.
China	Products require a registration procedure with the National Medical Products Administration (NMPA), which includes the following: • the performance of quality control tests on three batches of reagents by the National Institute for the Control of Pharmaceutical and Biological Products or by another laboratory qualified by the NMPA. For instruments, additional tests must be carried out in order to demonstrate their compliance with electromagnetic compatibility standards; • a performance study carried out in China; • an administrative review of the file; • a technical review of the file including areas relating to production, analytical and clinical product performance, quality control tests, and a report on the performance study carried out in China.

Vigilance

Applicable laws and regulations impose an additional monitoring system, post-marketing surveillance – PMS, which requires manufacturers and users to notify the relevant regulatory body of any incidents or risk of incident that could have harmful effects on human health. The PMS system also provides for a series of corrective measures. This allows the manufacturer to intervene voluntarily, correcting or recalling the products concerned.

1.4.2.2 Microbiological control in industrial applications

In the field of industrial applications, regulations applicable to manufacturers of industrial microbiological control products are still limited to their safety aspects. However, in order to fulfil the requirements of its customers, the Company complies with the standards that are applicable to them (standards according to the use of products: pharmacopeia, AFNOR-type standards, ISO, etc.). The inspection rules that apply to the activity of bioMérieux's customers lead them to perform a large number of audits of their quality systems in order to check compliance with the GMP (Good Manufacturing Practice) requirements of applicable to the pharmaceutical industry. Recent crises in the food industry (Listeria, *Escherichia coli*, Salmonella, etc.) may lead to more stringent regulations being adopted. Moreover, in the United States, for example, the authorities may impose supplementary security measures as part of the fight against bioterrorism.

1.4.3 Management and monitoring of customer complaints

The Company has a procedure for the management and monitoring of customer complaints. The procedure serves to resolve complaints while providing the Company with the information that it requires to continuously improve its products.

Complaints are processed on three levels:

- level 1: Most complaints are handled locally, by subsidiaries and distributors. Their closeness to customers allows them to deal with their requests quickly;
- level 2: Complaints can be transferred to the Global Customer Service (GCS) department where they are handled by a specialized team that investigates the claim to provide a response to customers;
- level 3: This level requires a series of investigations involving the production sites and/or R&D teams. An analysis is performed as to the causes of these complaints that could not be identified by levels 1 and 2. The Company can then resolve the customer complaint and implement corrective and preventive actions to avoid similar complaints in the future.

1.5 RESEARCH & DEVELOPMENT, PATENTS AND LICENSES

1.5.1 Research & development

1.5.1.1 Capital expenditure policy

The Group's research & development (R&D) costs represented €389 million in 2021 (compared to €399 million in 2020 and €374 million in 2019), or nearly 12% of its revenue. They relate to either technologies developed internally, or in partnership with other companies or academic research institutes.

R&D activities have two key objectives: To improve laboratory efficiency and to enhance the medical value of diagnostic tests.

The main research & development projects are split into:

- development of the functionalities of existing instruments;
- expansion of the test menus available on instruments;
- development of new generations of instruments;
- development of new IT solutions and data analytics;
- exploration of new technologies.

1.5.1.2 Organization

The organization of R&D integrates all of the functions and technologies involved in the project development cycle.

Innovation activities are ranked according to strategic priorities and are intended to ensure continuity with the development stages, as well as to focus each R&D site in its area of expertise.

Research activities on biomarkers are carried out by the Open Innovation & Partnerships department. Through partnerships, this department's task is to identify and validate biomarkers enabling the development of diagnostic tests with high medical value.

Activities related to the collection, processing and interpretation of data (IT Solutions and Data Analytics) are carried out within the various teams.

The Clinical and Industrial departments are responsible for prioritizing, validating and monitoring projects (approving schedules, human resources requirements, cost and risk). Major projects are periodically reviewed by the Executive Committee.

A dedicated Portfolio and Strategic Planning department ensures that the project portfolio is aligned with the Company's overall strategy and assists the different departments in selecting R&D projects.

R&D activities rely on 14 main sites. The Company pays special attention to innovation. As such, it gives Patent Awards to reward employee inventors who have filed patents contributing to the commercial success of the Company.

The Group's policy is to group the R&D and production activities for a product line on the same site as far as possible. The table below describes the Group's R&D activities at the end of 2021 for the main sites.

	Site	Reagents	Systems	Software
EUROPE	**Marcy l'Étoile** (France)	Immunoassay (VIDAS®)		
	Craponne, La Balme (France)	Microbiology (culture media, ETEST®, TEMPO®)	New technologies, laboratory automation	Microbiology bioinformatics
	Grenoble, Verniolle (France)	Molecular biology (EASYMAG®/EMAG®, BIOFIRE®, ARGENE®, CEERAMTOOLS®, GENE-UP®) Molecular virology for food applications	Molecular biology	Bioinformatics
	Ker Lann (France)	Microbiology (culture media), cytometry reagents	Industrial applications: laboratory automation/ sample preparation, counting, flow cytometry	
	Florence (Italy)		Immunoassays (VIDAS® range) Industrial microbiology (TEMPO®) Molecular biology (EASYMAG®/EMAG®)	
NORTH AMERICA	**St. Louis** (Missouri, United States)	Automated microbiology (VITEK®)	Microbiology (VITEK®, BACT/ALERT®, VITEK® MS, BACT/ALERT® VIRTUO™)	Microbiology bioinformatics
	Durham (North Carolina, United States)	Microbiology (blood culture) BACT/ALERT®		
	Salt Lake City (Utah, United States) BioFire Diagnostics site	Molecular biology (BIOFIRE®)	Molecular biology (BIOFIRE®)	
	Salt Lake City (Utah, United States) BioFire Defense site	Molecular biology for the US Department of Defense	Molecular biology for the US Department of Defense and industrial and clinical applications	
	San Diego (California, United States) Astute Medical site	Identification and validation of biomarkers for immunoassays	Astute Meter System	
	Lombard (Michigan, United States)	Microbiology (culture media)		
	Philadelphia (Pennsylvania, United States) Invisible Sentinel site	Molecular diagnostics for food applications (VERIFLOW®)		
ASIA PACIFIC	**Suzhou** (China) Hybiome site	Immunoassay tests	AE 180, AE 240 systems	

1.5.1.3 Clinical R&D

Strategy

Innovation has always been a prime focus for bioMérieux.

Its priority focuses relate to combatting antimicrobial resistance, developing diagnostic solutions for emerging pathogens, decentralizing testing and developing IT and data solutions, while staying aware of changes in current regulations (FDA, CE, China).

The priority areas are described on pages 8 to 13.

Agreements

Part of the Company's research and activity, in particular for the development of new technologies, is based on partnership arrangements with leading public research institutes, universities, hospital research centers, laboratories, and biotechnology firms.

The agreements signed by the Company provide for the sharing of intellectual property rights as well as the payment of royalties when the products developed are marketed.

The most significant existing agreements on clinical applications are:

- the global agreement signed with Banyan Biomarkers for the development and marketing of markers for traumatic brain injury on the VIDAS® platform. Banyan Biomarkers was purchased by bioMérieux in July 2021;
- the contract awarded to BioFire Defense by the US Department of Defense (DoD) for the technological development of a next generation diagnostics system (NGDS);
- the partnership agreement signed with Baxter International Inc., a leader in intensive care, for the development of future biomarkers for quickly identifying the risk of worsening of acute kidney injury (AKI) and providing information for treatment. The two companies announced the CE marking of the Nephroclear™ CCL14 test to predict persistent severe acute kidney injury in November 2021.

The Company has also established joint research laboratories with French and foreign academic partners:

- in France, with the *Hospices Civils de Lyon* (HCL):
  - the ANTOINE research program (biomArkers to differeNtiate bacTerial frOm vIral iNfEctions) launched in 2017 within the bioMérieux-HCL joint research laboratory, covering the diagnosis of severe bacterial infections in children arriving in emergency departments,
  - the NEPHROCHECK® test study for the early evaluation of the risk of acute kidney injury in multiple-trauma patients who have a profile close to that of patients with sepsis, within the intensive care unit,
  - other studies have also been initiated in order to better understand the pathophysiology of SARS-CoV-2 infections (COVID-19) in healthcare professionals and ICU patients. For this purpose, several biomarkers from sepsis studies have been evaluated;
- in France, with the French Technology Research Institute (BIOASTER) in microbiology:
  - the BacTSeq project for the study of sequencing potential in order to respond to the major medical challenge of improving diagnosis in sepsis patients,
  - the DIREX research project on rapid microbiology targets the characterization of Gram-positive and Gram-negative bacteria, which is an important step in identifying pathogens, through automated reading,
  - in 2020, the COVID AURA project, bringing together BIOASTER, bioMérieux, HCL, the Université Claude Bernard Lyon 1, Boehringer Ingelheim, Sanofi Pasteur and Lyon BioPôle, was launched. It aims to create a shared platform to accelerate the development of second-generation solutions for the diagnosis, prognosis, prevention and treatment of SARS-CoV-2 infections;
- in China: A new mixed-research unit was created with the Shanghai Children's Medical Center under a partnership agreement signed at the start of 2019. Initially, this collaboration aims to conduct a clinical study into use of the NEPHROCHECK® test for the early evaluation of the risk of acute kidney injury in young children after cardiac surgery. This joint research unit will subsequently expand its activities to assess the immune status of intensive care patients;
- in the United States, a partnership agreement was signed with Washington University in St. Louis to develop R&D partnerships.

A world leader in microbiology and a pioneer in resistance detection tests, bioMérieux is a leading stakeholder in the fight against microbial resistance.

76% of bioMérieux's R&D budget dedicated to clinical applications is devoted to developing new solutions participating in the fight against AMR (see Section 3.4.1.1).

In 2020, bioMérieux signed a partnership agreement with the Toulouse School of Economics around two focuses. The first aims to develop new economic models to facilitate market access for new antibiotics and associated diagnostic testing. The second aims to develop the value of diagnosis.

bioMérieux is also a partner in the VALUE-Dx project, proposed by six companies in the *in vitro* diagnostics sector, associated with 20 other partners including the University of Antwerp and the Wellcome Trust (see Section 3.4.1.1). VALUE-Dx, developed on the European scale, consists of collecting data measuring and demonstrating the medical, economic and public health value of diagnostic solutions in the fight against antimicrobial resistance.

1.5.1.4 Industry R&D

The Industrial Applications department has its own R&D teams.

It is developing the widest range of solutions for industrial microbiological testing and offers solutions for preparing the sample to be identified and for typing microorganisms.

It serves four industries:

- food;
- biopharmaceuticals;
- cosmetics;
- blood banks.

1.5.2 Intellectual property, licenses, right-of-use and other intangible assets

1.5.2.1 Intellectual property

The company protects its products and methods by patents, copyrights and trademarks. It actively defends its intellectual property rights throughout the world. Furthermore, it is especially vigilant in the protection of its technical and industrial know-how.

Proprietary patents

Diagnostic systems offer a very broad field of application to intellectual property as they combine instrumentation, computer science and biology. Accordingly, stakeholders in the sector seek to achieve strong positions regarding patents.

Generally, companies in the *in vitro* diagnostics sector are less exposed to the risks associated with patent expiration than pharmaceutical companies when faced with the arrival of generic drugs. Indeed, the manufacturing know-how, installed instrument base and number of menu parameters developed during the protection period enable companies in this sector to be better protected.

Conversely, high medical value tests may be more sensitive to the expiration of their patent protection.

The Company actively protects its research findings via patents (around 20 new patent applications per year) and monitors its competitors to actively defend any infringements of its rights. Accordingly, as at December 31, 2021, the Group owned 570 patent families, the majority of which are in effect in Europe, the United States, and China (516 patents granted in the US and 375 in Europe). The Company usually first makes a priority filing (especially in France or the United States). Then, within one year, it makes an extension based on the patent cooperation treaty. This establishes a single filing procedure for the 154 contracting states (as at December 31, 2021). The final choice of countries for patent extension is made at the end of the PCT procedure, i.e., around 30 months after the initial filing. Patents are often extended in countries where the *in vitro* diagnostics market is larger, especially in the United States, Europe (particularly France, Germany, the UK, Italy and Spain), in China and in Japan.

Licenses granted by third parties

In the context of its business, the Company benefits from licenses granted by third parties to develop or market reagents or technologies (see Section 1.5.2.2 and Section 2.2.1.5).

Licenses granted by the Company

The Company granted a license for patents covering:

- the NEPHROCHECK® test system (i.e. the test kit, control solutions, calibration kit and Astute140 measuring device). This test enables acute kidney injury diagnosis and prognosis;
- Documenting traumatic brain injury by measuring the quantity of specific markers in the blood: Ubiquitin Carboxy-terminal Hydrolase-L1 (UCH-L1) and Glial Fibrillary Acidic Protein (GFAP).

For all of the technologies controlled by bioMérieux via exclusive third-party licenses with sublicensing rights, a portion of the revenue from the sublicensing agreements is paid to the patent owner.

Since 2018, the Company has had a policy aiming to commercially develop the biological raw material that it owns. As such, the Company has granted licenses on the use of cell lines (hybridoma) for the production of antibodies likely to be used in *in vitro* diagnostics solutions, or which may be offered for sale as biological raw materials.

Trademarks

The Company owns the "bioMérieux" institutional trademark, which is registered in most countries both as a word trademark and as a semi-figurative trademark. Use of the "Mérieux" name is managed by the Institut Mérieux, for all of the companies under its control. Accordingly, the Company obtained the right to use the bioMérieux name within the scope of its activities from the Institut Mérieux.

The Company also has legal title to the trademarks of the products (instruments, reagents and/or software) and services that it markets.

The new trademark registrations are made as basic registrations in France or the United States, then the protection is extended:

- through the registration of trademarks with the European Union Intellectual Property Office, in all countries of the European Union;
- through international registration with the World Intellectual Property Organization;
- through the registration of national trademarks.

The portfolio includes 283 trademark families, and these have been registered in most countries.

Domain names

The Company owns more than 604 recorded domain names, including those with the "bioMérieux" name, and over 150 different extensions.

1.5.2.2 Degree of dependence

Dependence on patents and licenses

The Company holds a number of licenses which are listed below, the loss of which could have a significant impact on the Company's sales:

- the PCT license granted by Thermo Fisher along with the supply of raw materials, to develop and sell VIDAS® tests for the screening of procalcitonin as a marker of severe bacterial infections;
- the NT-proBNP license granted by Roche Diagnostics to develop and sell VIDAS® tests to detect NT-proBNP, a marker for congestive heart failure and acute coronary syndrome (patents on raw materials expiring in 2024);
- the license to develop molecular beacons granted by PHRI Properties, Inc. (patents expiring no later than 2024);
- licenses concerning PCR technology granted by the University Utah Research Foundation to develop and sell products in the BIOFIRE® range (patents expiring no later than 2025);
- licenses concerning technologies implemented as part of tests sold exclusively to the US government (BioFire Defense).

The Company also receives income from its patent portfolio (see Section 1.5.2.1).

1.6 PROPERTY, PLANT AND EQUIPMENT

Historically based in the Lyon region of France, the Company has expanded its geographical presence over the years by acquiring foreign companies and by forming subsidiaries of its own.

bioMérieux's manufacturing, logistics and R&D sites are generally fully owned by the Company.

1.6.1 Production

Manufacturing processes play a critical role in the *in vitro* diagnostics industry due to constraints related to the nature of the products. At the end of 2021, the Group operated 15 main manufacturing sites organized by product line.

The Group organizes its production on the principal of "one product line, one site" (see Section 2.2.2.3). The technical complexity of its products requires very special know-how, specialized teams, and the proximity of R&D teams. Moreover, productivity gains resulting from economies of scale can be attained by concentrating production. There are two exceptions to this principle:

- Petri dishes are manufactured close to customers due to their short shelf life, on sites in Rio de Janeiro (Brazil), Lombard, Illinois (United States), Madrid (Spain) and Combourg (France), in addition to the main manufacturing site in Craponne (France);
- as part of strengthening the Group's presence in China, a production site for microbiology reagents is under construction in Suzhou (Jiangsu, China), in order to respond, among other things, to evolving regulations on participation in calls for tenders.

  Furthermore, in the development of operations for Hybiome, a new site, itself under construction in Suzhou, will replace the current site.

The 15 main production sites are described below.

	Site	Property/Rental	Surface area	Activity
EUROPE	**Marcy l'Étoile** including Campus de l'Étoile (France)	Full ownership and property lease financing for the Campus de l'Etoile	187,000 m² including 53,000 m² of built usable floor space	The Group's worldwide head office from the outset Production of VIDAS® reagents R&D Commercial and administrative functions
	Craponne (France)	Fully owned	80,000 m² including 39,000 m² of built usable floor space	Production of culture media, including the CHROMID® and 3P™ ranges (Petri dishes, tubes and bottles, dehydrated media) R&D Commercial and administrative functions
	La Balme-les-Grottes (France)	Fully owned	119,000 m² including 19,000 m² of built usable floor space	Production of reagents for API®, ATB™, TEMPO® and ETEST® ranges R&D microbiology, instrumentation and software
	Grenoble (France)	Fully owned	31,500 m² including 9,300 m² of built usable floor space	R&D molecular biology
	Combourg (France)	Fully owned	43,000 m² including 12,000 m² of built usable floor space	Production of reagents (culture and cytometry media) and instruments (product ranges for the automation of cytometry laboratories) intended for food industry applications R&D industrial microbiology
	Verniolle (France)	Fully owned	9,500 m² including 1,800 m² of facilities	Reagent production (ARGENE® range) R&D molecular biology
	Florence (Italy)	Fully owned	10,000 m² including 7,000 m² of built usable floor space	Instrument production VIDAS® (immunoassay), NUCLISENS® EMAG® (molecular biology), TEMPO® and GENE-UP® (industrial applications) Instruments R&D Commercial and administrative functions
	Madrid (Spain)	Fully owned	6,000 m² of built usable floor space	Microbiology production (Petri dishes and the CHROMID® range)
NORTH AMERICA	**Durham** (North Carolina – United States)	Fully owned	579,000 m² including 21,000 m² of built usable floor space	Production of microbiology reagents (BACT/ALERT®) R&D Commercial and administrative functions
		Rental	10,000 m²	
	St. Louis (Missouri – United States)	Fully owned	141,000 m² including 66,000 m² of built usable floor space	Production of microbiology instruments (VITEK® and BACT/ALERT® ranges) and reagents (VITEK® cards) R&D
	Lombard (Illinois – United States)	Rental	5,580 m²	Production and sale of culture media (3P™ lines) for industrial applications in the United States
	Salt Lake City (Utah – United States) BioFire Diagnostics site	Full ownership on the campus of the University of Utah (Utah Research Park) Full ownership on the West Campus site	Approximately 71,000 m² including 39,000 m² of built usable floor space Approximately 137,000 m² on the second site including 55,000 m² of built usable floor space	Production of the BIOFIRE® system (instruments and reagents) Administrative and commercial functions of BioFire Diagnostics

	Site	Property/Rental	Surface area	Activity
LATIN AMERICA	**Jacarepagua** (Rio – Brazil)	Fully owned	42,000 m² including 5,400 m² of built usable floor space	Production, sale and distribution of reagents for ready-to-use media for microbiology (Petri dishes and the CHROMID® range) and industrial applications R&D Commercial and administrative functions
ASIA PACIFIC	**Suzhou** (China) Hybiome site	Rental	9,000 m²	Production of immunoassay instruments and reagents R&D
	Sydney (Australia) BTF Site	Rental	1,400 m²	Production and sale of reagents for microbiological testing (BIOBALL®, EASYSTAIN®, ColorSeed, EASYSEED®)

BioFire Defense, at a secured and separate site located in Salt Lake City, has its own personnel, programs and equipment in order to meet the expectations of its military customers in the United States.

1.6.2 Logistics

Logistics play an essential role within the Group, particularly with regard to the specialization of its production sites, its global commercial footprint, the large number of its individual products, and the specificity of its products (reagents, instruments and replacement parts).

In order to optimize the conditions regarding supply to customers and inventory management, product distribution is organized around:

- global platforms for the storage of finished products and international shipping to subsidiaries and distributors. These platforms are especially found in the United States and in France, with the IDC site located in Saint-Vulbas, for which a capacity expansion and equipment modernization project is underway;
- regional or local platforms, which may be subcontracted to external operators, which process orders and shipments to customers of one or more subsidiaries.

During the various stages of the distribution circuit, logistics:

- manages the cold chain and ensures that the product shelf life matches the needs of the customer;
- ensures the traceability of products by using packaging barcodes;
- monitors inventory levels and the flows of reagents, instruments and replacement parts through a dedicated expert group. This group works within the framework of a Group-level policy in order to guarantee the availability of products while optimizing costs and inventory levels.

2.

RISK FACTORS, RISK MANAGEMENT AND INTERNAL CONTROL

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2.1 RISK ASSESSMENT

The Company has established a risk management process, led by the Risk Department, to identify, assess and coordinate the risks it may face.

This department is responsible for defining and monitoring the implementation of bioMérieux's risk management policies. Its activities revolve around the following objectives:

- create and preserve the Group's value, assets and reputation;
- identify emerging risks in order to secure the Group's decision-making and processes;
- harmonize risk management initiatives;
- develop risk culture within the Company.

The Risk Department defines and monitors changes in the risk mapping at local and global level. These risk analyses are shared with the Executive Committee, the Audit Committee and the Board of Directors. This department also participates in the preparation of specific risk analyses (Sapin II law, non-financial performance reporting, duty of vigilance, etc.).

The risk management process consists of three key steps described below:

Identification of major risks

Due to the diversity of its activities, its ecosystem and its international influence, the Group is faced with many types of risks: operational, financial, legal, environmental, image, compliance, etc.

These risks are identified by operational managers at all levels of the Company and its subsidiaries.

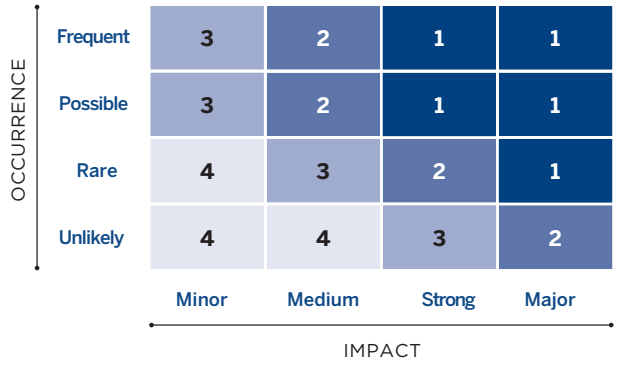
The Risk Department steers the risk identification process based on a methodology described below.

With regard to the scopes covered, the functions and departments are involved in the risk identification process and contribute their expertise and view of the risks borne by current or future activities.

The department also continuously monitors the external environment in which the Company operates in order to identify and anticipate the emerging risks it may face, in addition to the known and monitored risk benchmarks.

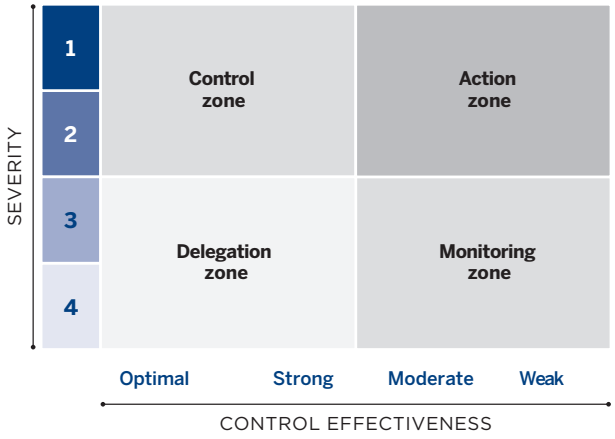
Risk analysis and assessment

The Company's main risks are initially assessed according to their likelihood of occurrence and their financial, legal, human and image impact. The objective is to define the level of gross exposure to each of these risks.



In a second stage, the effectiveness of the actions carried out is assessed in order to define the net or residual risk. These net risks are then prioritized and additional remedial plans are identified and implemented.

This methodology is gradually rolled out within the operational entities and support functions, so as to manage the risks at a more detailed level.



Treating risk

There are several approaches to treating risk:

- reduction: measures are taken to limit the likelihood of occurrence or the impact of the risk, or both; the Internal Control Department (see Section 2.4.1) may be called upon to deploy the necessary resources to reduce them;
- acceptance: no additional measures are taken to modify the level of residual risk; the risk is accepted and assumed by the Department concerned;
- transfer: reducing the likelihood of occurrence or impact of the risk by transferring or sharing part of the risk, in particular through insurance mechanisms;
- avoidance: abandonment of the activities giving rise to the risk.

With regard to the assessment of net or residual risks, risk treatment strategies may differ in order to achieve the objective set:

- risks in the action zone: risk reduction actions to move toward the control zone;
- risks in the control zone: actions to reduce the likelihood of occurrence or impact of the risk, or maintenance of the control systems in place to mitigate the risk;
- risks in the delegation zone: maintaining the risk under control;
- risks in the monitoring zone: actions aimed at ensuring that the severity of the risk (likelihood of occurrence or impact) does not increase.

Each risk identified during risk mapping exercises is owned by a Risk Champion who is responsible for organizing and implementing action plans with the aim of reducing the risk in terms of the risk treatment strategy adopted.

The risks and action plans are reviewed at least once a year to ensure the effective implementation of mitigation actions.

The Group's risk mapping is reviewed annually by the Executive Committee, then the Audit Committee. Work sessions are organized during the year in order to review gross risks, monitor the progress of action plans put in place, assess the efficiency of risk management initiatives, and evaluate new risks. This enables the Company to dynamically assess its risk environment and, when deemed necessary, to define the action plans and internal audit program for the coming year.

This methodology is applied to describe and evaluate the main risks related to the Company's business, and where applicable, those created by its business relationships, its products or services.

2.2 COMPANY RISK FACTORS

The group conducts its business in a fast-changing environment that gives rise to risks that the Company is not able to control. À certain number of important factors can imply that the Company's growth and profitability objectives are not achieved.

The risks and uncertainties presented below could have a material adverse impact on its business, outlook, financial position, results, ability to meet its objectives, or on its image and reputation. At the time of writing this document, based on the outcomes of the risk assessment carried out during the fiscal year and taking into account the mitigation measures put in place, the Company considers the following risks to be the most significant. However, they are not the only ones to which the Company is exposed.

The presentation of the risk factors hereafter is the result of the Group's mapping exercise, at the date of this document. The Company draws investors' attention to the fact that, in accordance with Article 16 of Regulation (EU) 2017/1129 of June 14, 2017 and its implementation acts, and the Guidelines on risk factors under the Prospectus Regulation of March 29, 2019 (guidelines of the European Securities and Markets Authority), only the risks that are specific to the Group and that are the most significant are evoked. The list presented in this section is thus not exhaustive. Other risks, some of which are material, feature in the risk map and may affect bioMérieux, but have not been presented below because they do not fulfill this criterion of specificity, or because they are currently unknown, or are still considered as insignificant at the time of preparation of this Universal Registration Document.

Table summarizing the main risks

The risk factors are presented by type in a limited number of categories. In the description of each risk which follows, within each category, the risk(s) having the greatest impact and then the greatest likelihood of occurrence are presented first.

CATEGORY		RISK FACTORS	NET IMPACT	LIKELIHOOD OF OCCURRENCE
RISKS RELATING TO BIOMÉRIEUX'S INDUSTRY		Competition and emergence of alternative technologies	♦♦♦	●●●
		Changes in reimbursement policies	♦♦♦	●●●
		Consolidation of the customer base and decentralization of tests	♦♦♦	●●●
	NFPS	Defective and/or insufficient product quality	♦♦	●
		Intellectual property	♦	●●
RISKS RELATING TO BIOMÉRIEUX'S STRATEGY AND FUNCTIONING		Failure of R&D projects and new products	♦♦♦	●●
	NFPS	Dependence on certain suppliers and partners	♦♦♦	●●
		Loss of a major industrial site	♦♦♦	●
	NFPS	Failure and vulnerability of information systems	♦♦	●●
		Acquisition and integration strategy	♦♦	●●
	NFPS	Climate change and environmental liability	♦	●●
RISKS RELATING TO BIOMÉRIEUX'S BUSINESS ENVIRONMENT	**NFPS**	Ethics and compliance	♦♦	●●
	NFPS	Regulatory environment applicable to products	♦♦	●●
		Foreign exchange	♦	●●●

Net impact scale *High ♦♦♦ Medium ♦♦ Low ♦*
Likelihood of occurrence scale *Probable ●●● Possible ●● Improbable ●*

The above table reflects the exposure of the Company to the risks, after taking into account the mitigation measures implemented to reduce impact and likelihood, measures that are also described below.

The Company's non-financial risks are identified by the pictogram **NFPS** and are also mentioned in Chapter 3 and included in the Summary Table of Risks and Opportunities (Section 3.3.1).

The progression of the current COVID-19 pandemic in terms of intensity or severity remains difficult to predict. The Company is not able to assess the impact on its operations, production and performance.

The pandemic also poses a risk to the health and safety of bioMérieux employees. The Company has put numerous measures in place in order to limit this risk. Despite its efforts, the Company could be faced with the shutdown of its production lines or a slowdown in its research and development or logistics activities as a result of employees becoming infected with COVID-19.

In addition, teleworking, lockdowns, or any other restrictive measure recommended or imposed on the Company could have an impact on its business and performance.

Other risks and uncertainties that the Company currently considers as not material, or that more generally concern all economic players, could also adversely affect its business, outlook, financial position, or ability to meet its objectives in the future. These risks are monitored as part of the Company's risk management process.

2.2.1 Risks relating to bioMérieux's industry

2.2.1.1 Competition and emergence of alternative technologies

Net impact ♦♦♦ Likelihood of occurrence ●●●

RISK DESCRIPTION

***In vitro* diagnostics is a highly innovative industry in which the emergence of new technologies is a source of risks and opportunities (see Section 1.2.1.2). The Company could be threatened by new technologies, such as:**

- the sequencing of bacterial and viral DNA and RNA;
- the partial or total elimination of culture prior to sampling;
- the use of complex data to provide a medical response with higher added value.

The Company could also be threatened by existing technologies which compete with products in its portfolio, particularly BIOFIRE® technology (see Section 1.2.3.2).

Generally, new technologies enabling quicker, more reliable or lower-cost diagnosis may appear. Especially, new competitors from emerging countries (China and India in particular) are developing and could offer products that are less expensive than the Company's.

Moreover, the simplification of workflows proposed by some competitors, enabling the integration of all tests for a given technology in a single platform, could constitute a risk for the products marketed by the Company.

Finally, the COVID-19 pandemic has led to the emergence of new clinical needs in *in vitro* diagnostics. Manufacturers have developed and marketed innovative solutions to meet these challenges. In this context, competition could increase significantly in certain markets, including that of syndromic tests. Thus, the development of the COVID-19 pandemic could generate both risks and opportunities for bioMérieux.

POTENTIAL IMPACTS ON THE COMPANY

Increased competition could cause the Company to:

- lower its prices in order to remain an attractive alternative for its existing customer base;
- lose volume, thus having an unfavorable effect on revenues and on its test production costs.

In this context, the Company cannot be certain that its products will be able to compete over the long term with products marketed by other players, and allow it to gain or maintain significant market share and benefit from an equivalent product reputation than its better-positioned competitors.

RISK MANAGEMENT

The Company has various channels dedicated to technological watch in order to detect the emergence of new technologies and to anticipate their potential and the speed of their adoption by laboratories. Also, a Business Development Department is in contact with companies in the industry that are likely to provide access to innovative technologies, thus enabling the Company to enrich its product line, particularly through license agreements.

At the same time, **the Company is working on increasing the number of tests available on its platforms.** As an example, bioMérieux is endeavoring to include new antibiotics on the antimicrobial susceptibility testing (AST) of its VITEK® platform, to enhance the menu of the BIOFIRE® system with the renewal and improvement of existing tests and the extension to new pathologies, and to broaden the menu of the VIDAS® platform with differentiating tests. **bioMérieux's R&D Department, with the assistance of the Chief Medical Officer, aims to extend the scope of some tests to other applications and to demonstrate the medical value of its products.**

Lastly, **the Board of Directors has a Strategy Committee** whose mission is to analyze the Company's main challenges, particularly those related to changes in the technological, medical and market environments in order to guide the Group's strategy by adapting its solutions or its business model.

In the context of the COVID-19 pandemic, the Company has developed and marketed a broad range of solutions (see Section 1.2.3.1) to meet these public health challenges. These product ranges provide targeted, fast and reliable answers to healthcare professionals around the world.

2.2.1.2 Changes in reimbursement policies

Net impact ♦♦♦ Likelihood of occurrence ●●●

RISK DESCRIPTION

A decision by a public or a private insurer to limit or stop the reimbursement of certain diagnostic tests could have a significant impact on demand for the Company's products and/or on the price charged by the Company to its customers (see Section 1.2.1.4).

In particular, the Company is exposed to:

- the 2017 American PAMA (Protecting Access to Medicare Act) law, which plans a drop in the reimbursements from 10% to 15% per year until 2023 for outpatients on most diagnostic tests;
- decisions on the reduction of reimbursement for specific tests. As an example, in 2020, Palmetto, a Medicare Administrative Contractor, decided to reduce reimbursements for BIOFIRE® respiratory panels for outpatients over 65 years old;
- in France, the BIOFIRE® solutions are included on the list of innovative procedures not classified for reimbursement purposes (French acronym: RIHN), a conditional acceptance mechanism for which the annual budget is set by health authorities. The increase in the number of test prescriptions addressed by this reimbursement budget could lead to a devaluation of the BIOFIRE® offer.

POTENTIAL IMPACTS ON THE COMPANY

As a result, the Company cannot be certain:

- that its customers will continue to buy the same volume of products;
- to maintain its prices, faced with lower reimbursement for its customers.

The impact of the PAMA reform on bioMérieux is mitigated by most of its products being used for hospitalized patients rather than outpatients. The Company nevertheless expects a potential indirect impact due to pressure on its customers' margins.

RISK MANAGEMENT

The Company endeavors to promote the health economics value of its solutions through its Medical Affairs Department. This department files and defends requests for new product approval and assesses the medical value of the Company's products by conducting medico-economic studies and obtaining the related reimbursements.

Furthermore, the Company has a team dedicated to market access & reimbursement, whose task is to promote the medical value of its products to private or public insurers, and support its customers in their applications to obtain reimbursement.

2.2.1.3 Consolidation of the customer base and decentralization of tests

Net impact ♦♦♦ Likelihood of occurrence ●●●

RISK DESCRIPTION

The consolidation of customers continues apace, particularly in Europe and the United States, for *in vitro* diagnostics products, which has led to the creation of technical platforms that process large test volumes daily. This consolidation trend allows customers to exert greater influence on product prices.

Moreover, in the United States in particular, hospitals are increasingly going through central purchasing organizations that pursue an aggressive purchase price reduction policy.

At the same time, this trend toward consolidation has also triggered a wave of decentralization in the United States, where tests are being conducted closer to patients (point-of-care) in physician offices and pharmacies.

POTENTIAL IMPACTS ON THE COMPANY

The Company's product range might not correspond to the requirements of consolidated customers handling very large volumes of daily tests, and consequently might lead to losses of market share and volume in certain product ranges (see Sections 1.2.1.4 and 1.2.1.5).

The consolidation of the customer base and the accompanying reduction in selling prices could have repercussions for the revenues and profitability of the Company.

Lastly, the movement to decentralize tests could favor other diagnostics players having point-of-care offers and consequently reduce the volumes of tests sold by the Company.

RISK MANAGEMENT

The Company has established specific organizational systems that enable it to efficiently manage key strategic customers.

A department dedicated to managing sales performance is responsible for improving the relevance and management of bioMérieux's commercial policies, as well as for optimizing the customer approach strategy.

The Company pays particular attention to adjusting its prices based on its positioning in the markets in which it operates. It has a range of tools aiming for better control over its profitability per market and per product range, to best respond to the challenges of market concentration.

Furthermore, its research and development efforts aim **to adapt the product portfolio to best respond to market developments.**

2.2.1.4 Defective and/or insufficient product quality **NFPS**

Net impact ♦♦ Likelihood of occurrence ●

RISK DESCRIPTION

The production and marketing of diagnostics products exposes the Company to product quality liability risks.

The Company could be held liable if a diagnostics error resulting from the defective performance of one of its products leads to unsuitable treatment of a patient or the sale of contaminated products. Even if diagnostics products are designed, manufactured and delivered in compliance with the quality standards (described in Section 1.4) and it is common practice to perform a series of additional tests to reduce the risk of error for the most serious diseases, this risk cannot be totally eliminated.

Moreover, the Group uses biological products that are manufactured or created from components developed from materials that are of human, animal or plant origin and which cannot yet be manufactured inexpensively using synthetic materials. This process causes risks in the use of these products or components because of the variability related to their origin.

POTENTIAL IMPACTS ON THE COMPANY

Defective product quality could generate a negative impact for the health of patients and consumers. Such defective quality could lead to litigation from customers of the Group, patient associations, or patients.

The competent health authorities could instruct inspections and, in the case of a major shortcoming, issue a letter of injunction or prohibit any sale until the identified shortcomings have been resolved.

Such a situation could lead to additional costs for the Company to implement corrective actions, protracted losses in market share, and an impact on revenue and operating income.

Lastly, the Company's image would also be affected.

RISK MANAGEMENT

The Global Quality Department defines a quality policy and a management system by which it ensures compliance with applicable quality standards (see Section 3.4.2). The main manufacturing sites are certified compliant to ISO 9001 and ISO 13485.

In addition, a Quality Assurance Department is involved in all phases of product development and at each stage of production and distribution.

The Company also has a process for managing and monitoring customer complaints that aims at constantly improving the quality of its products and addressing any risks toward patients and consumers.

Lastly, the Legal Affairs Department oversees compliance with the applicable legal and regulatory provisions. It has set up an insurance policy to protect against and prevent its risks, notably in matters of civil liability (see Section 2.5).

2.2.1.5 Intellectual property

Net impact ♦ Likelihood of occurrence ●●

RISK DESCRIPTION

Intellectual property law in the healthcare industry is constantly changing, giving rise to uncertainties (see Section 1.5.2). Accordingly, the Company may not be able to:

- develop patentable inventions;
- be granted the patents for which it has applied;
- obtain or renew the licenses it needs for its business;
- ensure that the validity of the patents or trademarks it holds, or for which it has been granted a license, will not be challenged by third parties;
- be sufficiently broadly protected by its patents;
- ensure that the patents or other intellectual property rights held, or for which the Company has been granted a license, will not be challenged or infringed by third parties;
- avoid paying compensation for infringement of third-party patents by products from the Company.

As the *in vitro* diagnostics industry develops, more and more patent applications are filed and patents granted, leading to an increased risk of unintentional infringement of third-party patents.

POTENTIAL IMPACTS ON THE COMPANY

Controlling unauthorized use of intellectual property is difficult, and the Company may not be able to prevent misappropriation of its intellectual property rights, or obtain sufficient protection to prevent similar products entering the market. Consequently, its revenues may be affected by competition from these counterfeit or similar products.

The Company may have to obtain the appropriate licenses to use third-party patents, or cease certain activities, or seek alternative technologies if obtaining a license is impossible or unprofitable.

Lastly, the Group might not be able to develop or sell products for which the intellectual property rights have been successfully challenged by a third party, and might have to pay damages for infringement.

RISK MANAGEMENT

The Legal Affairs and Intellectual Property Department oversees compliance with the applicable legal and regulatory provisions.

To limit the risks related to intellectual property, **the Company has an active policy of filing patents and monitoring third-party products to identify any infringers of its patents** (see Section 1.5.2.1). As applicable, it pursues, with respect to these infringers, either amicable resolutions or the judicial proceedings required to protect its rights.

Similarly, the Company checks the freedom to operate in relation to third-party patents for all products under development. The Company has set up a monitoring system to be able to prevent filings for third-party brands and trademarks that are likely to create confusion with its own key brands.

2.2.2 Risks relating to bioMérieux's strategy and functioning

2.2.2.1 Failure of R&D projects and new products

Net impact ♦♦♦ Likelihood of occurrence ●●

RISK DESCRIPTION

The Company invests significant amounts in new product R&D (systems, instruments, reagents, software, services, etc.) (see Section 1.5.1).

It is possible that bioMérieux might not be investing in the most promising technologies or in the biomarkers that will become dominant in the market.

As the process of developing new diagnostics systems is particularly complex, the Company might:

- encounter technical difficulties and thus be unable to develop a product that fulfills the performance requirements expected by customers;
- encounter organizational difficulties related to the availability of resources having the necessary skills, and/or the default of partners or subcontractors involved in the development;
- not be able to meet to the desired deadlines (such as deadlines for the recruitment of patients during clinical trials);
- encounter difficulties in industrialization; the new instruments or reagents could prove to be too costly or difficult to manufacture on an industrial scale, and it might be difficult to find the supplies necessary for their manufacturing and market launch;
- not be able to obtain the regulatory clearance it requires to market and sell its new products;
- not succeed in demonstrating the medical and economic value of new diagnostics solutions, which is a key factor in the commercial success of its solutions.

POTENTIAL IMPACTS ON THE COMPANY

The Company could shelve R&D projects in which significant human and financial resources have been invested, even at a development stage close to the commercial launch date, which could impact the Company's financial position.

The launch of new products may require more operational or capital expenditure than anticipated by the Company on R&D, production, marketing, the sales force and commercial support, instrument installation and maintenance, medical education and customer training.

The Company may not collect the return on its investments in R&D in the event of technical or industrial failure, if the products developed do not receive the requisite regulatory clearance or if they do not meet with the expected commercial success.

RISK MANAGEMENT

The Group pays particular attention to the selection, execution and monitoring of its R&D projects.

The Board of Directors has a Strategy Committee whose mission is to orient the Group's strategy and to conduct studies on the main challenges facing the Company, particularly those related to changes in the technological, medical and market environment. The Group endeavors to incorporate market expectations and to apply its knowledge base and technological platforms when defining its new products in order to deliver systems that create medical and technical economic value for its customers. The Company organizes specialized committees, bringing together the marketing, medical affairs, R&D, intellectual property, and innovation functions to identify and select future development opportunities, fully taking into account the parameters described above. Lastly, the Company establishes both private and public partnerships (universities, research centers) in an open innovation approach, in order to broaden the spectrum of its knowledge and skills.

The strategic planning department ensures that the overall strategy is aligned with the project portfolio, and contributes to the choice of R&D projects. The R&D activities are organized around dedicated teams, experts in different technologies (microbiology, immunoassays, and molecular biology). The R&D teams use a global project management software package. It includes a resource planning function, to ensure a balance between project demand and the availability of teams or subcontractors, in order to contribute to their proper implementation.

Financial teams dedicated to R&D monitor progress and compliance with project deadlines and costs, together with the project managers. They also take part in the upstream selection of projects through an evaluation of the value-creation potential associated with each project.

2.2.2.2 Dependence on certain suppliers and partners **NFPS**

Net impact ♦♦♦ Likelihood of occurrence ●●

RISK DESCRIPTION

The Company is working with a vast network of suppliers and may, in certain cases, be in a position of dependency on some of them, due to their exclusivity or the specifics of the products/materials bought from them (see Section 3.8.1).

The qualification of materials, components, and all types of supplies used often requires a long process and limits the number of suppliers that are authorized or able to fulfill the needs and requirements of the Company. Certain components of the Company's products may become obsolete if the suppliers decide to modify the composition of their products/materials. The Company is subject to strict rules in matters of manufacturing processes, and any change in raw materials must be requalified.

Lastly, the Company could lose the exclusive rights it holds with certain key partners, potentially to the benefit of competitors.

POTENTIAL IMPACTS ON THE COMPANY

A disagreement with certain suppliers or a failure of suppliers to meet their obligations could create difficulties for the Company's manufacturing operations, including for some of its main products, leading in certain cases to delivery interruptions, additional costs, and material delays resulting from the need to validate and put in place alternative procurement solutions.

In addition, certain suppliers' quality defects could negatively impact the Group's products, resulting in scraps during the production process.

Lastly, the Company could be forced to build up additional inventory of components if suppliers were to discontinue their production. It might even have to redevelop some of the production processes itself, which could lead to significant development costs and a temporary inability to manufacture its products.

RISK MANAGEMENT

The Company has set up a Global Purchasing Department and is mapping the risks associated with its key suppliers and materials.

From this map, the Company endeavors to secure its supplies by maintaining close relationships with its strategic suppliers, diversifying its sources of supply to the extent possible, endeavoring to conclude long-term supply contracts, building up buffer stocks, and partnering with its suppliers in a sustainable growth strategy (see Section 3.8.1).

Also, **the Purchasing Department is associated with the initiation phase of R&D projects, to identify and determine the extent of the risks related to this supplier dependency.**

2.2.2.3 Loss of a major industrial site

Net impact ♦♦♦ Likelihood of occurrence ●

RISK DESCRIPTION

The Company operates 15 manufacturing sites, each primarily dedicated to a single product line and technology, based on the principle of "one site - one product line" (see Section 1.6). The result of this is that, with the exception of the culture media, each of the Company's flagship product lines is manufactured on a dedicated site.

Also, the Company has international logistics centers in France, the United States and Singapore, through which most flows intended to serve the various markets are directed.

The Company is thus exposed to various risks that could cause the loss of one of its sites, notably:

- accidental or malicious industrial event: fire, explosion, contamination, loss or shutdown of a key production tool, or cyber attack;
- natural or climatic event: storm/cyclone (St. Louis – United States, Durham – United States), extreme temperatures (Lombard – United States), earthquake (Salt Lake City – United States), or floods.

POTENTIAL IMPACTS ON THE COMPANY

Any event affecting the production capacity or causing a temporary or definitive interruption of the activity of the "mono-product" manufacturing sites and/or its international distribution center could cause a risk for public health and have a significant negative impact on the revenues and image of the Company.

Furthermore, such events could require significant capital expenditure for strengthening the organizational structure of the Company, and cause additional costs related to significant use of external help, such as consulting and assistance missions.

If it were impossible to quickly resume operations at the production facility concerned, the Company could be forced to relocate production of the product line concerned. Given the complexity of the products manufactured by the Company, setting up relocated production resources could be long and costly.

RISK MANAGEMENT

All of the industrial sites have set up risk analyses related to their operations aiming to identify their exposure to risks and set up business continuity plans.

The Company performs annual audits of industrial sites together with its insurer, in order to identify possible vulnerabilities in coping with accidental events. The results of these audits are taken into account by the Company's insurance policy (see Section 2.5).

The objective of these analyses is to put in place preventive actions (training employees, implementing emergency procedures) and/or corrective actions aimed at anticipating scenarios and reducing exposure to risks. For example, the Company has built a second site, far from the first, for the production of its BIOFIRE® molecular biology product line.

Lastly, the Company has implemented regular monitoring of the natural disasters risk, which enables it to assess the impacts of climate change on the regions in which its sites operate. Given that the Company consumes little water and is therefore hardly dependent on it, it does not anticipate any major risk associated with the increasing scarcity of this resource.

2.2.2.4 Failure and vulnerability of information systems **NFPS**

Net impact ♦♦ Likelihood of occurrence ●●

RISK DESCRIPTION

The Company could face a failure in its information systems or their obsolescence, a personal data breach and attacks by cybercriminals.

The acceleration of the digital transformation underway over the past several years at the Company could heighten its exposure to risks related to cyberattacks, as well as those related to failures of IT systems.

These have a major importance in the routine execution of the Group's operations in processing, transmitting and storing electronic data relative to operations, to the financial statements of the Group, and to communication with personnel, patient associations, customers, distributors and suppliers of bioMérieux.

In particular, bioMérieux has access to patients' personal data, for which security is ensured by particularly strict regulations in the United States (Health Insurance Portability and Accountability Act – HIPAA) and Europe (General Data Protection Regulation – GDPR) (see Section 3.6.2).

Lastly, bioMérieux's equipment is connected to the IT systems of its customers (LIS) and may therefore constitute a point of vulnerability for a cyber attack (see Section 1.2.3.2 BIOMERIEUX VISION SUITE

POTENTIAL IMPACTS ON THE COMPANY

Any failure or malfunction of equipment, IT applications or communications network, notably of the Global ERP, or successful cybercriminal attack on the information systems or instruments of its customers connected to it could:

- lead to the use of strategic and confidential data by competitors;
- lead to the leakage, loss, theft and disclosure of personal data, including patient data, which could lead to administrative, civil, and criminal penalties;
- make it impossible to carry out routine operations and thus harm the business;
- affect the operations of customers;
- generate operating losses;
- and/or harm the image and reputation of the Company.

RISK MANAGEMENT

The Company has an Information Systems Department which is tasked with ensuring the availability, continuity and performance of available IT services and setting up an IT security program based on risk management.

It performs audits on the internal processes and those of its external partners, in order to ensure the correct execution and compliance with procedures and evaluate its exposure to cyber attacks.

To prepare for the eventuality of a major incident, the Company has set up business recovery plans in order to be able to quickly return to a satisfactory level of business. In addition, critical applications and networks are duplicated according to clearly defined criteria.

The Company pays particular attention to the security of its information systems, notably through a dedicated "Global Information Systems Security Officer" function. This function works in close collaboration with internal experts and external partners to implement and maintain a strategy and to manage security based on the international security standards for information systems ISO 27001 and ISO 27002.

End users are trained and made aware of the risks of cyber criminality and personal data protection (see Section 3.6.2).

The Company has an insurance policy covering cyber risks (see Section 2.5).

Finally, **a Data Protection Officer (DPO) is responsible for rolling out the personal data protection strategy throughout the Group.** The DPO manages a network of local correspondents and carries out risk analyses. Its mission is to ensure a robust personal data management framework that complies with applicable local and international regulations.

2.2.2.5 Acquisition and integration strategy

Net impact ♦♦ Likelihood of occurrence ●●

RISK DESCRIPTION

The development of the Company is partly based on targeted acquisitions or equity investments (notably Invisible Sentinel, Hybiome, Astute Medical, BioFire) or external partnerships (notably Copan and Thermo Fisher Scientific) (see Section 1.1.2).

These transactions essentially aim to enhance its technology portfolio, its product range or its geographical positions. The specifics of each of these acquisitions lead to its own difficulties, related to the initial lack of proficiency in the acquired technology, which is particularly delicate in the industrial biology sector.

The proposed valuation of certain targets or the conditions needed to obtain certain licenses may represent obstacles to signing or renewing agreements required for the implementation of this strategy.

The integration of the acquired companies into the bioMérieux Group could encounter difficulties and lead to losses of key personnel or development that is less rapid than planned.

Lastly, the conditions for executing the acquisition business plan might not be fulfilled.

POTENTIAL IMPACTS ON THE COMPANY

The Company may be unable to:

- find or retain partners that could provide the technologies, products or market access it may need;
- pursue its strategy of acquisition or use under license of technologies developed by third parties, or renew the rights required for some of its operations at the expiration date;
- preserve substantial know-how for the development, industrialization, and production, as well as the understanding of clients' needs, and the key factors of success for marketing the solutions created by the acquired companies, and thus be unable to meet the targets set at acquisition;
- meet the objectives set at the time of acquisitions, chiefly owing to differences between the initial estimate and the actual results of the business plan. Failure to meet financial targets would cause the partial or total depreciation of the value of assets (property, plant and equipment, intangible assets and goodwill) related to the acquisition.

RISK MANAGEMENT

The Company uses various networks dedicated to technological and competitive watch and is supported by a Business Development Department with international teams.

Before investing, the Company performs the necessary due diligence and endeavors to define the most relevant valuation of the target companies. After having invested, it may, in certain cases, sit on the Board of Directors of these companies. The process for integrating companies is adjusted to each situation in order to meet three challenges:

- preserve the assets of the company acquired;
- ensure the acquisition plan goals are achieved;
- comply with bioMérieux's processes.

2.2.2.6 Climate change and environmental liability **NFPS**

Net impact ♦ Likelihood of occurrence ●●

RISK DESCRIPTION

Corporate responsibility with respect to the environment is becoming a major concern for the authorities and public opinion (see Section 3.5).

This concern may result in more demanding regulations, notably in matters of Health, Safety and the Environment (HSE). Stricter laws and more rigorous implementation measures than those currently in force could be applicable to the Company's manufacturing sites and products (RoHS, REACH, Biocides, GHS, CLP), as well as to the reprocessing of instruments placed or sold to customer laboratories.

In particular, international agreements, such as COP21 or the European initiative aiming for neutrality by 2050, are tending to drive companies toward a low-carbon economy. The Company's production strategy is based on a "mono-site" approach (see Section 1.6.1), which causes greenhouse gas emissions related to transporting products worldwide.

POTENTIAL IMPACTS ON THE COMPANY

Bringing some of bioMérieux's activities or sites into compliance with the most restrictive environmental standards could require large costs and affect production.

Any closure of a site would involve significant delays before obtaining the regulatory clearance necessary to restart production.

Lastly, a change in the "mono-site" industrial strategy could cause additional costs and technical difficulties in obtaining products of equivalent quality.

RISK MANAGEMENT

bioMérieux has renewed its commitments regarding responsibility and environmental impact and defining goals for reducing its environmental footprint by 2025 to 2030 (see Section 3.5).

The Company has developed an ambitious action plan for improving its environmental impact including eco-design, greenhouse gas emissions, resource management and waste management as described in Section 3.5.

This plan is integrated in the Company's CSR strategy (see Section 3.3.2) and is subject to regular monitoring by the Executive Committee to ensure execution.

HSE is managed on the production sites under management systems that meet internationally recognized standards and are organized by a network of HSE professionals, both locally and globally. It aims to make sure that the regulations in force are known and applied, and that developments are monitored by the Regulation Watch Committee and their impacts anticipated.

Lastly, the Company is developing a strategy for eco-design and management of the end of product life, as described in Section 3.5.2.

2.2.3 Risks relating to bioMérieux's business environment

2.2.3.1 Ethics and compliance **NFPS**

Net impact ♦♦ Likelihood of occurrence ●●

RISK DESCRIPTION

The Company is exposed to risks of fraud and corruption due to its international presence, its network of partners representing it, and the nature of its activities in contact with healthcare professionals and representatives of public authorities (see Section 3.6.3.1).

bioMérieux's products are ultimately sold to public and private healthcare organizations. The Company must therefore be very attentive to the laws and regulations relative to relationships between industrial companies on the one hand, and healthcare organizations and professionals on the other ("Bertrand" law, Sunshine Act). Moreover, a number of these organizations are public and are therefore subject to special rules regarding calls for tender and relationships with private operators. bioMérieux is also subject to international anticorruption laws (US FCPA rules, UK Bribery Act, Sapin II law etc.) sanctioning corrupt acts.

This risk is increased:

- due to the international presence of the Group, which has the effect of increasing the number of laws and regulations that must be complied with, and which, furthermore, does not mean that the Group cannot be subject to litigation pursuant to the laws of other countries having an extra-territorial reach;
- due to the use of distributors, the Group does not therefore have total control of the relationship between the customer and the end user (see Section 3.8.2).

Also, bioMérieux is subject to the rules of international trade and, in this regard, is exposed to risks related to embargo and sanction policies (see Section 3.6.3.1).

POTENTIAL IMPACTS ON THE COMPANY

In case of non-compliance with these laws and regulations and the principles of ethics and good business conduct, the Company would be exposed to legal action, resulting in financial loss and affecting its image and reputation.

Individuals committing offenses could also suffer severe criminal penalties.

RISK MANAGEMENT

The Company's actions are governed by a set of principles, directives, standards and procedures that comply with current ethical norms. Therefore, bioMérieux has developed an anti-corruption program, which includes a specific section on the correct rules for interaction with healthcare professionals. It is described in Section 3.6.3.1. **Furthermore, the Company has produced a corruption risk mapping, in order to identify the risks inherent in its activities and implement global and local improvement plans to mitigate them.**

The Ethics and Compliance Department is represented within the Executive Committee by the Legal Affairs Department, which is responsible for its compliance. This department is supported by local networks of correspondents trained in anti-corruption programs. An Ethics and Compliance Committee meets quarterly to define the guidelines for the function and to monitor the implementation of actions. Employees are trained annually in the principles of ethics and compliance, notably with online training courses on conflicts of interest, anti-corruption measures, and the Code of Conduct.

Since a significant portion of its sales are made through international or local distributors, bioMérieux contractually requires its partners to use the same high standards in the application of anti-corruption rules. It has also established a training program for their staff covering these high-risk subjects.

To minimize the risk of fraud, the Company has put in place an internal control system designed to prevent and identify fraud and ensure that procedures are duly applied. These include regular internal and external audits.

Lastly, an alert line has been made available to employees and third parties to report any malicious act that could harm the reputation and values of the Company (see Section 3.6.3.1).

2.2.3.2 Regulatory environment applicable to products **NFPS**

Net impact ♦♦ Likelihood of occurrence ●●

RISK DESCRIPTION

The Company's products and their manufacturing process are subject to strict, fast-changing regulations which vary widely from one country to another. These products are subject to controls carried out by the regulatory authorities throughout their process of development, production and marketing (see Section 1.4).

The launch of *in vitro* diagnostics solutions is subject to the Company obtaining regulatory clearance. Securing the regulatory clearance or certification needed to market a new product may take several months or, in some countries, one to two years, and requires significant financial resources. Moreover, an increasing number of countries are creating regulatory bodies that are gradually implementing their own requirements for the registration of products, resulting in an increase in the number of registration cases to handle, whether for new references or existing references (notably Brexit and Switzerland).

Also, regulations aiming to limit the market release and use of certain dangerous substances (notably, in Europe, the REACH regulation and the RoHS directive – see Section 3.5.1) are gradually being applied to the scope of *in vitro* diagnostics, and have led the Company to include these requirements in all of its activities.

Lastly, the changes to the following regulations could have an impact for bioMérieux and all players in *in vitro* diagnostics: the American UDI (Unique Device Identification) regulation and the European IVDR regulation (see Section 1.4.2.1).

POTENTIAL IMPACTS ON THE COMPANY

New regulations or audits performed at the Company's manufacturing sites could:

- delay or preclude the marketing of new products by the Company;
- force the Company to interrupt or halt production or sales of existing products;
- oblige the Company to make changes to its manufacturing and quality control processes;
- impose costly constraints on the Company as well as on its suppliers.

RISK MANAGEMENT

The Company strives to reduce this risk by rigorously inspecting production output and by monitoring regulatory compliance through the Quality Management System Department in all countries in which the Group operates (see Sections 1.4 and 3.6.1). In addition, a number of standards or benchmarks (including ISO) are in force within the Group. The Company sets up specific project teams to reach the level of compliance expected at the various deadlines set by these new regulations. These teams set priorities, define compliance action plans, and ensure the viability of the solutions selected for current products and for future developments.

Furthermore, its Regulatory Affairs Department allows it to identify new regulations and ensure compliance with current obligations and regulations, and a Regulation Watch Committee meets quarterly to ensure a cross-disciplinary approach to the obligations applicable to the Company.

In addition, the Group complies with the European Waste Electrical and Electronic Equipment Directive (WEEE Directive), and hires external service providers to remove equipment from customer sites located within the European Union and for the safe removal of heavy metals included in certain equipment. Accordingly, it no longer establishes provisions in this regard.

2.2.3.3 Foreign exchange

Net impact ♦ Likelihood of occurrence ●●●

RISK DESCRIPTION

The Company, due to its manufacturing footprint mainly in the Eurozone and in the United States, is highly exposed to fluctuations in the foreign currencies in which its sales are made. Fluctuation of a currency other than the euro and the dollar may cause a drop in revenues (in local currency) without a proportional drop in costs (partially in local currency but only for the local costs of sales, marketing and service).

The commercial policies of the Company might not offset the negative impact of the currencies on the markets.

Also, due to its international commercial footprint, the Company is exposed to the conversion risk for the accounts of consolidated subsidiaries having a functional currency different from the euro, the currency of publication of its financial statements.

The foreign exchange risk is described in Note 28.1 of Section 6.1.2.

POTENTIAL IMPACTS FOR THE COMPANY

These foreign exchange fluctuations may affect the financial performance of the Company.

Also, a significant drop in certain currencies could have a more overall negative effect on the economies of these countries, and affect:

- order volumes from local customers;
- the ability of the Company to collect amounts due.

RISK MANAGEMENT

The Company's policy, reviewed annually by the Audit Committee, aims to use annual currency hedges to protect against the impact of exchange-rate fluctuations on its operating income in relation to its budget (see Section 2.4.1 Cash management and finance).

The Group makes use of these instruments as soon as they are available at a reasonable cost. Its current practice consists in setting up global hedges covering similar risks. However, these hedges are put in place over a time frame of approximately 12 months, beyond which full exposure to exchange-rate fluctuations returns.

In view of the size of the Group's operations in the US, certain operating expenses are settled in US dollars, thereby mitigating the impact of fluctuations in the US dollar on operating income. Hedging contracts are purchased to cover transactions included in the budget and not for speculative purposes.

2.3 ADMINISTRATIVE, LEGAL AND ARBITRATION PROCEDURES

The Company is involved in a certain number of claims and litigation arising from the normal course of its business. It does not believe that these claims and litigation will have an unfavorable influence on the continuity of its operations. The Company is not involved in any litigation considered to be material, with the exception of the proceedings described in Notes 15.4 and 15.5 to Section 6.1.2 of the consolidated financial statements.

On October 14, 2016, bioMérieux, like other manufacturers, was summoned before the Tribunal de Grande Instance de Paris (Paris District Court) in view of obtaining compensation for anxiety allegedly "caused by the lack of reliability of serodiagnostic tests" for Lyme disease. The civil proceeding, initiated by 45 plaintiffs, increased to 93 following the joinder of two identical new summonses. In December 2021, the Paris court dismissed all opposing claims. As at February 28, 2022, this decision has not been appealed.

In 2020, a case had been brought against BioFire Diagnostics by US Medical Network demanding that it cease using software and customer files deemed to be the property of US Medical Network. The dispute has since been definitively resolved.

To the best of the Company's knowledge, there are no other governmental, legal or arbitration proceedings, whether pending or threatened, that are liable to have or that have had a material impact on the Company's financial position or profitability during the past 12 months.

2.4 INTERNAL CONTROL AND RISK MANAGEMENT

Internal control is a process implemented by the Board of Directors, senior management and employees of an organization. It is designed to provide reasonable assurance that the following objectives are achieved:

- aligning the consistency of operations with General Management's directives;
- the reliability of financial information and its compliance with the laws and regulations in force;
- the management and control of operational and financial risks.

However, internal control does not provide absolute assurance that these objectives will be achieved.

The Group's internal control system is based on:

- the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO);
- the AMF Reference Framework: "Internal Control and Risk Management Systems";
- recommendations published by the AMF.

This system applies to all of the companies within in the Group's scope of consolidation.

General Management and the Board of Directors, through the Audit Committee, help monitor and oversee the internal control system. For this oversight, General Management relies on the Internal Control and Risk Department and on audits carried out by the Internal Audit, Risk and Compliance Department, under the responsibility of the Institut Mérieux, as described below.

Under the authority of the Executive Vice President – CFO, Purchasing, Information systems, who is a member of the Executive Committee, the Finance Department oversees Group-level functions and the administrative and financial functions of each Group entity.

2.4.1 Internal control actors

Internal control	The task of the Internal Control Department within the Finance Department is to strengthen and sustain the Company's internal control system. It is responsible for defining bioMérieux's internal control standards with process owners, assisting and coordinating their implementation by the operational departments, and managing and evaluating the internal control system as a whole. The objective is to provide reasonable assurance of the reliability of financial information and the safeguarding of the Group's assets. Moreover, the operational and financial departments of each subsidiary are responsible for ensuring the effectiveness of internal control procedures within their organization and undertake to implement a system that ensures operating efficiency, reliability of financial and accounting information and optimal use of resources, while safeguarding assets and preventing fraud.
Accounting/Finance	bioMérieux has compiled a manual of accounting and consolidation principles for use by the Group's entities. This manual lists the principal items in the consolidated financial statements and specifies their content. It also defines the valuation methods to be used. For bioMérieux SA and its main subsidiaries, the accounting procedures required by the application of these principles and local regulations when recognizing ordinary and recurring transactions are incorporated in the accounting software, in order to ensure that data are processed securely and automatically.
Management control	The annual budget is prepared by the Executive Committee and validated by the Board of Directors. This budget, monitored by comptrollers distributed according to the Company's organization, is used to allocate the Group's resources to its various projects, activities and subsidiaries.
Consolidation	The consolidation process is centralized within the Group. The Consolidation department checks that the financial statements of the subsidiaries are prepared in accordance with the Group's accounting principles, as set forth in procedure manuals provided to all Group entities. It has a consolidation software package which includes all the financial statements of the subsidiaries and consolidates them in accordance with the Group's chart of accounts. It conducts in-depth analyses of the accounts and prepares a quarterly analysis report for General Management.
Cash Management and Finance	bioMérieux SA and its subsidiaries have set up a cash pooling system, of which it is the leader. Surpluses are managed according to a prudent policy validated by the Audit Committee. In addition, bioMérieux SA is responsible for managing exchange rate risks on the Group's net exposure for currencies where hedging instruments are available at a reasonable cost, in accordance with the Group's policy described in Section 2.2.3.3
Tax	The Tax Department draws on a network of internal contacts and on external consultants, depending on the issue. It coordinates, raises awareness and supports the financial departments of each Group subsidiary so as to ensure their compliance with applicable regulations and the Group's standards (see Section 3.8.3).
Investor relations	The Company's financial communication (annual and interim reports, press releases, etc.) are drafted on the basis of specific discussions and are submitted to the Group's General Management and Finance, Purchasing and Information Systems Departments for review. Press releases relating to results and sales are reviewed by the Audit Committee.
Shared service centers in Poland and Argentina	Two shared service centers in Poland and in Argentina help to manage the accounting and sales administration activities of 27 subsidiaries. They also help to harmonize internal processes and, through an improved separation of duties, to strengthen internal control in smaller Group companies.
Subsidiaries' financial data	The compliance of financial data issued by subsidiaries is ensured through: • the presence of members of certain operational and/or finance functions on the boards or committees (boards of directors or equivalent) overseeing the activities of subsidiaries; • the existence of financial and administrative support, particularly through shared service centers in Poland and Argentina; • monthly analysis of certain indicators in their reporting. Moreover, the regional Finance Departments verify the pertinence of the human, financial and business resources available locally with the assistance of support functions.

2.4.2 Process

Control activities are put in place by the financial and operational departments based on Group procedures.

The Group has various written procedures (project management, capital expenditure management, processing of financial information, etc.), in French and in English which are accessible via its Intranet and/or specific servers.

The Risk Department oversees the updating of the Company's risk mapping, and regular risk identification, evaluation, and monitoring (see Section 2), in coordination with the Internal Audit, Risk and Compliance Department of the Institut Mérieux.

bioMérieux's internal control environment is based on the elements described below:

Internal control manual	New guidelines for internal control integrating a risk-based approach have been available since 2020 and are regularly updated. This manual specifies the rules and lists all the essential controls with which organizations must comply, particularly with regard to anti-corruption and anti-money laundering measures. Training sessions for local, regional and Group finance teams were organized to accompany the distribution of this manual. This manual includes information on the rules governing the separation of duties, rules relating to commercial management and the management of spending commitments, banking flows and payments, the principles governing internal control, financial reporting and the approval of the financial statements.
Launch of an integrated management software application	The Company has an integrated management software application in 41 of its subsidiaries. It aims to facilitate the definition of consistent procedures and the implementation of a more effective internal control system.
Introduction of a financial training course	The Finance Department trains all new finance managers or directors within the subsidiaries in procedures and tools (several sessions are held each year) and teaches financial skills to certain non-financial employees of the Company.
Fraud risk management	To minimize the risk of fraud, the Company has put in place an internal control system designed to prevent and identify fraud and ensure that procedures are duly applied. These include regular internal and external audits. In particular, it has implemented a process for centralizing information concerning fraud attempts, and for monitoring corrective and preventive actions, in particular by managing the risk of cybercrime (see Section 2.2.2.4) and raising employee awareness of the methods commonly used by fraudsters.

2.4.3 Management and monitoring of the internal control and risk management system

The implementation of internal control and risk management is ensured primarily by the members of the Executive Committee, department managers and the management teams at the Group's subsidiaries. Furthermore, under the responsibility of General Management and the Board of Directors, the Risk Department (see Section 2.1) and other functions described below are specifically tasked with this implementation.

Internal control assessment	The Internal Control and Risk Department leads the assessment of the internal control system to ensure its implementation and effectiveness. It has set up an annual self-assessment, carried out by the operational teams and covering 69 internal controls described in the manual. The operational teams define associated action plans if necessary.
Internal Audit Department	The Group Audit Department of Institut Mérieux carries out Internal Audit activities in close collaboration with the Management of bioMérieux and in accordance with identified risks. The teams dedicated to internal audit ensure that the procedures defined by the Group are correctly applied in the subsidiaries and corporate departments. They conduct audits involving thirty or so employees with different functions and skills. The conclusions are shared with bioMérieux's Internal Control and Risk Department, thereby ensuring the continuous improvement of operational processes through a risk analysis system and advisory services. A charter defines the role of internal audit, its duties, the scope of its authority and powers and the methodology used, which complies with professional standards. From the basis of a central risk analysis, the Internal Audit and Risk teams establish an annual audit plan, updated regularly, as well as a summary and conclusions regarding the work carried out, which are regularly presented to the Audit Committee and the Executive Committee.
External audits	The Company is subject to various types of external audits as described below. The Statutory Auditors, Ernst & Young et Autres and Grant Thornton and its network, audit the consolidated financial statements and the parent company financial statements of bioMérieux SA, as well as the individual financial statements of the vast majority of Group companies. For the other subsidiaries, the Statutory Auditors rely on the work carried out by these companies' external auditors. In addition to the reports required by law, the audits by the Statutory Auditors are summarized in a report that covers material audit findings and the manner in which they have been resolved, as well as recommendations regarding the Group's internal control procedures. These recommendations are reviewed with the management of the subsidiaries concerned and their implementation is monitored. The analysis and evaluation work of the internal control within the Company are carried out in close consultation with the Statutory Auditors. They are informed of the results of the work of the Internal Audit, and Risk Departments.

2.5 INSURANCE POLICIES

The Company's policy regarding insurance coverage is designed to ensure that all subsidiaries have access to similar coverage, regardless of their size or location. Generally, all new companies acquired by the bioMérieux Group are included in the insurance programs.

Coverage programs take into consideration the specific nature of local regulations, while at the same time reflecting the Group's centralization and umbrella coverage policy. Insurance policies are purchased from insurance companies selected on the basis of their creditworthiness as well as their ability to provide the Company with risk prevention services.

Coverage is calculated on the basis of loss assumptions, taking into account the Company's risk profile. The Group also takes care to keep confidential any information relative to deductible amounts and premiums, and the terms of coverage, to avoid them being used against its interests. This is particularly true in the case of liability insurance.

The main insurance policies are described below.

Civil liability

The nature of the Company's business has also been taken into consideration for the purpose of liability coverage (professional nature of most of its customers and batch manufacturing processes that reduce the likelihood of multiple risks). Separate policies are sometimes required to cover specific risks, either due to insurance regulations or applicable laws.

The Company and all of its subsidiaries are insured under an umbrella policy covering operating liability, liability after delivery and/or product liability and/or liability for experimentation, professional liability and liability for environmental damage caused by its products. This umbrella coverage is separately supplemented by the following specific policies: civil liability for environmental harm caused by the Group's companies, and civil liability incumbent upon the Group pursuant to the regulations on biomedical research (Jardé Act).

The Company also has an insurance program covering the liability of its corporate officers, senior executives and representatives.

Property and casualty

The guarantees purchased include accidental events coverage (fire, machine breakage and computer damage in particular), as well as consequential operational losses.

The Company and its subsidiaries have umbrella coverage for property and casualty which includes coverage for accidental events such as fires, machine breakage, theft and natural events likely to affect the Company's sites, and consequential loss of operation. This so-called Master policy covers all subsidiaries located in the European Union, making it unnecessary for them to take out insurance locally. It can also be extended to cover subsidiaries located in major countries outside the European Union, including the United States, through local agreements with the same benefits or as supplementary coverage or where no coverage has been taken out locally to comply with regulations.

Transport

"Ordinary" risks related to the transport of goods by land, sea and air are covered by an umbrella insurance policy. Freight transportation insurance contains the usual exclusions, namely for nuclear, chemical, biochemical, electromagnetic and cyber risks.

Cyber

bioMérieux has an insurance policy that covers damages and civil liability for risks arising from a cyberattack or a breach of personal data confidentiality.

3.

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3.1 COMMITMENT AND MANAGEMENT

3.1.1 A corporate citizen serving public health

bioMérieux is a specialist in the field of *in vitro* diagnostics and a corporate citizen, through its historic and pioneering commitment to the fight against infectious diseases. bioMérieux considers serving global public health to be an important responsibility, one that the Company takes very seriously throughout its various fields of expertise. The Company's history reflects a long-standing commitment to Corporate Social and Environmental Responsibility. Indeed, the humanist values held by the Mérieux family, the founder and majority shareholder through its holding company Institut Mérieux, form the bedrock of a responsible corporate culture translated into bioMérieux's strategy at all levels and in all countries.

3.1.2 Framework of the CSR policy

bioMérieux has committed to upholding a number of laws and international conventions, including the Universal Declaration of Human Rights of 1948 and the United Nations' Guiding Principles on Business and Human Rights of 1911.

Moreover, bioMérieux has committed to adhere to the fundamental agreements of the International Labor Organization (ban on child and forced labor, freedom of association), the promotion of diversity, women's rights, the right of peoples to freely dispose of their natural resources, and the right to health.

Contribution to the United Nations' Sustainable Development Goals

Since 2003, bioMérieux has renewed its commitment to the United Nations Global Pact and contributes to the United Nations' Sustainable Development Goals (SDGs).

bioMérieux's contribution consists first and foremost in serving the needs of patients, throughout their healthcare experience by providing *in vitro* diagnostic solutions to fight against infectious diseases. In this context, bioMérieux contributes in particular to SDG 3 "Ensure healthy lives and promote well-being for all at all ages." The Group's CSR policy also gives priority to issues that mainly support the following SDGs: "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all" (SDG 8), "Reduce inequality within and among countries" (SDG 10), "Ensure sustainable consumption and production patterns" (SDG 12), "Take urgent action to combat climate change and its impacts" (SDG 13).

3.1.3 Commitment at the highest levels

Corporate Social Responsibility (CSR) is driven by the Executive Committee, which monitors the implementation of ambitions and progress on a quarterly basis.

The CSR policy and non-financial risks are shared with the Audit Committee and the Board of Directors every year. In 2020, the Board of Directors expanded the remit of its Human Resources and CSR Committee to CSR (see Section 4.2.6.7).

Since 2018, the Company has had an Operational Steering Committee dedicated to CSR that brings together all the Company's functions, in a co-construction approach and in order to ensure its deployment at all levels and on all continents. It is coordinated by the CSR Department.

3.1.4 Oversight and roadmap

The implementation of the CSR policy is based on a collective and participatory approach, coordinated by the CSR Department.

All functions are involved in the process and set out their roadmap by setting objectives and quantified indicators. At the same time, country teams define their priorities for action to increase the Company's positive local impact in the countries where it operates.

3.1.5 Dialog with our stakeholders

In 2020, bioMérieux decided to make changes to its CSR policy. To support its long-term development, it has launched a broad consultation with its stakeholders in seven countries. The results were used to produce a materiality matrix and helped set new CSR ambitions for the Company (see Section 3.3.2).

bioMérieux also organizes consultations with its stakeholder groups on specific topics. It thus initiated several consultations with employees and customers in 2021.

Consultation of customers

Since customer satisfaction is one of bioMérieux's priorities, we measure it regularly. In 2021, 5,700 customers in 43 countries were polled on all their interactions with the Company.

The net promoter score (NPS[1]) was 47, up 4 points from 2018, despite the challenging pandemic situation for nearly two years.

For the sake of continuous improvement, the Company continues to define areas of progress and operational action plans aimed at correcting or consolidating the issues that matter to our customers.

(1) NPS (Net Promoter Score) = % promoters - % detractors.

Dialog with patient associations

bioMérieux believes that interacting with patients and external scientific stakeholders is essential to create value for both the Group and the Company as a whole. The objective is to take better account of their expectations in developing our diagnostic solutions, to inform and raise awareness of their key role in antimicrobial management, and to act collectively against infectious diseases.

In 2021, bioMérieux launched a global initiative to raise awareness of diagnosis among patient organizations and to include patients in the Company's innovation efforts.

This initiative is based on three pillars:

- providing training to patient associations in order to make them aware of the medical and economic value of *in vitro* diagnostics, particularly with regard to sepsis and antimicrobial resistance;
- involving patients in defining bioMérieux's innovation strategy and product development process;
- sharing patient involvement and testimonials in bioMérieux's internal and external communications.

bioMérieux has defined a set of ethics rules that apply to all its employees who deal with patients. In 2021, it created a charter recognizing the value of patients. It can be consulted on the Company's website.

Consultation of employees

- Surveys related to well-being at work (see 3.7.4.4).
- Webinars to present bioMérieux's new CSR vision, published on its Intranet, in a special Section to inform about ongoing projects and progress. This space can be accessed by all employees.
- A survey to contribute to defining the Company's purpose.

Consultation of a panel of stakeholders

In 2021, bioMérieux defined its purpose. As part of this process, the Company launched a consultation with a representative group of its stakeholders to gather their opinions on the proposed text. bioMérieux's purpose therefore reflects not only the vision of its management, but also the expectations of its stakeholders. It is published on page 3 of this Universal Registration Document.

3.1.6 External initiatives

The Group participates in initiatives to inform companies about its CSR processes with the purpose of continuous improvement and the sharing of best practices.

Since 2020, the Company has been a member of the Mix'R network, whose ambition is to be an "agitator for responsible companies". This network gives members various actions to stimulate collective intelligence and co-development: experience sharing, lectures, inter-company themed programs, promotion of successful CSR initiatives.

The Company is also part of the sustainable development and ecodesign working group led by the MedTech Europe professional network, and it launched a specific CSR commission at the beginning of 2021, which it will chair as part of the Association of Pharmaceutical Manufacturers of the Rhône-Alpes Region (AFIPRAL).

3.1.7 Performance recognized by non-financial rating agencies

Non-financial rating agencies have been evaluating the CSR performance of bioMérieux and have included it in their socially responsible capital expenditure indices.

INDICES AND CERTIFICATIONS

FTSE4Good
July 2021
Renewal of the certificate of inclusion on the index
=

Gaïa Research
November 2021
Score 85/100
↗ *In 2020* Score 81/100

CDP Disclosure Insight Action
December 2020
Score C
↗ *In 2019* Score D

Vigeo Eiris
October 2021
No. 1 in our sector
Top 6% all sectors combined
=

EcoVadis
May 2021
Score 75/100 – Platinum
Top 1% of assessed companies
=

Global Challenges Index
November 2020
Inclusion in the Global Challenges Index

Gender Equality Index
March 2021
Score 93/100
= *March 2022* Score 93/100

Dow Jones Sustainability Index
November 2021
Listing in the DJSI World and Europe
Score 68/100
NEW

***Féminisation des instances dirigeantes du SBF120*(1)**
October 2021
Ranked 37/120
↗ *In 2020* Ranked 92/120

PRIZES

HUMPACT
December 2021
1st position
Grand Prix de l'emploi France(2)
Category: Employment of people with disabilities

***Victoires des leaders du capital humain*(3)**
December 2021
Silver industry award
November 2020
Silver social dialog award

RECOGNITION

Science Based Targets initiative (SBTi)
December 2021
Validation of the road map to 1.5°C

(1) Feminization of SBF 120 management bodies
(2) Employment awards, France
(3) Human capital leadership awards

3.1.8 Declaration of non-financial performance

Pursuant to Articles L. 225-102-1 and L. 22-10-36 of the French Commercial Code (Code de Commerce), the Company is required to prepare a non-financial performance statement (NFPS) in accordance with the laws and regulations in force. This NFPS presents information on how the Company takes into account the social and environmental consequences of its activities.

Given the nature of its business, the Company believes that the following issues are not major non-financial risks: combating food insecurity, animal welfare, and responsible, equitable and sustainable nutrition. In accordance with French law on combating fraud (Law No. 2018-898), the Company's tax policy is detailed in Section 3.8.3.

The table below summarizes the main elements of the NFPS. A detailed cross-reference table is presented in the appendix 1 (Cross-Reference Table for the Non-Financial Performance Statement).

Business model	Section 3.2
Description of the main non-financial risks	Section 3.3 and Section 2
Presentation of the policies applied with regard to those risks	Section 3.4 to 3.8
Policy outcomes including key performance indicators	Section 3.4 to 3.8

To comply with legal requirements, bioMérieux has the presence and fairness of the social and environmental information contained in the Universal Registration Document audited each year. It uses the services of EY & Associés as an independent third party (see Section 3.10).

3.2 BUSINESS MODEL

The business model is based on economic development and a social commitment in support of public health and future generations It is prepared and updated by a working group consisting of various experts in the Group's functions.

As a pioneer in diagnostics to meet public health challenges caused by infectious diseases, the Group uses its resources to create value. bioMérieux's business model is formalized in a value creation model detailed on pages 16 and 17 of this Universal Registration Document and described in Appendix 1 (Concordance Table of the non-financial performance statement).

3.3 ANALYSIS OF RISKS AND OPPORTUNITIES

To analyze its risks and opportunities, the Company developed non-financial mapping, then conducted a materiality analysis that confirmed the list of key issues initially identified.

3.3.1 Summary table of risks and opportunities

In order to identify its non-financial risks and opportunities and respond to non-financial performance reporting requirements, bioMérieux draws on the Group's risk-mapping methodology.

It carries out a specific exercise with internal stakeholders, selected for their range of expertise, geographical coverage, and exposure to external stakeholders. The process is presented to the Social and Economic Committee.

The Risk Department, supported by a Steering Committee drawn from the CSR, Legal, and Investor Relations Departments, oversees the identification and update of risks and opportunities.

Risks and opportunities, policies implemented and indicators are reviewed and approved at workshops with the relevant departments, particularly Purchasing, Human Resources, Health, Safety and Environment, Ethics and Compliance, Quality, and Commercial Performance.

Risks and opportunities are assessed for their potential impact and likelihood of occurrence using dedicated risk scales.

The non-financial risk and opportunity map is presented to the CSR Committee and the Audit Committee.

The Company has decided to draw on the SASB guidelines to structure its reporting. It has adapted the presentation of non-financial risks and opportunities to the pillars defined in its CSR strategy.

ISSUES	DESCRIPTION	POLICIES IMPLEMENTED	INDICATORS	2021 RESULTS	OBJECTIVES	PARAGRAPH AND PAGES
			HEALTH			
Public health mission	Carry out the Company's public health mission	Help protect the health of patients and consumers from infectious diseases, including the fight against antimicrobial resistance	In the fight against antimicrobial resistance: • Percentage of R&D capital expenditure	• 76% of R&D expenses dedicated to the fight of microbial resistance	2025 objectives: • 30% increase in the number of patient outcomes contributing to rational use of antibiotics • At least 80% of antibiotics useful in human medicine included in our antimicrobial susceptibility testing (AST) solutions	Section 3.4.1 Page 92
Product quality and safety[a][b]	Produce and deliver high-quality products that comply with local/international standards and meet customer expectations	Maintain a quality management system and customer service Train and manage an internal network of quality auditors Certify production sites	• Number of ISO 9001 and ISO 13485 certified sites	• ISO 9001 certifications: 56 sites and subsidiaries in 2021 versus 55 in 2020 • ISO 13485 certifications: 15 sites and subsidiaries in 2021 as in 2020		Section 3.4.2 Page 96
			PLANET			
Life-cycle of products	Ability to manage the life-cycle of products by limiting their environmental impact, in compliance with international standards	Perform systematic life cycle analyses on our products, either comprehensive or targeting a specific stage Implement the resulting ecodesign action plans	• Improvements made to existing products	• 2021 result: 50% completion of the global ecodesign action plan	2025 objective: • Full completion of the global ecodesign action plan	Section 3.5.2 Page 98
Contribution to climate change mitigation[b]	Limit the impact of our activities (scope 1, 2 and 3) on the environment and climate change	Supply sites with renewable energy Develop sea freight and maximize transport routes Integrate our partners into the process Reduce the footprint of vehicle fleets	• Greenhouse gas emissions (Scopes 1 and 2) • Percentage of Scope 3 emissions included in a commitment and/or reduction plan	• 2021 result: -7% (57,964 tCO_2e) compared with 2019 (reference year 62,589 tCO_2e)	2030 objective: • 50% reduction in direct greenhouse gas emissions (Scope 1) and those from energy purchases (Scope 2) compared with 2019 (greenhouse gas emissions in absolute value)	Section 3.5.3.1 Page 98
Environmental footprint of activities	Ensure the environmental performance (water, energy, waste) of our activities	Reduce waste production and increase recycling Reduce water and energy consumption	• Total quantity of waste/sales • Percentage of recycled waste • Total water consumption • Total energy consumption/ sales	• Waste: -46% (9,865 metric tons) compared to -45% (9,439 metric tons) in 2020 • Waste: 50.2% of waste recycled • Water: -40% (602,747 m^3) compared with -29% (664,000 m^3) in 2020. • Energy: -38% (217,444 MWh) compared to -33% (219,656 MWh) in 2020	2025 objectives: • 50% reduction in waste generation intensity compared with 2015 (ratio of waste generation to sales) • 45% reduction in water consumption compared with 2015 (ratio of water consumption to sales) • 50% reduction in energy intensity compared with 2015 (ratio of energy intensity to sales)	Section 3.5.3.2 Section 3.5.3.3 Section 3.5.3.4 Pages 101, 102, 103

(a) The Company does not disclose any objectives for these issues.
(b) These topics cover the main risks as assessed in the Company's risk-mapping.

ISSUES	DESCRIPTION	POLICIES IMPLEMENTED	INDICATORS	2021 RESULTS	OBJECTIVES	PARAGRAPH AND PAGES
HEALTHCARE ECOSYSTEM						
Regulatory compliance[a][b]	Safeguard the legal and regulatory compliance of activities	Organize structured monitoring and appropriate governance Capitalize on the quality systems in place and the networks of internal experts	• Audit and inspection findings	The inspections were all successfully completed and contribute to the Company's continuous improvement plans		Section 3.6.1 Page 105
Data protection[a][b]	Process and protect the personal data of employees, third parties and patients	Implement the GDPR compliance plan Secure buy-in for our policies from suppliers Conduct impact assessments on the Company's processes Introduce a procedure for managing third-party data breaches	• Number of data incidents or breaches	No data breaches were reported to the competent authorities		Section 3.6.2 Page 106
Business ethics[a][b]	Prevent breaches of business ethics	Strengthen the governance in place Promote the whistle-blowing procedure and raise awareness among employees and third parties Roll out the Company's anti-corruption policies and procedures Continue the employee and distributor training program	• Online training completion rate: – preventing corruption – conflicts of interest – Code of Conduct	The training completion rate was: • 90% for anti-corruption measures (versus 92% in 2020) • 93% for conflicts of interest (versus 78% in 2018) • 86% for the Code of Conduct (versus 84% in 2020)		Section 3.6.3 Page 107
EMPLOYEES						
Employee health and safety[b]	Ensure safe working conditions for employees and external providers	Continue to implement the Occupational Health and Safety management system Develop a safety culture for all employees Develop safety leadership tools	• Frequency rate of lost-time occupational accidents • Frequency rate of total reportable occupational accidents	2021 Results: • Frequency rate of lost-time occupational accidents: +12% compared with 2020 (frequency rate of 1.3) • Frequency rate of total reportable occupational accidents: +6% compared with 2020 (frequency rate of 2.7)	2025 objectives: • 50% reduction in the frequency rate of lost-time occupational accidents compared with 2020, *i.e.* a rate of 0.6 or lower • 50% reduction in the frequency rate of total reportable occupational accidents compared with 2020, *i.e.* a rate of 1.2 or lower	Section 3.7.1 Page 113
Managing skills and headcount[a][b]	Anticipate headcount and skills required to respond to the Company's strategy and market trends	Strengthen skills and headcount planning process Implement personal training and development plans Roll out the training program in partnership with Mérieux Université	• Number of training hours per employee • Training completion rate	• Total training hours: 233,476 hours, which corresponds to an average of 19 hours per employee (compared with 11 hours in 2020) • Training completion rate: 93%		Section 3.7.3 Page 117

(a) The Company does not disclose any objectives for these issues.
(b) These topics cover the main risks as assessed in the Company's risk-mapping.

ISSUES	DESCRIPTION	POLICIES IMPLEMENTED	INDICATORS	2021 RESULTS	OBJECTIVES	PARAGRAPH AND PAGES
Attracting and retaining talent[a][b]	Attract and retain talent	Roll out the global and regional HR roadmap Strengthen the employer brand Develop internal mobility plans Develop succession plans Step up employee share ownership Develop employee engagement	• Arrivals and departures • Number of employees who were promoted during the year • Absenteeism rate	Arrivals with permanent contracts: 1,689 Arrivals with fixed-term contracts: 282 Voluntary departures: 1,347 Dismissals: 380 Promotions: 869 employees Absenteeism rate: • Americas 3.1% • ASPAC 0.8% • EMEA 5.2%		Section 3.7.4 Page 118
Diversity and inclusion[b]	Develop an inclusive culture and promote diversity within the Company	Implement the HR vision Develop and implement collective agreements Roll out non discrimination policies Promote diversity and raise employee awareness	• Gender breakdown of manager and team manager headcounts (Women/Men) • Rate of internal promotion (Women/Men) • Breakdown of employees with disabilities	• Executive headcount: M 55% F 45% • Manager headcount: M 57% F 43% • In France, 47% of managers are women. • They account for 54% of internal promotions. • Employees with disabilities: – Europe: 0.99% – Americas: 4.02% – Asia Pacific: 0.00%	2025 objective: • Total executive directors: at least 40% women[c] and 35% international profiles[d] 2030 objective: • At least 40% international profiles[d]	Section 3.7.5 Page 121
EXTENDED COMPANY						
Sustainable and responsible purchasing[a][b]	Develop and maintain sustainable and socially responsible purchasing practices	Promote and roll out the Responsible Procurement Charter to suppliers Incorporate CSR criteria at each stage of the supplier relationship (qualification, selection, Business Reviews, etc.) and support their development Secure critical supply chains	• Number of suppliers evaluated by an external rating agency on CSR criteria, and % of expenditure covered	367 mainly strategic suppliers were rated by EcoVadis, representing over 50.1% of spending on purchases		Section 3.8.1 Page 124
Distributor management[b]	Manage the network of distributors in accordance with the Company's requirements and expectations	Strengthen the process for selecting and approving distributors Streamline and standardize distribution contracts Standardize sales policy Continue to train distributors in bioMérieux practices Regularly review the performance of distributors	• Assessment of distributors' performance and skills	In 2021, 86% of distributors were assessed on their performance and skills	2025 objective: • Provide CSR training to distributors representing 55% of revenues from the indirect model	Section 3.8.2 Page 125

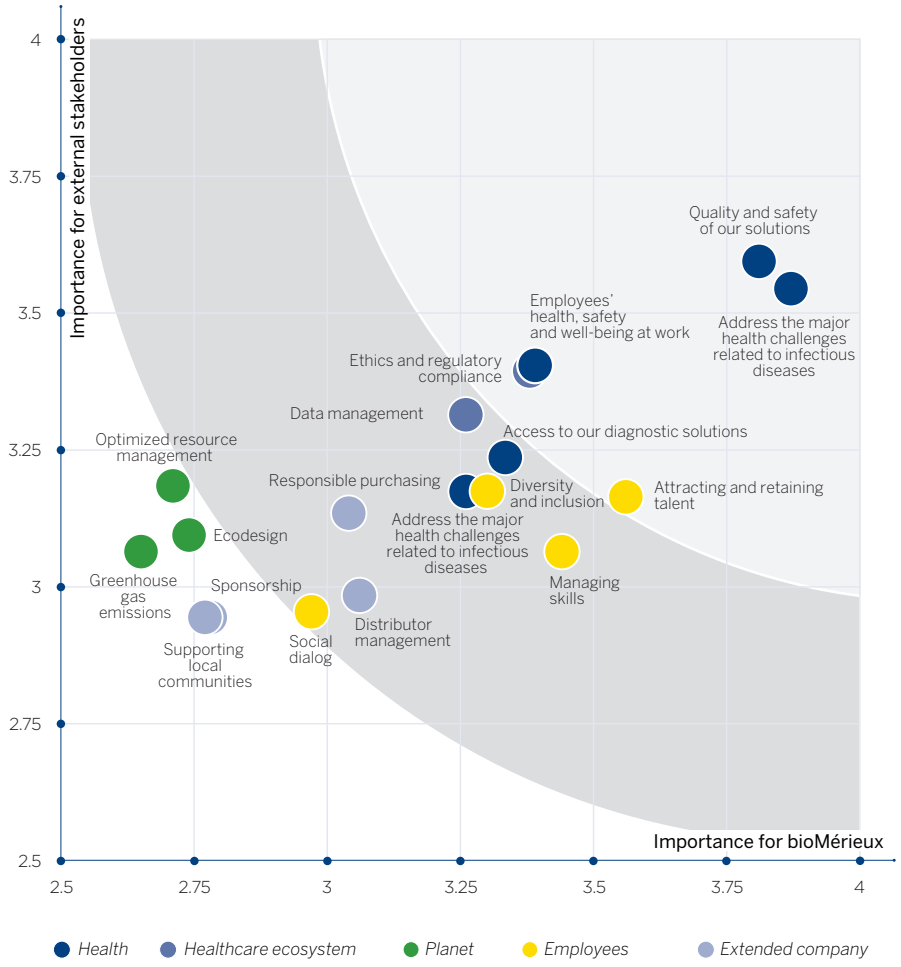
(a) The Company does not disclose any objectives for these issues.
(b) These topics cover the main risks as assessed in the Company's risk-mapping.
(c) Reporting directly to the Executive Committee with a global Corporate mission.
(d) Defined as non-French (or other minority in the countries where applicable).

3.3.2 Materiality analysis

In 2020, bioMérieux conducted a materiality analysis with a sample group of 3,690 internal and external stakeholders (employees, managers, suppliers, distributors, hospitals, healthcare professionals, public institutions) in seven countries (Brazil, China, Ivory Coast, France, India, South Africa and the United States).

The Company gathered 3,690 responses, based on an online questionnaire and 119 qualitative interviews.

BIOMÉRIEUX MATERIALITY MATRIX



To create this materiality matrix, the Company used the following methodology.

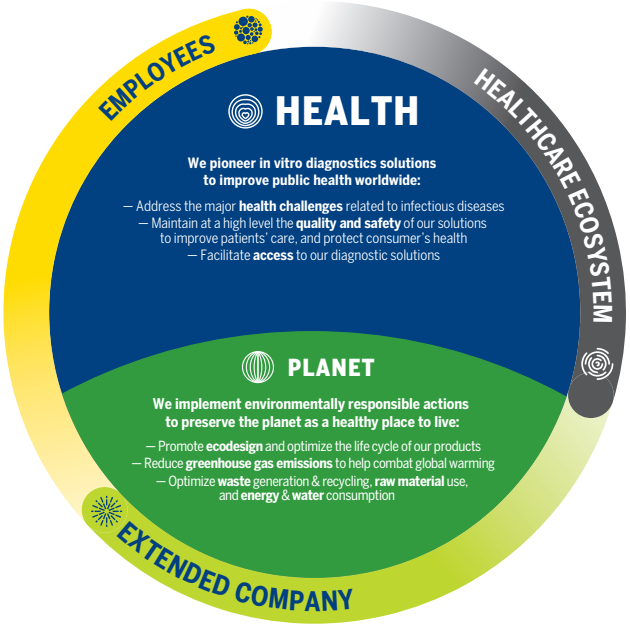
Two types of populations were surveyed:

- strategists: bioMérieux employees with knowledge of the Company's commercial and strategic prospects;
- stakeholders: employees and external players with a perception of the Company based on their experience.

The survey addressed 18 CSR issues identified by key people at the Company, on two dimensions:

- importance: the stakeholders assessed their expectations for each issue/the strategists assessed the potential impact on bioMérieux (on a scale of 1 to 4);
- performance: all parties assessed their perception of bioMérieux's performance on these issues.

This materiality study enabled bioMérieux to update its CSR policy. It is based on five pillars represented in the diagram below.



3.4 OUR IMPACT ON HEALTH

3.4.1 Diagnostics create value for healthcare systems

bioMérieux's mission is to help improve patient care and protect consumer health in the face of infectious diseases. In pursuing this goal, bioMérieux addresses several major public health challenges, such as antimicrobial resistance, sepsis and combating emerging pathogens.

3.4.1.1 Combating antimicrobial resistance

Antimicrobial resistance (AMR) is a natural phenomenon. Bacteria develop survival mechanisms when faced with antibiotics designed to eliminate them. They adapt either by mutation of genes already present or by the acquisition of new genes. Antimicrobial-resistant strains of bacteria thus gain an advantage over those that are not resistant to antibiotics and are known as "susceptible". This is called selection pressure. This phenomenon is accelerated by the misuse of antibiotics in both humans and animals (antimicrobial stewardship, AMS).

The risk of having to face super-resistant microorganisms without any recourse is a reality today. Antimicrobial resistance is considered by the WHO to be one of the greatest threats to global health. The projections for 2050 are alarming[1]:

- more than 10 million deaths per year if nothing is done by then;
- a 2 to 3% drop in global GDP;
- "a return to a situation where 40% of the population could die prematurely from untreatable infections"[2];
- common medical interventions (chemotherapy, transplants, various surgeries, etc.) become very risky.

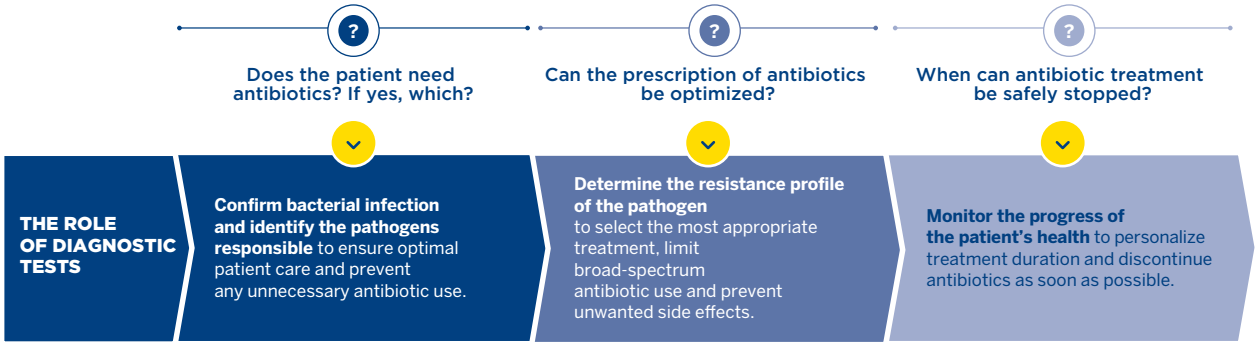
Antibiotics are frequently used inappropriately for viral infections (colds, influenza, sore throats or other respiratory infections). The misuse and overuse of antibiotics, in both humans and animals, has led to the development of bacterial strains, that are resistant to these therapies.

The key role of *in vitro* diagnostics

- At the individual level, diagnostic tests provide information about the pathogen responsible for an infection and about the most appropriate antibiotics to treat that infectious agent. They back up the medical decision by determining whether an antibiotic is necessary, customizing the antibiotic therapy and allowing for optimized monitoring of treatment.
- Diagnosis is the only tool capable of providing monitoring data. This is fundamental for monitoring the status and progression of antimicrobial resistance and implementing corrective actions. In addition, consolidated data on resistance make possible the construction and updating of recommendations for the proper use of antibiotics.
- Screening of patients who carry antimicrobial-resistant pathogens allows appropriate isolation measures to be taken to limit their spread.
- Diagnosis can be used to differentiate between viral and bacterial infections. By quickly determining that a person is infected with a virus and does not need antibiotics, it becomes possible to reduce overall antibiotic use safely and significantly.
- Diagnosis is used in clinical trials for new antibiotics to ensure that patients recruited are infected with the pathogen targeted by the new treatment, making these trials more efficient, less costly and faster and easier to analyze.

(1) *2016 O'Neill Report.*
(2) *Kings Fund, What if antibiotics were to stop working? (accessed May 2, 2018).*

A world leader in microbiology and a pioneer in the diagnosis of infectious diseases, bioMérieux is a leading stakeholder in the fight against microbial resistance. The development of tests with high medical value is a priority for bioMérieux (see Section 1.3 Strategy). bioMérieux's line of *in vitro* diagnostics solutions is the most comprehensive on the market for combating antimicrobial resistance (see Section 1.2.3.1). It includes tests to identify pathogens and detect their antimicrobial resistance and sensitivity profile (see Section 1.2.3.2).



bioMérieux's contribution takes the form of several initiatives described below.

Training of healthcare professionals and public awareness of the importance of proper antibiotic use

Since 2016, bioMérieux has run a website dedicated to microbial resistance: *www.amr.biomerieux.com*.

bioMérieux supports accredited continuing education sessions for healthcare professionals such as webinars and workshops (see Section 3.8.4.3).

The Company is also developing a range of open access educational manuals on topics related to antimicrobial resistance and antibiotic stewardship. These practical handbooks are available in English on our Corporate website: *https://www.biomerieux.com/en/antimicrobial-resistance-antimicrobial-stewardship-educational-materials*

Participation in international forums

In 2016, the Group, represented by Mark Miller, Chief Medical Officer at bioMérieux, stressed the importance of diagnostic tests in the fight against antibiotic resistance at a satellite session of the United Nations General Assembly.

In 2017, bioMérieux was signatory to the statement on antimicrobial resistance at the Economic Forum in Davos (Switzerland).

Support for a study of unprecedented scope on the use of antibiotics, the Global Point Prevalence Survey (Global-PPS)

Launched in 2014 and regularly renewed, it is coordinated by Professor Herman Goossens and Dr. Ann Versporten of the University of Antwerp (Belgium), this unprecedented study provides key information on antibiotic use and microbial resistance in hospitals. bioMérieux is the sole private sponsor of this project. In 2019, over 80 countries participated, involving over 800 hospitals and more than 300,000 patients.

By repeating this survey over time, each participating hospital can assess its performance and compare its practices with those of other sites to identify areas for improvement. In some cases, the survey has resulted in national improvement programs.

Global-PPS has been written about in major publications, including Lancet Global Health, and is now recognized by international organizations such as the WHO, *Médecins Sans Frontières*, the Center for Disease Dynamics, Economics & Policy (CDDEP), the Infectious Diseases Society of America (IDSA) and the British Society for Antimicrobial Chemotherapy (BSAC). In 2021, 176 sites took part in the Global-PPS, particularly in South-East Asia and Africa. The number of participants rose compared with 2020, despite the COVID-19 pandemic. The results of this work were reported in more than 21 publications and participation in various conferences during the year.

The multi-partner "China Against drug Resistance" (CARE) program in China was initiated in 2013 by Fondation Mérieux and is supported by bioMérieux, which leads its implementation. This program, which based on Global-PPS, provides hospitals with a standardized tool, including indicators, to improve antibiotic management programs and the control of healthcare-associated infections to limit the spread of antimicrobial resistance. The CARE program is planning to develop collaborative projects based on interventions such as surgical prophylaxis, re-evaluation of any antibiotic prescription after 48 hours based on the patient's condition and the results of bacteriological analyses. In 2016, the first prevalence survey was conducted in four clinical departments of Zhejiang University's first partner hospital in Zhejiang province. In 2019, the CARE program was expanded to nine hospitals in eight provinces in China.

Contribution to Advisory Committees

bioMérieux's director of medical affairs in the United States, has been appointed to a four-year term on the US President's Advisory Council on Combating Antibiotic-Resistant Bacteria.

Actions within industrial consortia

The Company has also been involved in launching the **AMR Industry Alliance,** a consortium aimed at making and measuring progress in combating antimicrobial resistance in industry. Mark Miller, Chief Medical Officer, sits on the Board of Directors of the AMR Industry Alliance as a representative of the diagnostics industry. bioMérieux participated in the survey that formed the basis of the 2020 Progress Report on the commitment of the life science industry to combating antimicrobial resistance.

In April 2019, the University of Antwerp, bioMérieux, and the Wellcome Trust announced the launch of **VALUE-Dx**, the first project sponsored by IMI (Innovative Medicines Initiative) proposed by six companies in the *in vitro* diagnostics sector. These companies joined forces with 20 other partners to support the fight against antimicrobial resistance and improve patient care. The purpose of VALUE-Dx, a European public-private partnership, is to move medical practice towards more appropriate and personalized prescriptions of antibiotics based on the results of diagnostic tests. The consortium has designed clinical studies to assess the medical and economic value of using diagnostic tests to treat community-acquired acute respiratory infections through outpatient care or hospital emergency rooms in different European countries. These studies will use the BIOFIRE® Respiratory Panel 2.1 molecular test in particular.

Building on collaboration with the pharmaceutical company Pfizer, bioMérieux is supporting the **iCREST** (infection-Carbapenem Resistance Evaluation Surveillance Trial) multi-center surveillance study. The objective of this project is to determine the prevalence of infections caused by bacteria resistant to the carbapenem class of antibiotics, and also to evaluate the efficacy of a new combination of antibiotics, bringing together ceftazidime and avibactam, in order to treat these severe and resistant infections. This study uses products developed by bioMérieux: the Chromogenic culture media CHROMID® CARBA SMART and two ETEST® antimicrobial susceptibility tests, ceftazidime/avibactam (RUO) and ETEST® meropenem.

As part of the projects funded by the European Commission under the auspices of the Innovative Medicines Initiative (IMI), bioMérieux is a partner in the COMbatting BACTerial resistance in Europe (**COMBACTE-CDI**) project, which focuses on combating very contagious *Clostridioides difficile* (CDI) infections, often caused by inappropriate use or overuse of antibiotics. It was launched in November 2017, and completed in mid-2021. It has contributed to a better understanding of the epidemiology of CDIs and their clinical impact in order to improve their management. In particular, bioMérieux has developed and supplied new bio-informatic tools such as EPISEQ® CS, which compares the genomes of hundreds of strains to identify transmission between patients and understand the circulation of pathogens regionally or Europe-wide. The bioMérieux BIOFIRE® Gastro-Intestinal (GI) panel made it possible to detect other common intestinal pathogens (bacteria, viruses, parasites) that may be responsible for symptoms identical to those of a CDI infection and thus to exclude the hypothesis of such an infection, for appropriate treatment.

Support for international initiatives

The Company supports numerous initiatives to help combat microbial resistance in the various countries where it operates. For example, every year bioMérieux participates in a WHO initiative formerly known as **World Antimicrobial Awareness Week**. In this context, bioMérieux is implementing awareness and education campaigns aimed at healthcare professionals, the general public and its employees, to encourage more rational use of antibiotics.

In January 2020, bioMérieux renewed its commitment with the Center for Infectious Disease Research and Policy **(CIDRAP)** – University of Minnesota, United States. A series of webinars illustrating the medical value of diagnostics in antimicrobial stewardship was held around the world. A series of podcasts highlighting selected scientific and medical evidence was also produced. bioMérieux participated in the redesign of the CIDRAP website and weekly newsletter to promote content related to antimicrobial resistance.

In 2021, bioMérieux supported the activities of the ONE HEALTH 2021 national platform in Côte d'Ivoire, in collaboration with the National AMR Committee, the Ministry of Health and the WHO. It participated in multidisciplinary teams to raise awareness of the proper use of antibiotics in the fields of human and veterinary health and the environment, for different target groups (health professionals, students and farmers).

This initiative falls within the scope of the memorandum of understanding of collaboration signed with Côte d'Ivoire in 2019, for a period of three years. The goal is to fight antimicrobial resistance by education, training and communication initiatives to advance knowledge of the topic through monitoring and research, and optimizing the use of antimicrobials in human healthcare. These three strategic objectives are part of Ivory Coast's national plan, developed following the adoption of the global action plan on antimicrobial resistance by 192 countries during the 68th World Health Assembly in May 2015.

At the same time, bioMérieux opened a training center in Abidjan dedicated to healthcare professionals. Since then, more than 100 laboratory technicians have received special training in blood culture, identification and antimicrobial susceptibility testing to combat microbial resistance. In 2021, bioMérieux also supported the activities of the ONE HEALTH national platform in collaboration with the National AMR Committee, the Ministry of Health, the Ministry of Animal Resources and Fisheries, FAO, USAID, WHO and Breakthrough Action, with multidisciplinary teams in the fields of human and veterinary health and the environment to raise awareness on the proper use of antibiotics among health professionals, students and farmers.

bioMérieux was selected as a partner in a call for tenders organized by the **Fleming Fund,** a £265 million British investment program to combat antimicrobial resistance in resource-limited countries around the world. bioMérieux is locally active in 18 out of the 24 countries taking part in the program in Africa and Asia Pacific. In each of them, the Company undertakes to equip a clinical laboratory and a veterinary reference laboratory with the VITEK® MS and VITEK® 2 systems for pathogen identification and antimicrobial susceptibility testing and with the MYLA® software for data processing. Laboratory analyses contribute to the establishment of antimicrobial resistance surveillance systems and provide information on the evolution of pathogen resistance. This information should make it possible to improve patient treatment and contribute to the development of effective national policies against microbial resistance. In addition, the data collected by the national laboratories provide a better understanding of the extent of the phenomenon, as well as the geographic areas where it presents the greatest risk.

For example, in 2021, bioMérieux equipped laboratories in Laos, Malawi, Nepal, Tanzania, Senegal, Swaziland, Zambia and Zimbabwe. It is currently fitting out facilities in Bangladesh, Bhutan, India, Indonesia, Nigeria, Sierra Leone and Vietnam.

Commitment alongside other industrial players.

In 2020, bioMérieux signed a memorandum of understanding with Pfizer in Singapore. The two partners jointly support training programs with a focus on antimicrobial resistance. They collaborate with medical associations and hospitals to facilitate the sharing of knowledge and recent developments in the field.

Research collaborations

Started on January 1, 2020, the Diagnosis and Management of Febrile Illness using RNA Personalized Molecular Signature Diagnosis (DIAMONDS) project is entirely financed by the European Union for an amount of up to €22.5 million over five years. For emergency room visits by patients running a temperature, its main goal is to develop rapid tests based on personalized genomic signatures specific to the different causes of fever such as inflammation and infection.

76% of R&D capital expenditure is dedicated to the fight against microbial resistance (see Section 1.5.1.3).

3.4.1.2 The fight against sepsis: early first-line diagnosis

Sepsis is a severe infection characterized by the body's immune response leading to potentially fatal organ failure. Making a diagnosis as quickly as possible is crucial for patients:

- it is one of the leading causes of death;
- about 48 million people around the world are affected each year by sepsis;
- the survival rate is 60% when patients receive appropriate treatment within two hours after the onset of care, and it falls to 30% if treatment is given within four hours.

bioMérieux has long been involved in the fight against this syndrome. To meet this public health challenge, bioMérieux deploys a unique approach that positions it as a true partner of healthcare professionals. It has a comprehensive offer called "Sepsis Solution" to support patient care at all stages of the disease and to maximize workflows and ensure that patient samples reach the laboratory and are analyzed as quickly as possible (see Section 1.2.3.1).

The Company offers different and complementary solutions, including immunoassay, bacteriology and molecular biology testing based both on the host response with VIDAS® procalcitonin testing (PCT), and the detection, identification and characterization of the pathogens, in particular with the BACT/ALERT®, VITEK®, and BIOFIRE® product lines.

In 2020, bioMérieux made commitments to three collaborative research projects to fight sepsis:

- IMPACCT is a three-year multi-partner project coordinated by bioMérieux in close collaboration with Imperial College London and the Hospices Civils de Lyon. Subsidized by the European Union, its primary objective is to validate the clinical performance of a panel of immune biomarkers in a study of 300 sepsis patients(1).
- ImmunoSep is entirely financed by the European Union over a four-year period. This project, coordinated by the Radboud University Nijmegen Medical Center (Netherlands), is the first large-scale clinical study to demonstrate the efficacy of immunotherapies in the management of sepsis. It plans to establish a European clinical network that will enable the validation of future treatments and diagnostic tools.
- DIAMONDS (see Section 3.4.1.1).

3.4.1.3 Managing the risk of epidemics due to emerging pathogens: providing an appropriate response

Solutions tested in the context of epidemics

Since 2014, bioMérieux has set up a group of internal experts dedicated to the threats posed by infections due to emerging pathogens (Zika, Ebola, MERS-CoV, Lassa fever, Marburg virus, Chikungunya, etc.). This group is working on the possibility of developing relevant diagnostic tests. The aim is firstly to monitor the emergence of new epidemics, and secondly to develop and validate diagnostic tests for these emerging pathogens.

As such, in the face of the health crisis caused by the Ebola epidemic in West Africa in 2014, BioFire Defense, a bioMérieux subsidiary, obtained from the FDA an Emergency Use Authorization its clinical test to detect the Ebola virus. BIOFIRE® BioThreat-E test.

In 2015, the Company introduced the ARGENE® MERS-HCoVr-gene® test, a new RUO kit (reserved only for research) for aboratories working on developing a tool to diagnose the emerging coronavirus that causes Middle East Respiratory Syndrome. This molecular solution makes it possible to detect and screen for this pathogen, which has a mortality rate of around 35% in humans.

In April 2017, the Company obtained CE marking for the BIOFIRE® respiratory panel 2 plus (RP2 *plus*). It can test 22 pathogens (18 viruses and 4 bacteria) responsible for respiratory tract infections (including MERS-CoV) simultaneously. This improved version, extended to the BIOFIRE® respiratory panel, offers faster result times (45 minutes compared to around one hour previously) and greater sensitivity.

(1) *https://www.who.int/news-room/fact-sheets/detail/sepsis, Rudd et al. Lancet 2020.*

Diagnostic tests at the heart of the fight against the COVID-19 pandemic

The COVID-19 global health crisis has highlighted the key role that diagnosis plays in the healthcare chain. Laboratory tests that confirm infection are essential for:

- confirming the diagnosis by identifying the COVID-19 pathogen: SARS-CoV-2;
- estimating of the severity of the infection *via* measurement of various blood parameters (cardiac, kidney, coagulation or inflammation markers);
- detection of frequent bacterial co-infections or superinfections in intensive care patients;
- accurate and rapid identification of the causative pathogens of these secondary infections and their antimicrobial susceptibility profile (AST) that helps physicians to improve care;
- management of the epidemic by health authorities through the detection of the virus using PCR techniques or the study of serology (antibody response).

At the beginning of 2020, faced with the urgency of the COVID-19 epidemic, bioMérieux worked to develop tests in record time for the detection of the SARS-CoV-2 virus (see Section 1.2.3.1) that meet the highest performance and quality requirements.

This strategy was based on the development of:

- molecular biology tests that rely on the Company's expertise in automated nucleic acid extraction and the development of real-time PCR (polymerase chain reaction) tests. PCR technology is the reference technique for virus detection and identification;
- serological tests, thanks to its expertise in the field of immunoassays. These tests have a key role in the monitoring of the immune response of populations and are therefore of interest for the epidemiological monitoring of the pandemic.

In order to facilitate access to COVID-19 diagnostics, bioMérieux is participating in two initiatives:

- the project launched by the Bill and Melinda Gates Foundation to ensure equitable access to diagnosis, treatment and vaccines against the virus along with 15 healthcare companies;
- the partnership with the Africa Medical Supplies Platform (AMSP) to facilitate access to diagnostic solutions dedicated to the fight against the pandemic in Africa. The goal of this partnership is to alleviate shortages in certain African Union member states by ensuring efficient, continuous and quick access to bioMérieux's solutions at highly competitive prices.

3.4.2 Product quality and safety

Every day, bioMérieux strives to guarantee the quality and safety of its products, thus protecting the health of patients and consumers (see Section 1.4). The Company meets the highest industry regulations and standards and ensures that its partners in the production chain, both upstream and downstream, meet the same standards. This attentiveness is all the more important in a regulatory environment that is changing rapidly at both local and international levels, resulting in an increase in the number of regulations to follow and greater complexity in meeting all of these requirements.

Driven by the constant increase in the geographical expansion of its installed base of instruments, the Company is becoming more vigilant with respect to the robustness of its quality management system, as well as its ability to detect and correct any problems associated with the quality of its products, or carry out preventative maintenance on its instruments.

The Company may be liable in the event of a diagnostic error resulting from a quality defect in one of its tests or a performance defect in one of its machines. As stated in Section 2.2.1.4, the Company has introduced a Global Quality Department, whose mission is to implement a management system aimed at guaranteeing compliance with current quality standards and regulatory requirements. A Quality Assurance Department at each site and subsidiary is involved in all phases of product development and at each stage of production and distribution. Its remit includes monitoring products after they are brought to market and tracking customer complaints and product recalls.

The Global Quality Department defines a quality policy, a quality manual and a management system by which it ensures compliance with applicable quality standards.

Should a quality problem be suspected for batches that are still under bioMérieux's responsibility, a specific procedure is used to block the distribution of the batches concerned to customers. An investigation is then launched to determine whether any action in the field is required. If the quality problem is not confirmed, shipments are resumed and, if not, measures are taken to avoid any consequences in the field.

Furthermore, there is a process for managing and monitoring customer complaints in order to detect any problems with products that have been distributed as early as possible. To this end, complaint trend analyses are carried out regularly to ensure that early signals are detected.

Should a quality problem be confirmed, a process of vigilance and action is launched on the ground to ensure that the customers concerned and the relevant local authorities are quickly informed. Should a quality problem affect the customer, an alert procedure is triggered by means of a formal notification.

Regular internal audits are conducted at production sites and subsidiaries, aimed at improving implementation of internal processes and compliance with standards such as MDSAP (see Section 1.4.2).

The Group's production sites are also regularly inspected by health authorities to provide independent oversight and support a process of continuous improvement. A summary of the inspections conducted in 2021 is presented in Section 3.6.1.

Finally, the Company has begun a process of certifying its main production sites, with the aim of meeting the most stringent industry standards:

ISO 9001 certifications: 56 sites and subsidiaries in 2021 versus 55 in 2020.
ISO 13485 certifications: 15 sites and subsidiaries in 2021 as in 2020.

3.5 PRESERVING THE PLANET, OUR GREATEST RESOURCE

3.5.1 Governance and policy

The control of environmental risks and the minimization of bioMérieux's environmental footprint (see Section 2.2.2.6) are managed by its global Health, Safety and Environment policy, which covers all activities in the value chain.

Building on its strong performance on environmental indicators in previous years, and as part of its new CSR strategy, bioMérieux has made new commitments to reduce its environmental footprint by 2025 and 2030.

ENVIRONMENTAL FOOTPRINT IMPROVEMENT BY 2025

Waste recycling*	Waste generation*	Water consumption*	Energy consumption*
>85%	-50%	-45%	-50%

* Per million euro turnover in 2025 compared to 2015.

Organization and operations

bioMérieux assesses its impact on the environment (soil, water, air, noise, energy, waste, etc.). The Company's initiatives are part of a circular economy approach based on non-wasteful and responsible use of natural resources and primary raw materials.

bioMérieux has introduced an environmental, health and safety management system. It covers the design, manufacture and maintenance of instruments and software, the design and manufacture of reagents for *in vitro* diagnostic tests. It has been rolled out on bio-industrial sites, at R&D centers and subsidiaries. This management system is based on continuous improvement following the Plan-Do-Check-Act (PDCA) principle.

In 2021, the Durham, Lombard and St. Louis production sites in the United States obtained initial ISO 14001 certification. They have joined the European sites of Craponne, Combourg, Marcy-l'Étoile, La Balme, Saint-Vulbas, Grenoble and Verniolle (France), Tres Cantos (Spain) and Florence (Italy), bringing the total number of certified production sites to 80%.

The Health, Safety and Environment (HSE) department reports to the Manufacturing & Supply Chain director, a member of the Company's Executive Committee. The orientations, policy, objectives and monitoring of results are supervised by the quarterly HSE Steering Committee, which is attended by several members of the Executive Committee (Chairman and CEO and representatives of the total quality functions *manufacturing & supply chain*, R&D, human resources & CSR, finance, purchasing, information systems, clinical operations).

These aspects are implemented locally through a network of HSE coordinators at each site and subsidiary:

- for each site, an HSE manager reports to the site manager. This function can be supplemented by other people (SHSE engineers, HSE technicians) depending on the site's size and risks;
- for each subsidiary, an HSE representative is appointed and is in charge of managing the process.

The implementation of policy is the responsibility of each entity which is responsible for ensuring that the environmental consequences of bioMérieux's activities are managed.

The HSE department has the following roles and responsibilities:

- monitoring all regulatory requirements in its field at international, national and local levels, including for hazardous substances: REACH, Biocides, GHS, CLP, ROHS;
- developing and implementing processes and procedures to ensure compliance with regulatory requirements;
- contributing to managing the risk of breakdowns in production and the supply chain (identification of major risks and management of business continuity plans);
- preliminary environmental impact analysis for new capital expenditure projects (expansion, new location, increase in production capacity, etc.). For new constructions, detailed guidelines are provided in the document entitled "HSE requirements for new constructions and major renovations".

In addition, the Company provides numerous training courses on environmental protection:

- at the arrival of every new employee;
- for the deployment of the environmental management system on the sites, in accordance with ISO 14001: raising awareness of environmental impacts and best practices in prevention and training in internal environmental auditing;
- for the projects to reduce waste and energy consumption: *ad hoc* training in the relevant functions (production operators, packaging teams) to reduce unwarranted product scrap (see Section 3.5.3.2).

3.5.2 Ecodesign of products

Ecodesign involves incorporating environmental criteria from the product (or service) design stage. The aim is to reduce its impact and increase its performance throughout its life-cycle. This approach balances environmental, technical and economic requirements. A dedicated steering committee composed of industry and clinical marketing, R&D, manufacturing & supply chain and HSE functions meets three times a year.

The product life-cycle refers to all the stages necessary for its production (extraction of raw materials, transport, processing, manufacture of raw materials and parts, product manufacture), its distribution, its use and end of life. Performance evaluation must be based on a multi-criteria approach and cover the categories of damages that are the most representative of the product or service under evaluation (climate change, resource depletion, impact on ecosystems and health).

The first Life Cycle Analysis (LCA) was conducted by VIDAS® and its reagents in 2019 using a methodology in accordance with international standards ISO 14040 and 14044. The analysis highlighted that:

- the distribution of VIDAS® reagents to customers, and the customers' use of the instrument, are the two stages in the lifecycle that make the biggest contribution to the environmental footprint of the VIDAS® product;
- the product's life-cycle has an environmental impact, mainly related to global warming and eutrophication.

As such, the Company has confirmed that the modes of transport it chooses for its products is important for improving their global footprint (see Section 3.5.3.1).

Following this first LCA, the Company implemented a process to reduce the ecological footprint of its new products over the long term:

- the deployment of LCAs to its principal solutions, including VITEK® in 2020;
- the creation of a governance structure including representatives of several functions and members of the Executive Committee;
- the definition of a comprehensive action plan for 2025;
- the definition of an outreach program, a communication plan and training for the functions concerned (R&D, production, purchasing, HSE, marketing, customer service, tenders, quality, etc.);
- the formalization of common rules, instructions and tools.

Objective 2025: Full completion of the Global Ecodesign action plan.
2021 Result: 50% of completion.

N.B.: the overall ecodesign action plan is expected to be dynamic, with new actions added over time in line with the principle of continuous improvement.

3.5.3 Impact of climate change on performance and environmental compliance

3.5.3.1 Greenhouse gas emissions

From 2015 to 2020, bioMérieux managed to maintain a constant level of CO_2 emissions in scopes 1 and 2 despite very strong growth in its activity.

In 2021, the Company committed to the following two targets, validated by the Science Based Target initiative (SBTi) in November 2021:

- reducing Scope 1 and 2 emissions by 63% by 2034, compared with 2019 emissions. This objective is consistent with the efforts required to limit global warming to +1.5°C. This +1.5°C target is the most ambitious in the Paris Agreement (COP21) to avoid the most severe effects of global warming;
- commitment to ensure that 67% of its suppliers (scope 3) set SBTi objectives, mainly in the categories of goods and services procurement, transport and distribution.

This information can be accessed on the SBTi website: *https://sciencebasedtargets.org/companies-taking-action*

To accomplish this initiative, bioMérieux relies on:

- a positive assessment of its greenhouse gas emissions (scopes 1, 2 and 3);
- a new governance structure to be set up in 2021, based on a Steering Committee made up of the directors of the global functions concerned (manufacturing, vehicle fleets, purchasing, supply chain, CSR, etc.) under the supervision of the Director of Manufacturing and Supply Chain, who is a member of the Executive Committee;
- a training plan based on the Fresque du Climat® climate awareness tool.

bioMérieux is also involved in the Carbon Disclosure Project (CDP) (see Section 3.1.7) and uses the results to structure its approach to climate change.

Lastly, bioMérieux has put initiatives in place to reduce its carbon footprint.

Renewable energies: the various achievements of recent years are set out in Section 3.5.3.4.

International transport and logistics contracts: the Company is progressively integrating requirements on greenhouse gas emissions generated by the services provided by its contractors, as well as recommendations to reduce their environmental impact. For example, the reporting of transport-related CO_2 emissions on behalf of bioMérieux is systematically requested.

Multi-modal transport: the Company undertakes to cut back on the use of air transport for its finished products. For the shipment of its reagents to all its subsidiaries worldwide, the share of sea transport compared with air transport was 62% in 2021, compared with 59% in 2020 and 48% in 2019.

Business Travel: the Company is pursuing an active policy of reducing and optimizing travel. It has been rolling out an inter-site telepresence infrastructure so meetings can be conducted *via* videoconference in conditions similar to those of in-person meetings. Deploying collaborative tools and encouraging their use also reduces travel.

Remote maintenance and upgrading of instruments: the development of the VILINK™ IT solution, providing bioMérieux customers with remote incident resolution, maintenance and upgrade services, continued in 2021. Thanks to a fast and secure connection, this solution helps limit travel by engineers in the field and more quickly solve problems for customers. In 2021, an environmental impact assessment confirmed the reduction of CO_2 emissions due to a decrease in traveling by technicians, despite the impact of using digital technology fo remote interventions.

Commuting: bioMérieux promotes car-pooling and the use of public transport wherever possible, by paying subsidies to employees. The Marcy l'Étoile and Craponne (France) sites have been members of the Greater Lyon regional carpooling platform for several years. Similar arrangements are in place in the Company's other sites and subsidiaries.

For a number of years the Company has had a remote working policy which helps to reduce commuting. Since 2020, the COVID-19 pandemic has resulted in increased teleworking, thereby leading to a drop in commuting.

Car fleet: employees with a Company car are offered a range of hybrid and electric vehicles. As part of bioMérieux's commitment to reduce its Scopes 1 and 2 emissions, it will increase the proportion of low-carbon vehicles in the coming years.

Employee commitment: the Company has chosen to raise awareness of climate change among its employees, in particular with the Fresque du Climat® tool. At the end of 2021, nearly 1,000 employees had registered for a Fresque du Climat® workshop.

2030 Objective: 50% reduction in direct greenhouse gas emissions (Scope 1) and those from energy purchases (Scope 2) compared with 2019 (greenhouse gas emissions in absolute value).

2021 Result: -7% (57,964 tCO_2e) compared with 2019 (reference year) (62,589 tCO_2e).

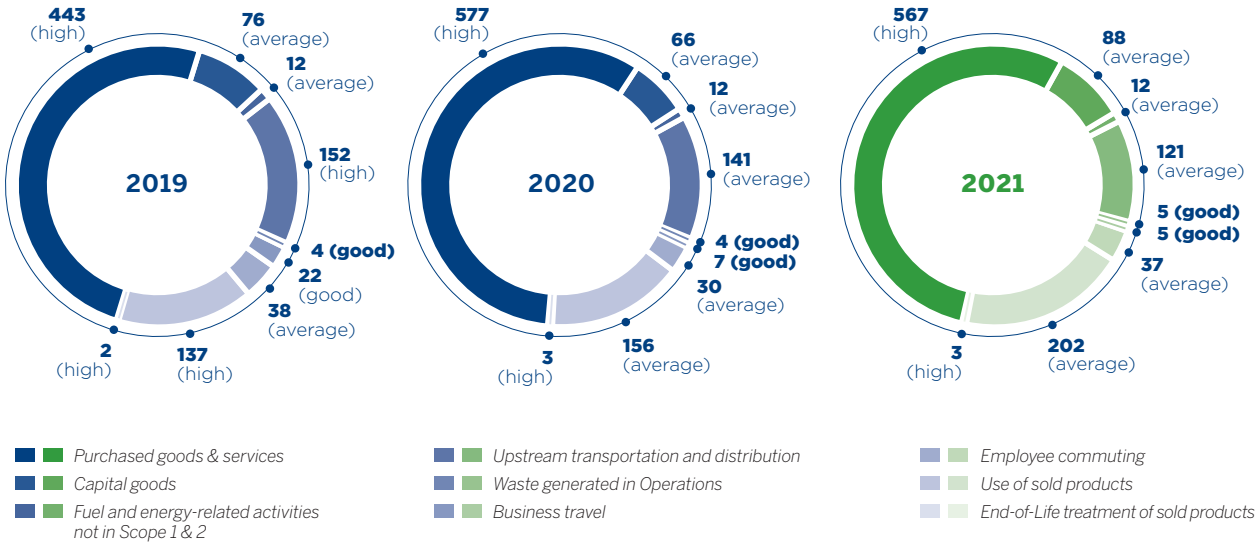
The emissions categories assessed include Scopes 1, 2 and 3 of the GreenHouse Gas (GHG) Protocol, as described in Section 3.9.3.

GHG emissions as calculated for each of the three scopes on the consolidation scope, expanded to include the Company's entire value chain, are the following:

Scope	Significant emissions categories	2021 emissions in thousands of tCO_2e (± uncertainty)	2020 emissions in thousands of tCO_2e (± uncertainty)	2019 emissions in thousands of tCO_2e (± uncertainty)
Scope 1	Direct emissions (Scope 1)	29 (good)	29 (good)	32 (good)
Scope 2	Energy purchases (Scope 2)	29 (good)	30 (good)	31 (good)
Scope 3		1,040 (high)	995 (high)	888 (high)

Definition of uncertainties: Good: uncertainty < ±20% – Average: ±20%< uncertainty < ±50% – High: uncertainty > ±50%

Details of emissions calculated for Scope 3 (in thousands of tCO_2e and uncertainty) is represented in the chart below:



Scopes 1 and 2 emissions

The global COVID-19 crisis had limited impact on emissions from industrial operations.

- Production sites are operating at normal levels, while energy consumption in some offices of distribution subsidiaries has decreased as a result of locally applicable teleworking requirements (e.g. in the USA).
- The fleet of vehicles was used mainly by employees traveling to customer sites to maintain instruments, who continued to work normally.

N.B.: the methodology for calculating Scope 2 has been reviewed for the years 2019 to 2021 (taking into account the GHG Protocol's Market Based approach).

Scope 3 emissions

Scope 3 emissions reported in the table above include estimates made for the first time for purchases of goods and services, fixed assets, energy-related emissions (not included in Scope 1 and 2), transport of raw materials and consumables to the Company's sites.

Purchased goods and services

Emissions for this category were assessed for the period between 2019 and 2021 for the first time. They account for the majority of the Company's Scope 3 emissions, a feature shared by companies in bioMérieux's industrial sector.

Upstream transportation and distribution

In 2021, for the first time, the Company carried out an assessment of emissions from the transport of raw materials and consumables to its sites.

The share relating to the distribution of finished products has decreased significantly since 2018 thanks to the shift from air freight to increased sea freight. This reduction has continued over the last two years but has been made difficult as a result of the effect of the COVID-19 crisis on the international freight market. The use of sea freight has thus increased from 34% to 45% by the end of 2021, in terms of weight transported.

Capital goods

Emissions in this category are assessed for the first time for the years 2019 to 2021.

Fuel and energy-related activities not in Scope 1 & 2

Emissions in this category are assessed for the first time for the years 2019 to 2021.

Employee commuting

In 2021, with the continuing COVID-19 crisis, the following assumptions were made for the assessment of CO_2 emissions from commuting:

- for France, the Company counted non-production employees as working remotely two days a week;
- for the Americas and Australia, the Company counted non-production employees as working remotely full-time for the whole year;
- for the other countries, which account for 23% of the headcount, no remote working days were counted (upper bound approach).

Business travel

The health crisis had a major impact on greenhouse gas emissions in 2021. For example, the distance traveled by plane fell by 72% in 2021 (76% in 2020) compared with 2019.

Use of sold products

The methodology for assessing the emissions of Company instruments at customer sites was improved in 2020. This document incorporates this new methodology into all the data from 2019 to 2021.

Consequently, the change in emissions since 2019 and those reported in previous years may be attributed to the use of a new methodology and the growth of the installed base.

Upstream leased assets

The Company measures the emissions of joint ventures and sites that do not own land or buildings in the same way as all of its subsidiaries and therefore reports these emissions in Scopes 1 and 2.

Other emission factors

The other emission factors are not considered relevant to the Company's business.

3.5.3.2 Waste management

The Company is committed to optimizing waste management, sorting waste at source and developing channels to recover and recycle materials and energy. As for hazardous waste, which is primarily made up of waste contaminated by chemical or biological agents connected with production or laboratory activities, the Company has implemented a strict policy of sorting at source and disposal by companies licensed to process such waste in an appropriate manner. All of the Company's sites have waste storage facilities.

2025 Objective: 50% reduction in waste generation intensity compared with 2015 (ratio of waste generation to sales).
2021 Result: -46% (9,865 metric tons) compared with -45% (9,439 metric tons) in 2020.

The 2025 target defined in 2020 will be reviewed during 2022.

As part of its continuous improvement, bioMérieux has introduced initiatives to improve its waste management.

Waste reduction: the Company strives to optimize the quantity of materials used for packaging (wood, paper, cardboard, and plastic). For example, the switch from printed to electronic format for instruction notices for reagents has made it possible to reduce the size of secondary packaging.

Waste recovery: the Company is increasing the proportion of recycled, composted, regenerated or incinerated waste from which energy can be recovered. The Marcy l'Étoile and Combourg sites in France, and the subsidiaries in the United Kingdom and Germany are all "zero-landfill" sites. Furthermore, organic waste at the Corporate restaurants in Marcy l'Étoile, Durham, Craponne and La Balme is sorted and sent to a composting facility.

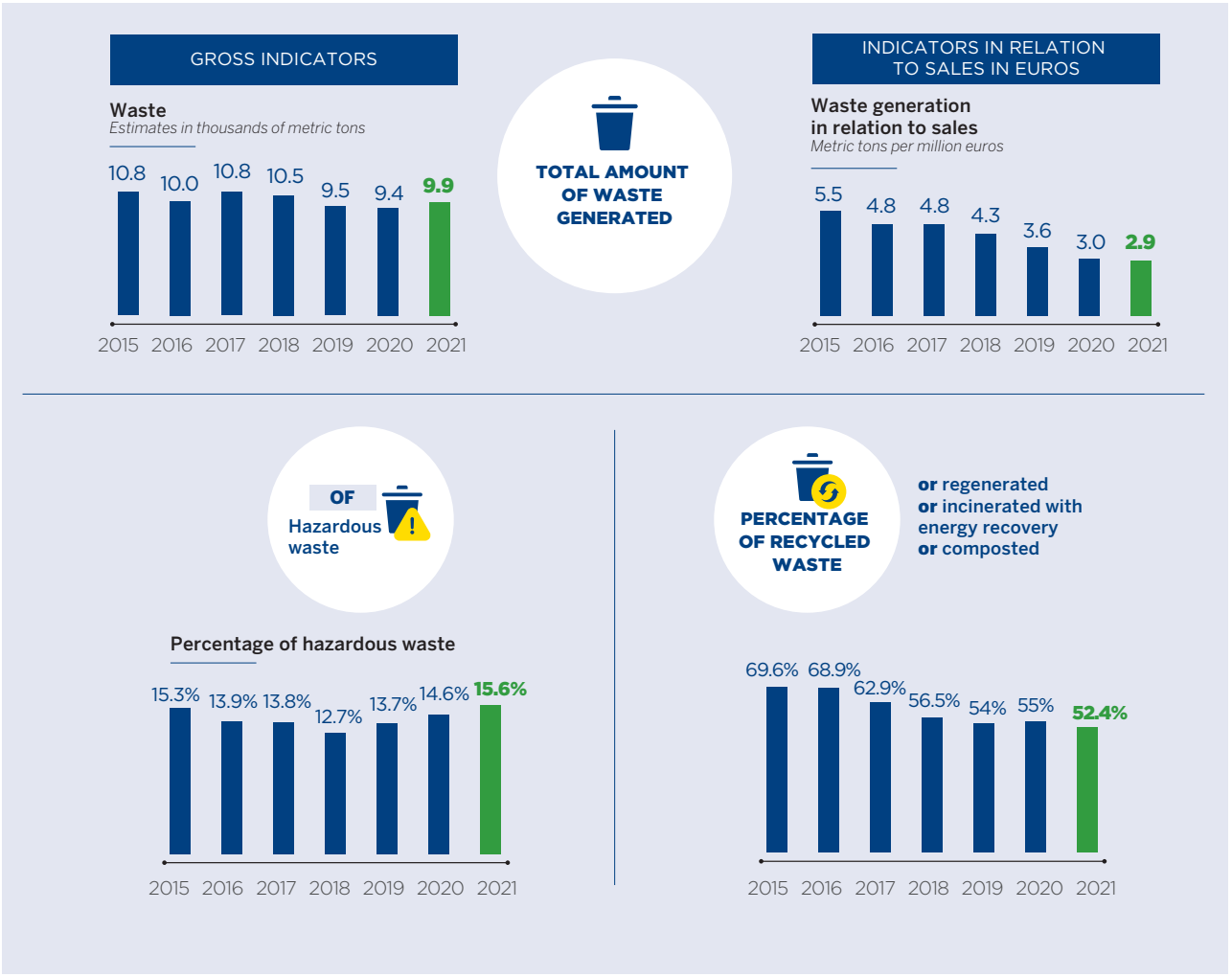
Waste sorting: Sorting and recycling guides are available to employees. The Company raises awareness among employees of best practices in waste management at events such as the National Sustainable Development Week in France.

Food waste: the Company contracts a food services provider to manage its Corporate restaurants – in particular for its sites in La Balme, Craponne and Marcy l'Étoile (France). As part of the fight against food waste, bioMérieux and its subcontractor periodically undertake an analysis of thrown-out food in order to assess its origins and reduce the phenomenon. In 2021, an initiative to donate leftover food to associations that help people in very precarious situations was deployed at the Marcy l'Étoile sites.

WORLD CLEAN-UP DAY®

In response to local health regulations related to the COVID-19 epidemic, bioMérieux renewed a major campaign to clean up the data contained in certain servers (email boxes, individual files on the Cloud, data exchanged *via* collaborative work applications), like in 2020. More than 1,300 employees in 41 countries took part in this second edition of the initiative and contributed to deleting 9.5 Terabytes of data (5.2 in 2020).

Total volume of waste generated, including hazardous waste
(see Section 3.9 for the organizational scope covered).



3.5.3.3 Water management

Water is used by the Company in formulating its products. Water is also used in refrigerating facilities, such as cold storage rooms, in controlled atmosphere areas and as a coolant in the manufacturing process. For this type of use, the Company prioritizes closed-circuit systems.

2025 Target: 45% reduction in water consumption compared to 2015 (ratio of water consumption to sales).
2021 Result: -40% (602,747 m^3) compared to -29% (664,000 m^3) in 2020.

For the water needs of its manufacturing sites, bioMérieux uses the local water supply. bioMérieux does not directly extract water from the natural environment, except for the cooling requirements of its logistics platform located in Saint-Vulbas (France). At this site, a heat exchanger makes it possible to use the temperature difference with the local groundwater for cooling purposes. Water extracted from the groundwater is discharged after heat exchange, and has no direct contact with process water. Official authorization is required to use the groundwater in this way.

The Company is not subject to any specific local restrictions on water supply on a permanent basis. As regards possible seasonal restrictions, bioMérieux strives to comply with specific guidelines issued by local authorities in the event of drought (for example, limiting water use for lawn care).

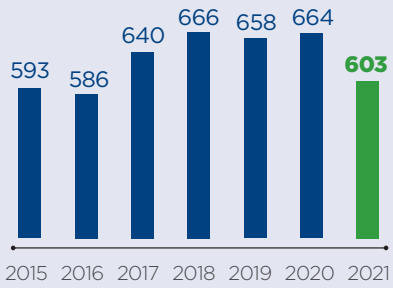
bioMérieux's initiatives to reduce water consumption at its industrial sites involve the optimization of its manufacturing processes (reviewing water requirements and replacing old equipment with more efficient equipment or less wasteful technologies).

Water consumption is monitored on a regular basis, and actions are taken to reduce it.

Consumption of public water, wastewater discharged and use of groundwater
(see Section 3.9 for the organizational scope covered)

GROSS INDICATORS

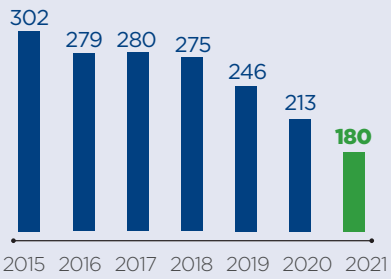
Water consumption (all sources)
Estimates in thousands of m³



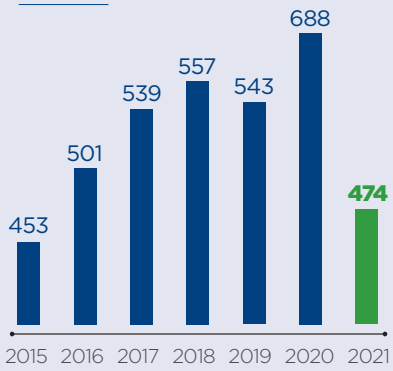
CONSUMPTION OF PUBLIC WATER

INDICATORS IN RELATION TO SALES IN EUROS

Water consumption (all sources) in relation to sales
m³ per million euros

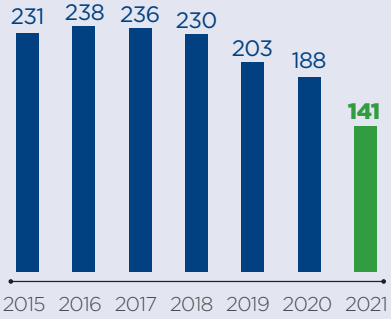


Wastewater discharged
Estimates in thousands of m³

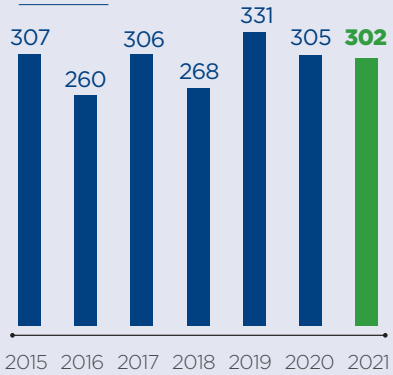


WASTEWATER DISCHARGED

Wastewater discharged in relation to sales
m³ per million euros

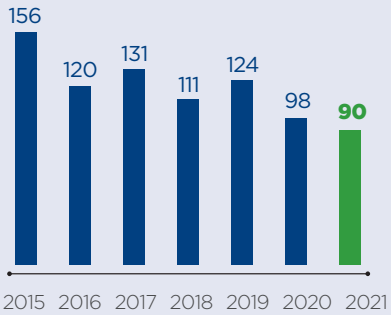


Use of groundwater*
Estimates in thousands of m³



USE OF GROUNDWATER

Use of groundwater in relation to sales
m³ per million euros



** 99% of this water is reinjected into the groundwater*

3.5.3.4 Energy management

In order to improve energy efficiency, the Company implements an energy optimization and saving program. Prior to constructing or refurbishing buildings, simulations are performed to measure their energy efficiency (e.g. lighting, heating, ventilation, and air conditioning in summer). Efforts are made to find ways of reducing energy consumption to a low or very low level through systems that are researched, promoted and gradually applied.

2025 Target: 50% reduction in energy intensity compared to 2015 (ratio of energy intensity to sales).
2021 Result: -38% (217,444 MWh) compared to -33% (219,656 MWh) in 2020.

Renewable energy: the Company promotes the use of renewable resources for its energy supply, in areas of the world that offer acceptable alternatives:

- since January 1, 2018, all of bioMérieux's French sites have received 50% of their electricity supply from certified "green" sources, and that rate is 100% for the Florence (Italy) and Madrid (Spain) sites;
- the Company's Swiss, Austrian, Brazilian and Canadian subsidiaries use 100% hydropower, and the Colombian subsidiary uses 90% hydropower;
- our sites in La Balme, Saint-Vulbas (IDC), Grenoble, Durham, North Ryde (Sydney) and Salt Lake City are equipped with solar photovoltaic panels;
- 2021 was devoted to planning new projects for the coming years with the commitment to reduce Scope 1 and 2 emissions according to a +1.5°C trajectory. These projects focus on significantly increasing the share of renewable electricity in overall consumption (through the installation of on-site generation facilities, such as photovoltaic panels, or through the implementation of renewable electricity supply contracts) and reducing the use of fossil fuels through the implementation of low-carbon technologies.

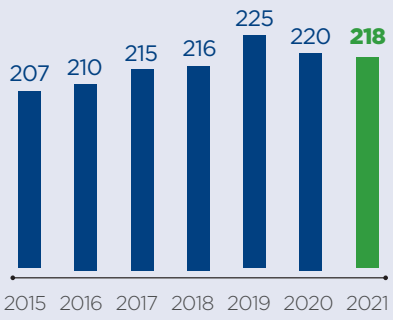
New eco-construction standards: new buildings for tertiary activities of significant size are subject to HQE (La Balme, Craponne), LEED (St. Louis) or BREEAM (Marcy l'Étoile) environmental certification.

Energy audits: the Combourg, Craponne, Marcy l'Étoile, La Balme, Saint-Vulbas, Durham and St. Louis sites are implementing action plans to reduce consumption based on the results of energy audits that are updated periodically.

Total energy consumption and percentage of energy consumption from renewable sources
(see Section 3.9 for the organizational scope covered)

GROSS INDICATORS

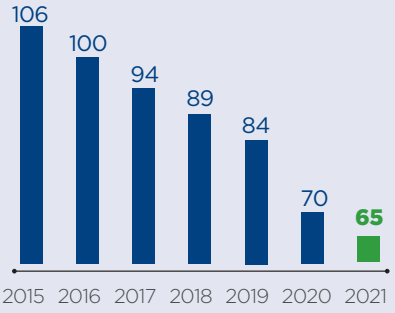
Total energy consumption
In GWh



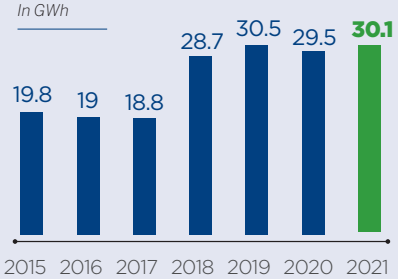
TOTAL ENERGY CONSUMPTION

INDICATORS IN RELATION TO SALES IN EUROS

Total energy consumption in relation to sales
MWh per million euros

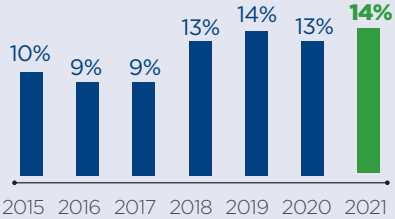


Consumption of energy from renewable sources
In GWh



CONSUMPTION OF ENERGY FROM RENEWABLE SOURCES

Percentage of energy consumption from renewable sources



3.5.4 Spread of new epidemics as a result of global warming

The effect of global warming on risks of epidemics is a complex issue at the heart of scientific thinking on how to anticipate the risks of future epidemics. In 2019, a consensus statement drafted by some 33 scientists from nine countries was published in Nature Reviews Microbiology to raise awareness of the issue and call for research on microorganisms to be increasingly incorporated in the fight against climate change.

One of the first consequences of global warming is the proliferation of mosquitoes, which increase in number as a result of effects of heat and humidity. With higher temperatures and stretches of stagnant water following flooding, they proliferate and spread viral diseases such as malaria and dengue fever through their bites. Cases of these viral diseases have already been recorded in new geographical regions, such as the cases of chikungunya in the south of France.

Another possible consequence is related to flooding, which worsens hygiene conditions in regions affected by extreme climate events (typhoons and cyclones). Contamination of drinking water sources is causing the re-emergence of cases of cholera and typhoid. Deforestation, which inevitably leads to global warming, is also a risk factor for the intrusion of animal species in urban areas, which are reservoirs of viruses that could be transmitted to humans.

In this context, bioMérieux's remit is to provide health authorities, healthcare professionals, and patients with new tests to quickly and easily diagnose these diseases. For instance, bioMérieux launched three fully automated tests for the detection of dengue fever in 2021. These three serological tests are recommended by international guidelines. Performed on the VIDAS® platforms, VIDAS® DENGUE assays provide reliable results with improved quality compared with the existing manual methods. This performance level responds to the medical need for an early and accurate diagnosis of dengue.

3.6 INTERACTING ETHICALLY WITH THE HEALTHCARE ECOSYSTEM

3.6.1 Regulatory compliance applicable to products

The regulations that apply to bioMérieux are numerous, wide-ranging, and rapidly changing as they are implemented and transposed locally (see Sections 1.4 and 2.2.3.2).

In particular, the Company must meet the following regulatory requirements:

- requirements such as ISO standards (in particular 9001 and 13485), Medical Device Single Audit Program (MDSAP), Unique Device Identifier (UDI), In Vitro Diagnostics Regulation (IVDR) and Post-Market Vigilance;
- local and international regulations, particularly those associated with import and export management.

Regulatory compliance is achieved in accordance with the Quality Management System (QMS). The QMS is integrated into the Company's quality policy known as the Total Quality Management System Manual, which is under the responsibility of the Quality Committee.

The Quality Committee is chaired by the Executive Vice President, Global Quality. It is made up of the quality management representing each part of the organization (pre-market, manufacturing & supply chain, post-market, industry) and their operational support (quality & support system and internal audit).

The Quality Committee ensures the effective performance of the QMS through governance based on three pillars:

- definition and quarterly monitoring of key performance indicators (KPI) on QMS processes;
- management review to assess the effectiveness of the QMS and identify risks/opportunities which are shared with the Quality Committee for evaluation and implementation of action plans;
- internal audits, to ensure the robustness of processes, data and related documentation to the various applicable regulatory requirements. The Quality Committee reviews the progress of the program and the main points raised by the auditors on a quarterly basis.

Annual quality objectives are defined taking into account the priorities determined by the Company. These objectives are endorsed by the Executive Committee. They are implemented and monitored on a quarterly basis through a quality roadmap and a "Hoshin Kanri" type management tool.

To keep its QMS up-to-date, the Company has established a regulation and standards watch committee with the aim of identifying, ranking and monitoring enforcement of the main regulatory changes across the Group.

The Company is also regularly inspected by local and international regulatory authorities.

MAIN INSPECTIONS BY REGULATORY AUTHORITIES IN 2021

The inspections were all successfully completed and contribute to the Company's continuous improvement plans.

	SITE	ORGANIZATION
EUROPE	Marcy, Craponne, La Balme, Grenoble, Verniolle (France), and Florence (Italy)	GMED[(a)]: based on a Medical Device Single Audit Program (MDSAP), ISO 9001 and ISO 13485 certifications
	Combourg (France)	GMED[(a)]: based on ISO 9001 certification
	Combourg (France)	COFRAC[(b)]: based on ISO 17025 certification
	Tres Cantos (Spain)	ENAC[(c)]: ISO 17025
	Tres Cantos (Spain)	GMED[(a)]: based on MDSAP, ISO 9001 and ISO 13485 certifications
NORTH AMERICA	St. Louis, Missouri, and Durham, North Carolina (United States)	GMED[(a)]: based on MDSAP, ISO 9001 and ISO 13485 certifications
	Lombard (United States)	GMED[(a)]: based on ISO 9001 certification
	BioFire Diagnostics – Salt Lake City, Utah (United States)	BSI[(a)]: based on MDSAP, ISO 9001 and ISO 13485 certifications
LATIN AMERICA	Rio (Brazil)	GMED[(a)]: based on ISO 9001 and ISO 13485 certifications

(a) Notified body designated by certain regulatory authorities, in particular the FDA.
(b) French Accreditation Committee.
(c) Entidad Nacional de Acreditación.

3.6.2 Data protection

In the course of its business, the Company has access to several types of personal data: employees, patients, and administrative data from partners (customers, suppliers, distributors and healthcare professionals).

bioMérieux has created a network of business representatives in its subsidiaries and global functions. This network comprises approximately 85 people not dedicated solely to data protection, who act as a link with the Data Protection Officer. It is in charge of documenting all personal data processing within their scope to ensure compliance with data protection regulations including the General Data Protection Regulation (GDPR) in Europe.

The confidentiality of patient personal data is ensured by particularly strict regulations in the United States (Health Insurance Portability and Accountability Act – HIPAA) and Europe (GDPR). In addition, systems and services marketed by the Company process patient data on a daily basis. In designing and supporting these systems, the Company must ensure data confidentiality, integrity and availability and uphold the basic rights of the affected patients (see Section 2.2.2.4).

As a response to these issues, bioMérieux has developed a personal data protection program based on:

- the general data protection policy approved by General Management;
- the appointment of a data protection officer (DPO) reporting to the executive director, Legal, Intellectual Property and Compliance; and registered with the French Data Protection Authority (Commission Nationale Informatique et Liberté – CNIL);
- the appointment of a Privacy Officer in the United States to ensure compliance with the regulations of several states (California, Virginia, Colorado); a network of 76 DPO-business line liaisons at subsidiaries, sites, and global functions, who, trained in the regulations, are responsible for overseeing compliance;
- an online GDPR training to educate employees about their rights.

The methodology applied to ensure GDPR compliance has now been expanded to other companies of the Group and outside of Europe in order to apply a level of protection at least identical to that imposed by European regulations. In particular, a DPO network has been deployed in the following countries: Australia, Argentina, Brazil, Canada, Chile, China, Colombia, India, Indonesia, Japan, Malaysia, Mexico, Philippines, Russia, Singapore, South Africa, South Korea, Turkey, Thailand, United Arab Emirates and United States.

In 2021, the Company updated its policy:

- by extending the scope of its actions to the new regulations applicable in many countries;
- by translating it into 16 languages to reach all employees;
- by communicating about the rights of individuals.

Legal information on processing is accessible to third parties on the Company's Corporate website and to employees on its Intranet.

Finally, the privacy implications of processing sensitive and personal patient data (patients, employees) have been analyzed, with potential risks highlighted and ranked, and remedial plans regularly monitored.

The Company has implemented a tool to strengthen its compliance with current personal data protection regulations. It enables in particular to:

- more accurately document the processing of personal data;
- standardize methodology and practices;
- evaluate the potential impacts of new projects starting from the design phase (Privacy by Design concept);
- reduce the number of risk assessments associated with processing;
- manage potential data breaches more quickly;
- give the DPO visibility through consolidated dashboards;
- respond to requests for access rights from data subjects.

This tool currently covers 67 bioMérieux subsidiaries.

In 2021, two training modules for employees with access to patient data were conducted regarding:

- the American federal regulations (HIPAA); assigned to 1,381 employees, more than 86% of them completed the course;
- the protection of patient data at the global level; assigned to 486 employees, more than 88% of them completed the course.

No data breaches were reported to the competent authorities in 2021.

3.6.3 Business ethics

3.6.3.1 Ethics and compliance

Governance and Ethics and Compliance program

Through the Ethics and Compliance program (the "Program"), bioMérieux places an emphasis on conducting business in compliance with all laws and regulations, as well as the Company's own values and culture. bioMérieux expects its employees to embrace and share these values.

The Program is intended to allow all bioMérieux employees to contribute to the Company's growth, in compliance with business ethics, Group culture and all applicable regulations. It is designed to prevent unethical conduct. The Program also takes account of lobbying rules (see this section – Public and Governmental Affairs).

For this reason, staff training in the rules of business ethics is a central part of the Program, which contributes to the prevention of risks.

In 2021, the Program's main priorities were to:

- enhance measures to prevent corruption and influence peddling, in accordance with the new requirements of the Sapin II law;
- secure the distribution network and other intermediaries;
- relations with healthcare professionals;
- understand and effectively apply export regulations;
- the new EU General Data Protection Regulation (GDPR).

This Program is under the responsibility of the corporate vice-president, Legal, Intellectual Property, and Compliance, through the Ethics and Compliance Department. The Global Compliance Officer draws on regional and local managers for the three main subsidiaries, as well a team responsible for export control.

bioMérieux's ethical principles extend to everywhere it operates. Consequently, each site or subsidiary has its own Ethics and Local Compliance team (LCT). This team acts as the central team's correspondent at the local level and is responsible for disseminating and applying the Program. They also ensure that the Group's internal directives and all local laws and procedures are applied.

General Management, the Executive Committee and the Board of Directors are regularly apprised of the status of the Program. An Ethics and Compliance Committee comprised of several members of the Executive Committee under the coordination of the Chief Operating Officer meets every quarter to oversee the implementation of the program within the Group.

The Ethics and Compliance Department is in charge of drawing up, promoting and monitoring implementation of all compliance and ethical standards in accordance with applicable laws and the Company's Code of Conduct.

The program includes online training that is updated annually. The training aims to raise employee awareness of applicable internal regulations and procedures so that team members can conduct themselves in an upright, ethical manner in their business and work relationships.

bioMérieux regularly conducts a global training and awareness campaign on the Code of Conduct for all its employees, as well as training on the prevention of corruption and influence peddling. Furthermore, all new hires systematically take three compulsory courses (on the Code of Conduct, anti-corruption and influence peddling measures, and conflicts of interest).

In 2021, nearly 24,000 online courses were offered to employees across all subsidiaries, including courses on the Code of Conduct, anti-corruption measures, influence peddling and conflicts of interest, with the latter provided every three years. Courses were also provided to the employees concerned on the rules to follow when working with distributors or handling patient data.

In 2021, the training completion rate was as follows:

- 86% for the Code of Conduct (versus 84% in 2020);
- 90% for anti-corruption measures (versus 92% in 2020);
- 93% for conflicts of interest (versus 78% in 2018).

Code of Conduct

The current version of the Code of Conduct[1] covers the risks included in the latest regulations. These regulations cover measures to combat corruption, influence peddling and money laundering, relations with healthcare professionals and the protection of personal data. It is available in 17 languages (English, French, Simplified Chinese, Traditional Chinese, Spanish, German, Portuguese, Italian, Russian, Korean, Japanese, Greek, Serbian, Turkish, Thai, Polish and Arabic). It is used for annual global training and information campaigns for all employees. The Code of Conduct specifies that any employee who breaks one of the rules, or who encourages or authorizes an infraction against the Code, will incur disciplinary sanctions that could involve termination of their employment contract.

The distribution of the Code is supported in the following ways:

- training on its content given to all employees;
- it is uploaded to the Company's Corporate website and Intranet;
- a copy of it is given to each new bioMérieux employee.

Moreover, the Code of Conduct and a document containing "Business Principles for Third Parties" are brought to the attention of external partners, whom the Group asks to uphold the principles of business ethics. For this purpose, the Group appends these documents, or a web reference to them, to its main contracts with suppliers and distributors, in order to ensure that its commercial partners are contractually bound by them.

Anti-corruption and influence peddling measures

bioMérieux is exposed to risks of corruption and influence peddling linked to its business (see Section 2.2.3.1).

bioMérieux's commitment to public health is part of a policy of protecting patient interests whilst preserving its reputation and the interests of shareholders. bioMérieux's actions are governed by a set of principles, directives, standards and procedures that correspond to current ethical norms. Thus, bioMérieux is developing an anti-corruption and influence peddling program which reflects the principles of the Global Compact and current regulations. In particular, bioMérieux and its employees are committed to combating corruption and influence peddling in all its forms, including extortion and bribery.

Finally, the Company has brought its anti-corruption and influence peddling program into compliance with the Sapin II law, by introducing appropriate procedures.

This program is based on the Code of Conduct, which forms the foundation of the Ethics and Compliance program and on the Corruption Prevention Manual[2]. This manual, which is available on the Company's corporate website and on its Intranet, sets out the Company's expectations in its relations with its partners.

In 2019, the Company also created and circulated a new procedure and new interactive tool for approving third parties in order to identify and, where necessary, reject before hiring, any partners at risk of corruption.

The Company has also developed a document describing the Business Practices applicable to third parties, as well as a prior approval procedure for third parties, to make partners aware of the Company's rules of ethical business conduct and to identify among them (by means of forms to be filled out and with the help of automatic partner screening software) those with whom the planned or current collaboration could be harmful to bioMérieux, in light of their profile or history of corruption or influence peddling.

The corruption and influence peddling prevention program is designed to:

- promote ethical conduct in business dealings;
- train employees on internal rules and laws against corruption and influence peddling;
- give employees a forum in which to ask questions.

With the help of LCTs around the world, the Ethics & Compliance Department conducted a corruption risk assessment of 44 entities covering 88 countries. Compliance and risk management teams worked to define potential corruption and influence peddling scenarios based on:

- the risk assessment conducted in 2018;
- internal consultation with key functions and the Executive Committee;
- internal real-life cases;
- external real-life cases;
- observations of internal audits;
- external data (OECD, TRACE, etc.).

37 corruption scenarios were identified among eight topics:

- acquisitions and strategic capital expenditure;
- customer management;
- interactions with HCPs;
- distributor management;
- relations with public authorities/lobbying;
- research;
- supplier management;
- internal controls and procedures.

LCT members conducted the assessment with the participation of frontline staff to provide country-by-country field information. Additionally, 28 workshops were held with the global functions.

A survey covering nine risk topics was completed by 4,419 employees worldwide. The Ethics & Compliance department and a consulting firm worked on defining employee compliance awareness and the main potential risks.

In response to the corruption risk assessment, all bioMérieux subsidiaries and the Corporate organization are implementing three-year action plans.

(1) https://www.biomerieux.com/sites/corporate/files/020572_-_attachment_3_-_code_de_bonne_conduite_-_fr.pdf
(2) https://www.biomerieux.com/sites/corporate/files/040268_-_att_2_-_manuel_de_prevention_de_la_corruption_-_fr_2.pdf

Whistle-blowing hotline and recording of reports

bioMérieux uses a whistle-blowing system that is accessible to employees and third parties. It meets the requirements of the Sapin II Law and the Law of March 27, 2017 (No. 2017-399), known as the Vigilance Law. It is mentioned in the Code of Conduct.

Special structures have been set up as a listening service and to advise employees so that they can express themselves freely and report cases of non-compliance (see Section 2.2.3.1).

In particular, any employee who witnesses a breach of the Code of Conduct or of laws or regulations in general, should first report the issue to his or her manager or supervisor. Employees may also contact the Human Resources Department, the Legal and Compliance Department.

An ethics hotline has been rolled out in all of bioMérieux's host countries and is independently managed by an external provider. This service is available to any person internal or external to the Company who wants to express their concerns. It provides employees with a local telephone hotline in the local language, and a website through which a report can be filed online.

To this end, each Group employee receives a card with contact information for that service.

Reports made are processed anonymously by dedicated teams who take the necessary steps to respond to each message. The Ethics and Compliance Committee is responsible for reporting and monitoring the cases handled.

The Company has a zero-tolerance policy concerning threats to employees who have reported something in good faith, refused to break the law, or taken part in an investigation.

Finally, the Company has made the necessary changes to its procedures and tools in order to incorporate the status of whistleblower as defined by the Sapin II law and the Vigilance law.

Public and governmental affairs

In 2018, bioMérieux established the Public and Governmental Affairs Department whose purpose is to raise awareness and achieve recognition of the medical and economic value brought by *in vitro* diagnostics, particularly in terms of antimicrobial resistance, to ensure antibiotics are prescribed appropriately, against epidemics and emerging pathogens. This function is also responsible for protecting, defending and promoting the Company's interests with public and institutional authorities.

The Public and Governmental Affairs team, in agreement with the Executive Committee, strives to share relevant information liable to inform public decision-making, with full transparency, integrity and in accordance with its mission as a public healthcare provider. In view of the value provided by *in vitro* diagnostics, its purpose is to improve market access and the financing of diagnostic solutions over the long term, in particular for innovative tests, in a complex environment (economic difficulties in healthcare systems, major changes in medical practice and the organization of care, government reforms), through legislation and regulations that reflect the specific characteristics of each sector.

Since its creation, bioMérieux has developed business conduct values and strives to carry out its operations with the highest standards of integrity.In this spirit, bioMérieux has drawn up a Public and Government Affairs Charter, which describes the tasks and responsibilities of this function. It specifies the Company's commitment to guarantee the fairness and transparency of exchanges with public and institutional decision-makers:

- compliance with local regulations and internal procedures (including the Code of Conduct and the Anti-Corruption Manual);
- integrity and transparency of representation in relations with public decision-makers;
- reporting of public and governmental affairs activities to local authorities where applicable;
- transmission of accurate and substantiated information;
- absence of conflict of interest and tolerance of corruption;
- ban on political contributions;
- respect for confidentiality.

This charter is binding on any person, internal or external, expressly mandated for this purpose, who must certify having knowledge of it through a training module. It was drafted by the Public and Governmental Affairs, Ethics and Compliance and Legal Departments. This charter is published on the bioMérieux website (*www.biomerieux.com*). It is revised and updated regularly.

bioMérieux also launched a training program in 2021 for mandated persons in order to share a common knowledge base, to help them understand their local ecosystem and to enable them to establish quality relationships, in compliance with the Public and Government Affairs Charter.

The following are examples of concrete action by bioMérieux:

France: "health" strategic sector contract (*Contrat Stratégique de Filière – CSF*) for Health Industries and Technologies

"Antibiotic resistance" industrial project

bioMérieux is the leader of an industrial project dedicated to antibiotic resistance. Amid a global public health emergency, the purpose of this working group is to make practical, evidence-based proposals to French health authorities in order to (i) unite the industry around fighting "antimicrobial resistance", (ii) allow existing health products to remain on the market, (iii) support the launch of new products under regulatory and pricing conditions that are satisfactory and sustainable for all players, and (iv) entrench France's role in combating antimicrobial resistance on the international stage.

"*In vitro* diagnostic" health CSF

bioMérieux is the co-leader of an industrial project dedicated to strengthening the in vitro diagnostics industry, structured around two complementary areas:

- identification of all the players and anticipation of the development of the French biology market;
- securing the supply chain for the French market and building up production resources in France.

Europe: MEDTECH Europe

bioMérieux is participating in various working groups dedicated to "Regulatory Affairs" in order to ensure a smooth transition to the new In Vitro Diagnostic Medical Devices Regulation (EU) 2017/746 (IVDR), which will come into force on May 26, 2022.

In taking action, the Company is supported by these trade associations:

- the Advanced Medical Technology Association (AdvaMed): This American association promotes policies that foster the highest ethical standards, rapid product approval, appropriate reimbursement, and access to international markets;
- the *Syndicat de l'Industrie du Diagnostic In Vitro* (SIDIV): this trade association represents manufacturers in the sector in France. It helps them to defend their interests by acting as a key point of contact for public authorities. bioMérieux's director of Public and Governmental Affairs, Isabelle Tongio, was re-elected Chair of SIDIV in 2021 for a one-year term;
- Medtech Europe is a European trade association for the medical industry. Pierre Boulud, bioMérieux's Chief Operating Officer and Executive Vice President for bioMérieux's clinical operations is a member of the board, while Isabelle Tongio, director of Public and Governmental Affairs at bioMérieux, is a member of its Public Affairs Committee;
- AMR Industry Alliance is a global initiative that brings together industry players from the life sciences sector to respond to the United Nations' call in 2016 to tackle microbial resistance to antibiotics. bioMérieux is actively involved in this organization alongside other companies in the pharmaceutical and *in vitro* diagnostics sectors.

The Company is also a member of G5 Santé, the France China Committee and the Association Française des Entreprises Privées (AFEP). It is a founding member of French Care.

In 2021, the Company paid €952,000 in trade association fees.

Moreover, the Group's distribution subsidiaries are encouraged to join their local trade association. The costs incurred are not material.

The Company complies with its obligations by declaring its French lobbying activities to the Haute Autorité pour la Transparence de la Vie Publique (French high authority for transparency in public life).

Ethical marketing

The Code of Conduct reiterates that the ultimate aim of bioMérieux's interactions with healthcare professionals is to improve the standard of patient care and public health.

bioMérieux therefore undertakes to:

- comply with all local laws and regulations on promotion and marketing to healthcare professionals, industry rules of conduct (such as those promoted by Advamed and Medtech), and the principles of the corruption prevention manual;
- provide healthcare professionals with information about bioMérieux products that is accurate, transparent and fair;
- promote its products only according to approved local use and in accordance with the legislation of the country;
- conduct interactions with healthcare professionals with integrity, never offer or provide a product in order to improperly influence its prescription, and fight corruption in any form;
- comply with all applicable national laws requiring the recording and reporting to the government of any transfer of value from the Company to a healthcare professional;
- organize the comparison of the Company's products with the competition in a fair and substantiated manner that is compliant with all applicable laws and regulations;
- ensure that the Company's products or services are not labeled or marketed in a manner that could be mistaken for those of its competitors and that competitors' products, services and employees are never disparaged.

3.7 PROMOTING THE DEVELOPMENT AND WELL-BEING OF OUR EMPLOYEES

bioMérieux's employees are its most important asset. Thus, human resources management is an issue to which bioMérieux attaches great importance.

Around 73% of employees are located in France and the United States. That is why the actions described below refer mainly to these two countries. They are the pilots before roll-out to the other countries of the Group. These actions act as reference points for the labor relations policy that bioMérieux strives to apply to all of its employees, taking into account local regulations and cultures. For example, the same recruitment procedures, pay policies, training policies and annual appraisals apply to all employees.

By supporting the organization, management and employees, the Human Resources (HR) teams want to create a unique experience that embodies the Company's "Belong - Dare - Impact" mindset, develop a sense of belonging and commitment, harness the necessary skills, and thus leverage the impact of each employee to serve bioMérieux's mission.

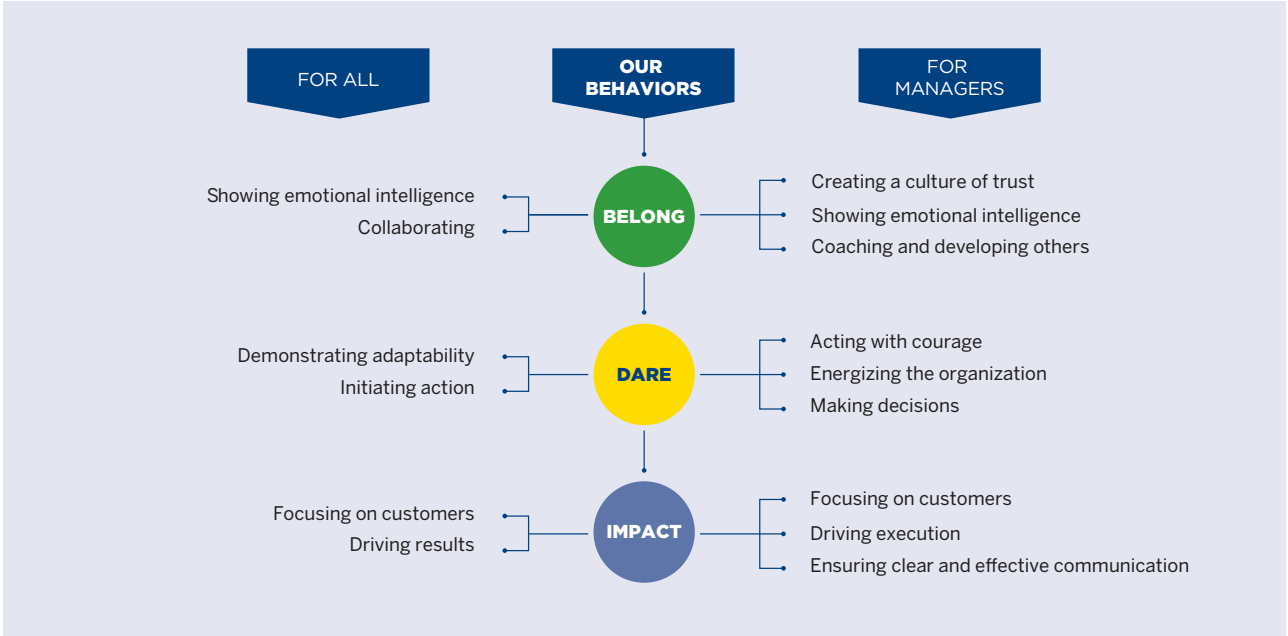
To achieve this goal, the HR organization is committed to providing a local service through local HR partners (on a site, in a country or in a cluster), whose roles are crucial and who are the main contacts for employees and managers on all HR issues.

The new human resources organization was implemented throughout 2021 in order to adapt to:

- bioMérieux's new organization: Global Human Resources Business Partners are the primary HR contacts for the members of the Executive Committee in their respective scopes;
- the need for consistency and the impetus of a harmonized approach to the main strategic HR issues, with the creation of global and regional Centers of Expertise (CoEs):
  - Talent Acquisition CoE to identify, attract and select the most suitable candidates for bioMérieux,
  - Employee Engagement CoE to ensure an engaging employee experience (onboarding, support, recognition, compensation and benefits),
  - Learning & Development CoE to support employee development (skills, behaviors, career development),
  - Performance CoE to support the activities of the HR and Communication teams (project management, performance indicators, processes, etc.);
- the transition project: a joint team has been created, bringing the HR teams of bioMérieux, bioMérieux Inc. and BioFire, together under a single management team.

Our Behaviors

To strengthen its culture and promote well-being in the workplace, bioMérieux relies on Our Behaviors, a reference guide published in six languages that translates the Company's vision into action. Our Behaviors is a set of behavioral skills designed to strengthen alignment between actions and managerial culture worldwide.



Individual assessments changed in 2021 to take into account the skills expressed in Our Behaviors. They are used to identify employees' strengths and areas where there is room for development. This development takes the form of by an individual plan that covers aspects of knowledge, know-how and interpersonal skills.

Awards

bioMérieux obtained 15 Top Employer certifications, awarded by the *Top® Employers Institute*. This recognition is the result of the People and Culture strategy, the deployment of which has enabled bioMérieux to be recertified as a Top Employer in all countries and regions where it has applied. With an overall score of 83.77% in January 2022, compared with 78.05% the previous year, the Company's performance is well above the average for certified companies in all business sectors.

Top Employer Europe: France, Belgium, Germany, Poland, Spain since 2020.

Top Employer Africa: South Africa, Kenya, Egypt and Côte d'Ivoire in 2021.

Top Employer China since 2019.

Top Employer United States since 2020.

Top Employer Brazil in 2021.

In January 2022, bioMérieux was ranked number 1 among French companies preferred by employees, with a score of 4.7 out of 5.

These certifications attest to the quality of bioMérieux's HR policy and the initiatives taken by its staff. They are also proof of the recognition of the excellent working conditions offered to employees and a guarantee for future candidates that the working environment within bioMérieux meets the best international standards.

For the third year running, bioMérieux appeared in the Universum France list of the most attractive French companies for future engineering and management school graduates. The 2021 ranking is the result of a survey of over 36,000 students from 169 schools and universities and 137 different areas of expertise. In particular, bioMérieux is ranked in the Top 100 for students in engineering and IT schools.

bioMérieux's Latin America Region has been awarded Great Place to Work certification in all countries.

Brazil was the pioneer of this approach, by obtaining the Great Place to Work certification three years ago and by making progress every year. Mexico has been certified for two years and has also made excellent progress, ranking 41st at the national level in 2021. Colombia, Argentina and Chile were certified in 2021 with an excellent score.

Great Place to Work is a survey that measures the level of employees' trust in their company and managers based on five dimensions: credibility, respect, fairness, pride and camaraderie. This certification is valid for one year.

Obtaining the Great Place to Work certification demonstrates that bioMérieux is a company with a high level of trust and commitment from its employees.

Management of the COVID-19 crisis

Since 2020, bioMérieux has been supporting its employees to help them get through this period.

All components of compensation, including variable compensation, were maintained for everyone, including employees who were forced to isolate themselves and who were unable to work remotely. As a result, all employees, regardless of their situation, have not experienced any change in their usual income as a result of the crisis.

In March 2020, it rapidly set up a partnership with the HealthAdvicare and Eutelmed platforms where psychologists provide psychological assistance. This partnership continued throughout 2021. These services allow all Group employees and their families and friends to receive free consultations with a psychologist.

Lastly, the Group continues to mobilize through its COVID crisis units, which communicate on a regular basis to all employees.

MANAGEMENT OF THE COVID-19 CRISIS: FRANCE

bioMérieux has maintained the compensation of all its employees, including those whose work was suspended, without any time lag. The Company did not ask for State aid, opting not to receive the partial activity allowances.

In addition, ancillary allowances were maintained for employees working from home. The Company has given its employees the opportunity to be tested/vaccinated on company time.

3.7.1 Employee health and safety

3.7.1.1 Health and Safety policy and organization

The Company's Health and Safety approach is presented below. It is integrated into the overall Health, Safety and Environment policy, as described in Section 3.5.1 (Governance and policy).

bioMérieux has implemented an occupational health and safety management methodology that enables it to obtain international certifications. Since March 2021, the ISO 45001 standard has replaced the OHSAS 18001 standard.

In 2021, 80% of its main industrial sites were ISO 45001 certified. The Durham, Lombard and St. Louis industrial sites in the United States obtained the initial ISO 45001 certification, while the Craponne and Combourg (France) sites converted their certification from OHSAS 18001 to ISO 45001.

3.7.1.2 Evaluation, prevention and management of occupational hazards

The Company measures its rate of occupational accidents and occupational diseases across all its activities. These events are taken into account when ranking the areas for improvement over time and reducing the number of accidents. Occupational accidents are reported and analyzed each month by the Executive Committee and the information is disseminated throughout the Company.

After exceeding its 2015-2020 HSE strategy target in 2020, bioMérieux has set new goals for 2025:

- frequency rate of lost-time occupational accidents: 0.6;
- frequency rate of total reportable occupational accidents: 1.2.

These ambitious goals call for a new approach. It aims to make all employees active players in their own safety, with the support of their line management, who benefit from a new HSE Leadership program.

2025 Objective: 50% reduction in the frequency rate of lost-time occupational accidents compared with 2020, *i.e.* a rate of 0.6 or lower.

2021 Result: +12% compared with 2020 (frequency of 1.3).

2025 Objective: 50% reduction in the frequency rate of total reportable occupational accidents compared with 2020, *i.e.* a rate of 1.2 or lower.

2021 Result: +6% compared with 2020 (frequency rate of 2.7).

The 2021 occupational accidents score is in line with the previous year's score, confirming a real improvement over 2019 and prior years. This performance, as in 2020, is representative and not a result of the COVID-19 crisis. This is because operational activities on site and at customers' premises are maintained and carried out in a more restrictive context than usual. Furthermore, the indicator relating to occupational diseases is mainly impacted by the very strong growth in activity at the Salt Lake City site, while studies are underway to adapt workstations.

Main safety indicators[(a)]	2021	2020	2019
Frequency rate of lost-time occupational accidents	1.3	1.2	2.1
Frequency rate of total reportable occupational accidents	2.7	2.6	4.0
Severity rate of occupational accidents	0.03	0.02	0.04
Number of occupational diseases	14	12	2

(a) See the benchmark in Section 3.9 for the organizational scope covered.

bioMérieux's performance is the result of the HSE department's deployment of many processes and tools worldwide. For example:

- a tool for reporting hazardous situations and suggestions for improvements (about 5,000 cases reported annually by all employees). Accordingly, employees are encouraged to express their concerns about a situation that could generate a risk of accident, harm to people, pollution, etc., *via* a program called NearMiss. This application is available to all employees, especially on mobile phones since 2021;
- risk assessment at each workstation and regular updates;
- inspections and audits of activities to verify the adequacy of preventive measures;
- campaigns to raise awareness of the various risks, under the "Proud to be a daily hero" banner, to empower employees to take safety actions (*e.g.* falling in the stairs, falling on slippery surfaces, slip-and-fall accidents);
- bioMérieux is rolling out a program of specific courses:
  - each new arrival is given health-and-safety training appropriate to the site and their activities,
  - all employees with a specific activity must take the courses resulting in a qualification (electrics, forklift operator, hot work, working at height),
  - some employees take the HSE and ISO 14001/ISO 45001 internal auditor training,
  - other training may be provided on a case-by-case basis (transporting hazardous goods, biohazards, chemical hazards, warming up before physical activity, fire safety officers, workplace first aid and lifesaving officers, etc.),
  - online training in automobile safety for its employees traveling to customers' premises.

3.7.1.3 Well-being at work and promotion of healthy living

The Company integrates the prevention of psychosocial risks for its employees into its occupational hazards assessment process, and benefits, mainly in Europe, from many experiences and actions in their prevention and analysis. In France, for example, an occupational health agreement has been signed with union representatives (see Section 3.7.2).

In addition to the prevention of occupational risks, the Company also takes its employees' health into account:

- all Group employees benefit from health insurance coverage (public, private, or both);
- sites promote sports by providing sports facilities or subsidies for access to a sports hall;
- the Company covers the cost of a seasonal influenza vaccination for its employees on most sites; In 2021, the Company also proposed the COVID-19 vaccination;
- in France, employees and their families have access to a service desk providing medical services and teleconsultation. Among other things, this service provides 24/7 access to a doctor, and, a "second medical opinion" service has been deployed since March 2020 that allows each employee or family member to have access to a physician specializing in an illness to get a second medical opinion quickly and remotely;
- the Company has rolled out a healthcare and health education pilot program at its North American sites, in the form of health days. These initiatives are deployed mainly through a medical center dedicated to employees and their families in St. Louis. In this way, employees who so wish benefit from medical check-ups, early cancer screening and medical or nutritional advice given by professionals. The confidentiality of medical data is strictly observed, and the Company does not have access to personal data;
- the St. Louis and Durham sites have introduced initiatives to raise awareness among employees and their families of top public health priorities. The bioMérieux Live Well Center provides primary healthcare services to the site's 800 employees and their families. Furthermore, a digital weight-loss program, Real Appeal, is available to employees;
- in the United States, paternity and maternity leave have been extended to two and 12 weeks, respectively.

In France, psycho-social risks (PSR) are monitored by committees made up of the site human resources manager, the occupational physician and the social worker. The purpose of these committees is to study personal or collective situations and put immediate corrective actions in place. The work of this committee is shared with the Central Commission for Health and Safety and Working Conditions. Throughout 2021, these committees met to continue to assess, monitor and address these specific risks. In 2022, the objective is to set up a permanent evaluation and monitoring process.

For several years now, the Company has been organizing conference cycles on the theme of PSR at several sites in France. These lectures, led by a specialized teacher-trainer physician, are part of a reflection on prevention and the improvement of the quality of life of employees. Moreover, internal training has been expanded with a new one-day module entitled, "How to avoid burnout and to keep an eye on your employees", aimed at department heads.

A PSR assessment program has been rolled out over several years. It is structured in five stages: creating a PSR Steering Committee; circulating a diagnosis questionnaire to all employees; analyzing, interpreting and reporting results; employees participating in targeted working groups on identified themes; and developing and implementing an action plan.

In 2020, this program, which had reached its final stage, was slowed down by the health crisis. In this context, the PSRs have been transformed (feeling unhappy about remote working, feelings of isolation, loss of meaning at work, etc.). Consequently, the Company entered into a global partnership with the Eutelmed platform to give employees and their families free access to psychologists. It is a service composed of one-on-one consultations, self-assessment and prevention tools accessible 24/7 (phone, chat & secure messaging).

3.7.2 A corporate culture based on social dialog

Since its inception, bioMérieux has always a promoted a high level of social dialog with employee representative bodies, both in France and in its subsidiaries.

Since 2019, an environment SEC (ESEC) has represented employees on each site in France. The five ESECs in France meet at least once per month and are informed and consulted on the site's economic, health, and safety issues. A Central SEC has also been set up with 16 full members and 16 alternates. It meets at least once every two months, even though the legal obligation is once every six months, and its mission is to handle subjects of interest to the Company as a whole. Depending on the items on the agenda, members of the Executive Committee attend these meetings. Topics discussed are: the Company's situation, environment, financial performance, five-year strategy, R&D policy, industrial strategy, organizational changes, social balance sheet and gender equality report, as part of implementing the company-level agreements. During the COVID-19-related crisis, social dialog has been especially steady. The Central CSE (CSEC) met 19 times in 2020 and 16 times in 2021.

There are five commissions at the central level which depend on the CSEC, all composed of elected employees and management representatives:

- the professional equality commission: notably responsible for monitoring the professional equality agreement. It meets at least twice a year;
- the health/provident committee responsible for monitoring the accounts of the mutual insurance and provident scheme. It votes on any increases in contributions and meets at least twice a year;
- the housing committee in charge of monitoring the housing solutions offered to employees with the social worker and Action Logement. It meets at least once a year;
- the training committee in charge of monitoring the training plan (development and implementation). It meets at least three times a year;
- the Central Health and Safety Committee (CSSCT) responsible for issues relating to employee health and working conditions. It meets twice a year.

There are also committees on the sites with the same joint composition:

- the disability committee responsible for monitoring the application of the disability agreement and for monitoring specific situations;
- the catering committee responsible for monitoring the application of the catering offer on sites where there is a company restaurant. It is a source of proposals for improving the service offered;
- the local CSSCT exists even on sites where there are less than 300 employees. It meets at least four times a year.

Furthermore, since 2008, all bioMérieux subsidiaries in Europe have a European Works Council (EWC). Despite the health crisis, the EWC met twice in 2021.

Both the ESECs and the CSEC have a committee responsible for the health, safety and working conditions of employees, even at sites where the presence of such a committee is not mandatory.

The collective agreements, negotiated by representative unions in the company (CGT and CFDT) in France, specify the constitution of a monitoring commission, composed of the signatories to the agreement. These commissions are in charge of monitoring the enforcement of the agreements and making regular reports thereon. For example, the gender equality commission and the commission on persons with disabilities monitor quantitative performance indicators.

The following agreements and addenda were entered into in France in 2021:

- a Company-level agreement on the Mandatory Annual Negotiations on salaries, working conditions and gender equality, which was unanimously signed;
- the renewal of the professional gender equality agreement;
- Organization of teleworking after the crisis. This two-year agreement will come into full effect at the end of the crisis;
- an addendum to the agreement on donated leave, to include employees who are caregivers in the beneficiaries;
- an agreement on the MySHARE employee share ownership plan described in Section 3.7.4.2.

Negotiations were opened at the end of 2021 for the renewal of the agreement on the policy of assistance to disabled employees, a well as the agreement on the quality of life at work.

At the beginning of 2021, bioMérieux signed a new equal opportunity agreement applicable from 2021 to 2023. This new agreement creates second-parent leave, enabling them to benefit from four weeks' leave within four months of the child's birth.

bioMérieux has always been keen to promote the quality of worklife of its employees and to ensure greater flexibility and a better work-life balance. For example, the use of flex time and teleworking is encouraged. Night and shift work is given special attention to ensure continuous improvement.

In the same vein, as a result of the health crisis, it initiated negotiations on the organization of work, and in particular telework in December 2020, resulting in a new agreement signed on November 1, 2021. It will enter into force at the end of the health crisis.

Certain agreements signed by bioMérieux have been recognized, thus illustrating the standard of social dialog in France and encouraging the Company to pursue its commitment. For example, in December 2019, bioMérieux received the silver medal for Social Dialog from the Trophées des Leaders du Capital Humain (TLCH).

In 2021, bioMérieux was awarded first prize by Humpact in the category of employment policy for disabled employees, and second prize for the most innovative agreement for the Quality of Life at Work agreement.

3.7.3 Managing skills and headcount

3.7.3.1 Performance and career management

Professional development is a strategic and social matter for bioMérieux. It is built on a relationship of trust and dialog between employees and managers.

All Group employees take part in a specific Performance Management Process (PMP). This is a system for assessing employee performance over the past year (job proficiency and targets met), as well as a development tool (employees' individual needs and aspirations are identified), and, on the basis of these twice-yearly reviews, any actions required to increase collective and individual performance are taken (see Section 3.7 Our Behaviors). The goal of the mid-year review is to define the employee development plan, in particular the training plan. The purpose of this new tool is to develop a feedback culture, to evaluate performance and the way in which it is achieved and to increase the frequency of exchanges to contribute even more to the development of employees.

For a number of years, the Executive Committee and Human Resources have coordinated the Global Talent Pool & Succession Plan process to identify, develop and retain talent. In 2021, over 96% of identified talents remained with the Company. Identifying these high-potential employees allows succession plans to be developed for key positions. In collaboration with Mérieux Université (see Section 3.7.3.2), the Company has designed specific programs and courses to support their development and induction.

In France, bioMérieux has implemented Strategic Headcount Planning (SHP), the purpose of which is to identify quantitative and qualitative trends in skill requirements in order to guide the training and development strategy. The main areas of focus are:

- managing new job skills (sales, supply chain, medical), that meet the requirements of changing markets, technologies and digitalization;
- strengthening managerial practices, with the deployment of the "Our Behaviors" Leadership Competency Model.

3.7.3.2 Training

bioMérieux relies on two tools to respond to employee development needs. The purpose of Mérieux Université is to train the employees of the Institut Mérieux Group. In addition, bioMérieux has a Learning & Development department whose purpose is to be as attentive as possible to local needs.

Mérieux Université courses are open to all Group companies. Courses are rolled out across four regional hubs in France, the United States, China and Brazil, and includes:

- programs for Management and Leadership aimed at disseminating a shared management culture across the entities of the Institut Mérieux Group;
- a New Leader Induction program, which familiarizes participants with the Group's challenges and strategy and instills in them a shared management culture;
- the Fit For the Future program was held for the eighth year in the last quarter of 2021. It aims to support the development of managers with strong potential for growth, particularly by leading strategic projects;
- individual (Coaching, DISC, 360 Feedback) and collective support (Teambuilding).

Since 2020, the rollout of the e-learning courses has been stepped up. To support the deployment of Our Behaviors within bioMérieux, Mérieux Université has designed remote training courses, as well as turnkey human resources workshops, for each of the nine key skills for managers and the six employee skills. In addition, thanks to a partnership with Coursera, Mérieux Université provides some of its employees and any person in professional transition with certified online training courses. This digital offering has been added to the existing solutions for language learning and office skills development that have been in place since 2019.

Each bioMérieux employee can consult the full range of bioMérieux's courses on the Learning Portal platform, irrespective of the learning format (classroom-based, e-learning, blended learning, video, etc.). It is accelerating the digitalization of learning worldwide and responding to the new skill requirements of a wide audience such as adapting to new IT tools, new regulations or new working methods such as collaborative working.

Moreover, bioMérieux encourages its employees to engage in self-learning so that they can train beyond their own business line. In 2022, a more user-friendly Learning Portal interface will be launched.

In conjunction with Mérieux Université, bioMérieux is developing specific career paths (academies) to help teams achieve their goals. It has developed the Customer Service and R&D academies in addition to the existing Supply Chain and Finance academies.

In 2021, total training hours amounted to 233,476. This corresponds to an average of 19 hours per employee (compared with 11 hours in 2020). This average is 10 hours in the Americas, 23 hours in Asia-Pacific and 27 hours in EMEA.

The employee training completion rate in 2021 was 93%.

3.7.4 Attracting and retaining talent

Retaining employees and attracting new talent is a priority for bioMérieux. In this spirit, the Company has implemented a number of actions to promote a motivating and fulfilling work environment for all its employees while taking into account local cultures and legislation. The company offers attractive compensation packages and opportunities for internal mobility, while ensuring the diversity and inclusion of each employee. Lastly, over the years, bioMérieux has established close links with universities and educational institutions worldwide, in order to identify and attract young talent (see Section 3.7.4.3).

3.7.4.1 Compensation

bioMérieux's policy provides for compensation in the form of a fixed and bonus salary and, emphasizes fringe benefits such as retirement, death and disability insurance and health insurance.

Compensation structure	Compensation (fixed and variable) is set in each country on the basis of local conditions, the Company's results and individual performance. A worldwide grading of positions makes it possible to compare levels of responsibility and set compensation on the basis of local benchmarks. In order to align staff with bioMérieux values and strategic priorities, Group employees receive variable compensation. Moreover, employees in France and the United States, as well as Global leaders and Talent Poolers, receive variable compensation weighted by indicators linked to the Company's economic performance, which are reported to the market. For example, bioMérieux SA employees receive both a basic compensation (base salary, seniority pay, various bonuses, and extra pay) and a variable compensation, which includes the provisions required by law and a performance-related bonus, unilaterally decided by the employer. The Company sends all French employees an individualized compensation and benefits summary (Bilan Social Individuel). In 2021, the Company, assisted by a consulting firm, conducted a study to assess its competitiveness and practices in terms of variable compensation, in order to better recruit and retain talent. This study showed that there was a need to: • simplify and communicate information about variable compensation packages; • rethink the target bonus (with the application of a multiplier reflecting the Group's performance) (see Section 4.3.1.2.2); • if necessary, revise the variable compensation of certain levels in certain countries and; • further encourage differentiation in performance evaluation. The Company will carry out a number of financial proposals and simulations in 2022 to enable the implementation of the selected options in 2023.
Profit-sharing, incentives and employee savings (France)	bioMérieux SA has a non-discretionary profit-sharing plan calculated on the basis of the legal formula. The profit-sharing plan, from which the bioMérieux SA employees have benefited since 2013, was renewed for the 2019–2021 fiscal years. This agreement includes an increase in the main profit-sharing plan. The Company wants to closely involve its employees in the fruits of its growth through these different systems and the employee savings plans available to them, particularly in France: an employee savings plan (Plan d'Epargne Entreprise, PEE), a Company retirement savings plan (Plan d'Epargne Retraite Collectif, PERCO) or future retirement savings plan (Plan d'Epargne Retraite, PER) and an employee shareholding plan. The Company encourages the saving of the collective variable compensation with this latter plan through a matching contribution. The Company retirement plan (PERCO) benefits from a matching contribution by the Company, which can amount to up to 1.5% of the employee's gross annual compensation. Discretionary profit sharing, including the Corporate social contribution (forfait social), amounted to around €25 million in 2021 compared to around €23 million in 2020.
Employee share ownership	As a result of the Company's initial public offering, as well as the introduction of the employee savings plans and several employee share ownership plans for Group employees over the last few years, nearly one in two current employees are bioMérieux shareholders (see Section 7.4.2). The 2021 MySHARE employee share ownership plan was rolled out in May 2021 to all of the Company's subsidiaries, except when locally prohibited. It met with great success, demonstrating the commitment of employees. More than 49% of eligible employees subscribed with a 30% discount on the value of the share and a 100% matching contribution on the first €750 paid. The participation rate in France reached 79% and 33% in the rest of the world.
Supplementary pensions	The Company pays special attention to preparing for its employees' retirement: PER Enterprise (formerly Article 83) in France, 401K plan in the United States and similar mechanisms in other countries. This differentiating aspect is included in the overall compensation package presented to employees at recruitment and is instrumental in attracting talented people.

Free share grant	In order to retain key talents in the Company, including Global Leaders as well as those identified during the Talent Pool process, bioMérieux has had a free share grant policy (see Section 7.7) for a number of years. In 2021, the Company reviewed its policy of granting free shares, in accordance with the recommendations of the study conducted on its compensation policy.
Days off	Most of the subsidiaries worldwide have a policy of awarding more days off than the legal minimum, and reward their employees with additional days off related to seniority within the Company.
On-site catering	The Company offers staff canteens at most of its sites and subsidizes the price of meals in some countries. As such, over 75% of employees worldwide are able to have a balanced meal at work, thus preventing certain situations of food insecurity for its employees.

At the end of December 2021, total personnel costs (salaries and wages, payroll taxes, and discretionary and non-discretionary profit-sharing plans) amounted to €1,140 million compared with €1,148 million at December 31, 2020 (see Section 6.1.2, Note 20).

3.7.4.2 Promotion and internal mobility

Internal mobility is considered one of the key factors in the success of the employment policy. The issue of skills and changes in jobs over the next three to five years is addressed by the Company at a number of levels. There are technological factors with the accelerated impact of digital technology, as well as economic factors related to the changing customer base or competition.

With its global presence and diverse range of technology, the Company can offer its employees professional development and internal mobility opportunities. Furthermore, belonging to the Institut Mérieux Group offers options for mobility within the Institute and its subsidiaries.

bioMérieux's policy encourages internal promotion by offering the required support and training.

3.7.4.3 Attraction and retention for junior profiles

bioMérieux is pursuing its commitment to recruiting young professionals. bioMérieux is a partner to universities and educational institutions in France and overseas, a situation that allows it to strengthen its cooperation with academic research. This initiative is aligned with the Company's human resources policy to attract the talent and scientific profiles bioMérieux will need to address ongoing changes in its occupations.

For example, the Company has partnerships in France with EMLyon, the Grenoble Alpes University Foundation, INSA Lyon and ESTBB.

International internship program

bioMérieux has also been involved in training people aged under 28 and, each year, offers willing candidates the opportunity to volunteer overseas for six to 24 months on an international internship program, *Volontariat International en Entreprise* (VIE).

3.7.4.4 Employee satisfaction surveys

In 2021, several surveys were conducted among employees to gather their feelings and expectations about their professional life at bioMérieux and to allow them to propose areas for improvement on the following subjects:

France:

- parenting, to understand the specific needs of family caregivers. This study made it possible, for example, to set up a new service to help children with their homework and to launch a call for tenders for places in daycare centers;
- human resources communication, which facilitated the implementation of an internal communication tool;
- new hires in order to analyze and improve the recruitment and integration process;
- gender equality;
- quality of life at work to fuel the negotiation of a new agreement on well-being at work.

United States:

- employee engagement, with a participation rate of 68% (compared with 64% in 2019). The result is an employee engagement rate of 80%. Various discussion groups involving employees were set up on the areas identified during this survey.

Asia Pacific:

- employee engagement, with a participation rate of 88% (compared with 85% in 2019). The result is an employee engagement rate of 91%. Various discussion groups involving employees were set up on the areas identified during this survey.

Globally, following a survey conducted in 2020 on the IT tools used by employees, the Company has improved remote working conditions and simplified the IT tools landscape It has also set up local services at certain sites.

3.7.4.5 #LifeAtbioMerieux

bioMérieux organizes initiatives and events that bring employees together and offers them innovative services. This approach contributes to employee well-being by helping to open up organizations and promote partnerships between teams.

The table below sets out the highlights from the past few years.

Service desk	bioMérieux has opened a multi-service desk at its Craponne, Marcy l'Étoile, Campus de l'Etoile, Grenoble and La Balme sites, which together make up about 89% of its employees in France, enabling its employees to save time during their working day. Some 47% of them are enrolled. This desk is funded by the Company. Access to the service is free for each employee who pays their own orders on the basis of a preferential price list.
Local organic market	At certain sites (Marcy l'Etoile, Craponne, La Balme), bioMérieux offers its employees access to a farmers market promoting organic, environmentally friendly farming.
Family Days	bioMérieux sites regularly organize events for employees and their families. In 2019, French sites played host to over 5,700 people (employees and their families) at open days organized by each site providing an introduction to the different jobs at bioMérieux through themed workshops chaired by employees on a voluntary basis. It has not been possible to renew these activities since the beginning of the health crisis.
Health and prevention	• Free flu vaccinations are offered to employees at the sites in France, the United States and Asia Pacific, as well as COVID-19 vaccinations on some sites. • In France and in the United States, employees and their families have access to a service desk providing medical services and teleconsultation. Services include access to a physician 24 hours a day, seven days a week.
Local actions	The Company has undertaken a number of initiatives involving its employees worldwide.

3.7.4.6 Indicators relating to talent attraction and retention

Number of employees who were promoted during the year

	2021		2020		2019	
Geographic areas	**Number of promotions**	**% of headcount**	**Number of promotions**	**% of headcount**	**Number of promotions**	**% of headcount**
France	441	11.8%	388	10.6%	353	9.7%
Europe	65	4.8%	61	4.6%	71	5.5%
Africa	5	4.6%	3	2.8%	NA	NA
Americas	328	5.7%	310	5.4%	496	9.7%
Asia Pacific	30	3.4%	53	6.3%	47	6.0%
TOTAL	**869**	**7.3%**	**815**	**7.0%**	**967**	**8.9%**

The percentage is calculated on number of seconded and expatriate employees, excluding temporary employees and fixed-term contracts.

Movements (arrivals and departures)

New hires = 1,971	**Departures = 1,727**	**Departures = 1,727**
Permanent contracts = 1,689	Voluntary = 1,347	Permanent contracts = 1,557
Fixed-term contracts = 282	Non-voluntary = 380	Fixed-term contracts = 170

Absenteeism rate

Absenteeism: Value/theoretical working days	2021 No. of days absent	2021 Theoretical No. of days	2021 %	2020 No. of days absent	2020 Theoretical No. of days	2020 %
Americas[(a)]	38,630	1,248,946	3.1%	22,690	1,204,013	1.9%
United States	37,621	1,101,948	3.4%	21,393	1,101,930	1.9%
Asia-Pacific[(b)]	1,728	218,565	0.8%	1,639	236,340	0.7%
China	495	85,500	0.6%	695	84,579	0.8%
Europe[(c)]	55,231	1,054,565	5.2%	64,553	1,119,842	5.8%
France	48,353	802,855	6.0%	57,311	827,018	6.9%

(a) Argentina, Brazil, Canada, Chile, Colombia, Mexico, United States.
(b) Australia, China, India, Japan, Singapore, South Korea.
(c) Belgium, France, Germany, Italy, Poland, Russia, Spain, Turkey, United Kingdom.

3.7.5 Diversity and inclusion

bioMérieux operates in an international and multicultural environment, which is expressed through a high level of diversity and inclusion, particularly fostered by the Company since its inception.

BIOMÉRIEUX HAS FORMALIZED ITS VISION OF DIVERSITY AND INCLUSION.

At bioMérieux, we embrace differences. The differences of our team members, our partners and our customers. We are committed to creating a culture of belonging and acceptance where everyone feels respected, supported and integrated. We believe that the diversity of our teams fosters innovation, differentiation and enables us to serve our public health mission. We believe in the enriching power of difference to support the company's ability to grow and evolve.

This issue is one of the priorities of the Company's CSR strategy It is regularly discussed at meetings of the Board of Directors and the Executive Committee.

bioMérieux aims to raise awareness of diversity among its employees and managers, and considers that diversity is an economic performance driver. This diversity policy includes actions that take account of the specific local characteristics of the various countries in which the Company operates and implements human resources processes to measure changes in this area.

3.7.5.1 Promoting gender equality

bioMérieux's draws on "Gender Equality Agreements" that are renegotiated every three years. Through these measures have been introduced with the objective of ensuring equal compensation and working conditions. bioMérieux has defined a policy for the Board of Directors and management bodies as described in Section 4.2.6.3.

A new agreement on gender equality was signed in France in January 2021, described in Section 3.7.2. On this occasion, the title of the agreement was broadened to include diversity and inclusion in addition to gender equality. This new agreement builds on previous work set out in the earlier agreement signed in 2017 and focuses on the introduction of tools to monitor performance indicators reviewed by an *ad hoc* committee made up of Management and elected representatives. It focuses on training all internal parties to prevent sexist comments and behavior, with a gender equality training module for managers. Lastly, this agreement includes specific provisions for employees undergoing medically assisted procreation and creates a second-parent leave.

In particular, the Company organizes events on specific topics such as women's health, diversity training in the United States, and gender equality awareness in France. bioMérieux has a non-discrimination policy under which only skills take precedence when considering an internal or external candidate for a managerial position.

GENDER EQUALITY INDEX: 93/100

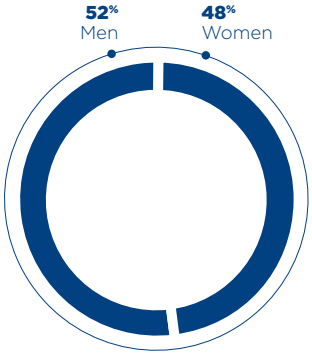
Since March 2019, French businesses have been required to publish their gender equality index so as to promote equal compensation. This index is shared with their Social and Economic Committee and the Labor Inspectorate, and must be reported on the Company's website. Businesses with a score under 75 must implement corrective measures to achieve this score within a three-year period.

This index is based on the following 5 indicators:

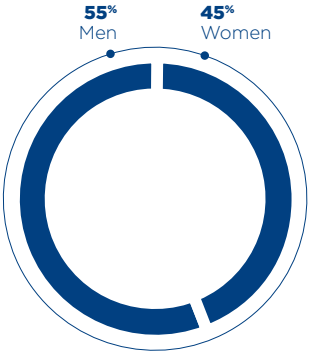
- the gender pay gap;
- the pay increase gap;
- the promotion gap (only in companies with over 250 employees);
- the number of employees receiving a pay increase on their return from maternity leave;
- and parity in the 10 highest compensation bands.

The index was published on the Company's website in March 2022. It was 93/100 in March 2021.

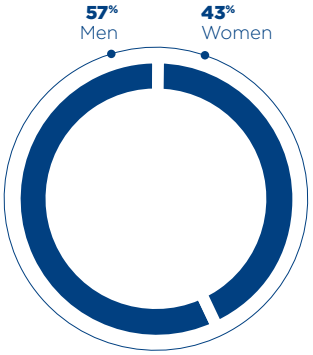
Gender breakdown of manager and team manager headcounts



GLOBAL HEADCOUNT



MANAGER HEADCOUNT



TEAM MANAGER HEADCOUNT
In France, 47% of team managers are women

Rate of internal promotion (women/men)

	2021			2020		
Geographic areas	Number of Women promoted	% of Women promoted	Total number of promotions	Number of Women promoted	% of Women promoted	Total number of promotions
France	273	62%	441	217	56%	388
Europe	38	58%	65	30	49%	61
Africa	4	80%	5	0	0%	3
Americas	144	44%	328	136	44%	310
Asia Pacific	13	43%	30	18	34%	53
TOTAL	**472**	**54%**	**869**	**401**	**49%**	**815**

N.B.: employees who change salary levels without changing grades are no longer included in the calculation of these indicators.

3.7.5.2 Promoting the employment and integration of employees with disabilities

A Company-level agreement covering all French sites is signed every four years. The last agreement, signed in 2017, is still being renegotiated. This agreement contains a direct employment commitment, all types of contracts combined, and a budget to implement the agreement, divided between the various categories according to the actions arising from its implementation.

Through this voluntary contribution in particular, the Company funds, to the tune of €257,000, a policy to hire, integrate and train people with disabilities and wishes to raise awareness among, and offer training to the stakeholders involved in, accommodating these people. It also helps keep people in their jobs by making workplace adaptations (around 65% of the budget).

As part of its initiatives developed over many years to support persons with disabilities, "Handibio" days are organized in France. The aim is to raise awareness of disability among employees.

As part of the Disability agreement and Corporate Social Responsibility, bioMérieux renews the #HandiBioRecrutement program each year. The aim of this program is to promote the recruitment of people with disabilities through two actions: on the one hand, raising awareness among managers of #HandiBioRecrutement to prepare them for interviewing people with disabilities; on the other hand, an annual recruitment day with the support of local partners such as Cap' Emploi, Groupements d'Employeurs Travailleurs Handicapés (GETH) (Associations of Young Workers with Disabilities), and the region's schools. This day, which was held virtually in 2021, resulted in a pool of candidates as well as offers of jobs, work-study placements, and internships. Close contacts were made with various schools to recruit young people with disabilities.

On December 7, 2021, Humpact awarded bioMérieux the Grand Prix de l'Emploi en France in the "People with Disabilities" category in recognition of the actions taken in France to include people with disabilities.

Every quarter, French employees receive a disability newsletter, entitled "bioMérieux, tous Han'gagés." It focuses on an initiative, an employee, a department or an association linked to disabilities.

Thus bioMérieux's policy in France, and all the awareness initiatives, are helping to increase the proportion of employees with disabilities, as stated in the mandatory employment of disabled persons declaration (Déclaration obligatoire d'emploi des travailleurs handicapés – DOETH). In 2020, the gross percentage of employees[1] with disabilities stood at 6.12% compared with 6.07% in 2019. This employment rate is constantly rising and has enabled the Group to exceed the legal minimum of 6% required in France.

As part of its CSR, bioMérieux is also working with businesses in the sector to enable people with disabilities to gain employment in an adapted environment.

The Company also implements policies and programs for the employment of people with disabilities in other countries based on local regulations. It encourages and supports outreach activities on disability.

In 2021, a diversity task force in the United States sponsored a virtual safe space to support employees with disabilities. This initiative is in addition to other initiatives carried out to support other groups of disadvantaged people, which have opened up discussions, shared advice and fostered team cohesion.

Breakdown of employees with disabilities

Geographic areas	% employees with disabilities/2021 headcount	% employees with disabilities/2020 headcount
France	NA[a]	6.12%
Europe (excl. France)	0.99%	0.85%
Americas	4.02%	3.62%
Asia Pacific	0.00%	0.00%

(a) The employment rate for 2021, which is also expected to show an increase, cannot be disclosed at the date of this document. This is because the French employee and employer social security contribution collection agency, URSSAF has decided on its website that employers will have to declare their obligation to employ disabled workers (DOETH) during their April 2022 salary declaration. The 2021 rate will be published in the 2022 Universal Registration Document.

(1) The gross percentage of employees is a regulatory indicator that receives supplements based on the percentage of employees with disabilities.

3.8 ENSURING A POSITIVE EFFECT ON COMMUNITIES

3.8.1 Sustainable and responsible purchasing

In order to optimize its purchasing policy for raw materials and product components, the Group has set up a global system that encourages:

- early involvement of the purchasing department in the product development phase;
- internationally managed actions and volumes;
- increased responsiveness.

At the end of 2020, the Company conducted a materiality analysis covering all aspects of CSR with various stakeholders (See Section 3.2.2), including suppliers, as well as a risk mapping. These analyses were used to define the roadmap for the CSR approach of the Purchasing function over the next five years. This CSR approach forms part of the general policy of the purchasing department, a key function within bioMérieux, particularly due to its industrial activity. The associated risks are described in Chapter 2 "Risk Factors" (see Section 2.2.2.2).

The Company is committed to a long-term approach to managing relationships with its partners. To that end, bioMérieux involves its suppliers in its continuous improvement process and its sustainable growth strategy based on environmental protection, social progress and fundamental human rights.

bioMérieux's commitments and requirements with respect to its suppliers are described in the "Business Principles for Third Parties" and the "Responsible Procurement Charter between bioMérieux and its suppliers". This charter highlights the crucial aspects of the Company's approach to responsible purchasing. It is published on the Company's website *www.biomerieux.com*

Every year, bioMérieux provides training to develop the skills of the purchasing department in the area of responsible purchasing, in particular on:

- the Code of Conduct and the Corruption Prevention Manual (annual training course);
- the responsible purchasing guide since 2021;
- CSR maturity assessment tools for the Company's suppliers.

In 2022, a course on La Fresque du Climat® will be added.

bioMérieux includes clauses related to ethics and compliance obligations, as well as those specific to healthcare professionals, in all contracts. The principles set out in the "Business practices applicable to third parties" guide are also reiterated.

In terms of responsible purchasing, since 2018, bioMérieux has stepped up evaluation of its suppliers by incorporating CSR criteria connected with their activities in the selection process and monitoring the CSR performance of strategic suppliers annually.

In particular:

- bioMérieux is reinforcing its procedures for monitoring its French suppliers with respect to its obligations under undeclared work regulations;
- bioMérieux uses raw materials of animal origin for some of its products. This use is compliant with the Business Principles for Third Parties guide;
- Insofar as possible, bioMérieux strives not to use raw materials or components containing minerals that are known to prolong conflict (mineral conflicts);
- The Supplier Performance Management (SPM) tool has been gradually rolled out since 2020. It now enables improved management of supplier performance. It includes CSR criteria and its weight in the final score of suppliers is at least 10%;
- There is an ongoing study to evaluate the distance between the Company's production sites and its suppliers' sites. In this way, the Company wishes to promote the local integration of its suppliers in the communities where it operates.

In 2022, to support its suppliers in developing their CSR maturity, bioMérieux aims to:

- set up a distance learning program for them;
- encourage them to adopt the SBTi approach as from 2022.

In 2018, bioMérieux launched a process to assess the CSR record of its suppliers with the help of a rating agency (EcoVadis). The situation in 2021 was as follows:

- 367 suppliers, most of them strategic, were rated by Ecovadis, representing more than 50.1% of purchasing expenditure (compared with 202 suppliers representing more than 34% of purchasing expenditure in 2020).
- 307 providers met or exceeded the minimum expected score of 45 out of 100 (up from 154 in 2020).
- It asked 42 suppliers who had not achieved this minimum rating to implement action plans.
- The average score of bioMérieux suppliers was 57.2 (+0.8 pts compared with 2020), while the average for EcoVadis in 2021 was 43.9 (+1 pt from 2020).

3.8.2 Distributor management

Since 2021, the Company's distributor network has been managed by a global team composed of different business lines. It has a team of representatives in the subsidiaries to develop the partnership with distributors and manage several projects.

The new roadmap set for 2022–2025 aims to transform this marketing network.

- Maturity matrix and training: this evaluation process is based on 12 key criteria allowing the development of the skills of the Company's distributors, particularly in the following areas: ethics and compliance, logistics, quality and human resources. Action plans were implemented with certain distributors after this evaluation. bioMérieux has developed training modules on medical education, CSR and public and government affairs management and will roll them out as from 2022.
- bioMérieux has informed its distributors of the important role they play in its CSR strategy. It offers them the opportunity to evaluate their CSR performance through the Ecovadis platform.
- A new Customer Value Management tool is being deployed with a first pilot in Thailand in 2021.
- The new contract digitization tool has been deployed in particular for distribution contracts, allowing the traceability of the validation process, electronic signature and digital archiving.
- The creation of the bioSTAR trophy recognizes distributors who are committed to supporting and aligning themselves with bioMérieux's ambitions and values.

In 2021, 86% of distributors underwent an evaluation that included CSR criteria of their performance and skills.

3.8.3 bioMérieux's tax policy

bioMérieux's tax policy is responsible. By paying taxes, the Group contributes to the socio-economic development of the countries in which it operates. bioMérieux's tax liability includes a wide range of direct and indirect taxes, duties, social security contributions and customs duties. bioMérieux's tax approach is aimed at ensuring compliance with local legislation and regulations, in letter and spirit, as well as with relevant international standards.

In accordance with bioMérieux's Code of Conduct, the Group's tax policy is defined according to the following principles:

A tax regime consistent with our business activity

- bioMérieux's tax regime is a result of its business and operational choices. bioMérieux has no entities in tax havens and does not allocate any functions/risks to entities without economic substance.
  - The Group has no subsidiaries in any of the following jurisdictions: Andorra, Anguilla, Antigua and Barbuda, Aruba, the Bahamas, Bahrain, Barbados, Belize, Bermuda, Cyprus, Curaçao, Fiji, Gibraltar, Guam, the Cayman Islands, the Cook Islands, the Isle of Man, Mauritius, the United States Virgin Islands, the British Virgin Islands, Jersey, Luxembourg, Malta, Oman, Palau, Panama, Puerto Rico, Samoa, American Samoas, the Seychelles, Trinidad and Tobago, and Vanuatu.
  - For operational reasons, the Group has subsidiaries or a presence in the following fiscal jurisdictions offering attractive tax arrangements: the United Arab Emirates, Hong Kong, Ireland, the Netherlands, the United Kingdom, Singapore, Switzerland, and Taiwan. The taxable profit in these countries is in line with OECD recommendations on fair compensation. bioMérieux does not transfer value to tax-preferred jurisdictions unless the value is strictly related to an economic substance.
  - The legal structure of the main companies owned by bioMérieux SA has been available for a number of years in Section 1.2.4.2 Legal structure.
  - The Group's policy is to group the R&D and production activities for a product line on the same site whenever possible. R&D activities are detailed by country in Section 1.5.1.2 and production activities in Section 1.6.1.

Full compliance

- bioMérieux ensures that all taxes and contributions are reported and paid in compliance with local regulations, and in accordance with recognized international standards such as the OECD guidelines. Furthermore, subsidiaries in the bioMérieux Group are required to follow the Code of Conduct, which promotes the financial integrity of staff and anti-money laundering measures in particular.

International balance

- bioMérieux has a transfer pricing policy, updated regularly, which complies with the arm's-length principle and, more generally, with OECD recommendations. This policy applies to all cross-border transactions within the Group.
- In setting its transfer prices, the Company conducted robust functional analysis of its activities, so as to compensate each company within the Group according to the functions performed, risks assumed, assets deployed and resources used. Through this analysis, it has identified a number of "key entrepreneurs" for the product and service lines on the market. These "key entrepreneurs" are primarily located in France and the United States. In accordance with OECD principles, they receive any residual compensation, *i.e.* the profit or loss once all entities involved in the economic process, particularly commercial companies, have been fairly compensated.

Full cooperation with tax authorities

bioMérieux promotes open and proactive communication with tax authorities in all countries. bioMérieux helps to draft the annual Country-by-Country Reporting (CbCR), which is submitted to the French tax administration by the ultimate parent, Compagnie Mérieux Alliance, Institut Mérieux's parent company. France currently shares its CbCR data with 68 countries (including the 27 countries of the European Union, Australia, Brazil, Canada, China, South Korea, the United States, India, Japan and Russia).

The Tax Department reports to the Group's Finance Department. It draws on a network of internal contacts and on external consultants, depending on the issue. This department coordinates, raises awareness and supports the Financial Departments of each Group subsidiary so as to ensure they meet the standards of compliance required according to the Group's policy and standards.

Income tax:

- The Group's income tax expense is explained in the section on consolidated statements (see Section 6.1.2, Note 25).
- The Group's cash outflow rate (income tax paid/income before tax) was 23.9%. The income tax paid in the various regions in which the Group operates broke down as follows:
  - North America: €127 million,
  - Europe/Middle East: €36 million,
  - Asia Pacific: €13 million,
  - Latin America: €9 million,
  - Africa: €1 million.

For the main countries in which the Group operates, the amounts are as follows:

- United States: €126 million,
- France: €27 million,
- China: €3 million.

Research tax credits for the "key entrepreneurs", located primarily in France and the United States, reflect a significant financial and human commitment, making it possible to maintain and develop highly qualified jobs at the local level, ensuring long-term development that reflects the bioMérieux values.

3.8.4 Philanthropy

bioMérieux's commitment to public health, and its expertise in biology, is rooted in the unique history of the Mérieux family. The Company maintains a humanistic and responsible spirit.

bioMérieux is committed, through sponsorship activities, to supporting the actions of Fondation Mérieux and Fondation Christophe et Rodolphe Mérieux to fight infectious diseases and help the most vulnerable populations in limited-resource countries. The Company also supports solidarity projects that meet various needs in the regions in which it operates.

3.8.4.1 Sponsorship

During the health crisis in 2021, bioMérieux supported many solidarity projects.

Sponsorship, mentoring and donations led by bioMérieux SA

Pursuant to Law No. 2003-709 of August 1, 2003, the Company's Board of Directors decided to contribute a portion of revenues to sponsorship activities every year and undertook to dedicate at least 1% of income attributable to the parent company to sponsorship activities.

The table below shows the funds contributed to Corporate sponsorship activities and other donations:

Contributions, donations and sponsorships *(in thousands of euros)*	**2021**	**2020**	**2019**
Contributions	5,715	43,207	4,034
of which bioMérieux Endowment Fund		*20,000*	
of which Fondation Mérieux on an exceptional basis		*12,000*	
of which other sponsorship on an exceptional basis		*3,870*	
to the Fondation Christophe et Rodolphe Mérieux	*2,000*	*2,000*	*2,000*
to the Fondation Mérieux	*701*	*883*	*409*
Sponsorships and other donations	248	337	326
TOTAL	**5,963**	**43,544**	**4,360**
As ‰ of sales	*4.1*	*33.5*	*3.5*

Sponsorship and other engagements with local communities

bioMérieux is involved in local life around its sites and subsidiaries. This regional solidarity is achieved through engaging with local communities and participating in social and cultural initiatives, in partnership with local associations and NGOs.

EQUAL OPPORTUNITIES

bioMérieux implements a policy promoting the employment of troubled youth and equal opportunity through partnerships with associations such as *Sport dans la Ville* and *Télémaque*. Employees can provide volunteer work in these associations to promote professional integration, academic support and support for specific projects.

In 2021, bioMérieux contributed to the building of a vacation center for young people receiving assistance from *Sport dans la Ville*.

HELP FOR THE MOST VULNERABLE

Together with a hundred other companies in the Lyon region, bioMérieux is supporting the *Entreprise des Possibles* group, which helps homeless and vulnerable people. bioMérieux employees are given incentives to get involved by donating paid leave days or doing volunteer work. *Entreprise des Possibles* has set up a digital platform that provides direct access to the needs of the associations supported by the collective.

In 2021, bioMérieux employees contributed 453 days of paid leave. With bioMérieux's 100% matching contribution, this donation enabled a payment of €280,000. Among the flagship projects that will be supported thanks to these donations, the *Halte des Femmes* will offer a secure housing solution for young homeless mothers and their children, and the opening in Lyon of the first shelter and support site for the "highly marginalized" (people who have been homeless for more than 10 years). This will be one of the first structures of its kind in France.

bioMérieux supports the activities of Bioforce, a humanitarian association in Lyon created in 1983 at the instigation of Dr. Charles Mérieux, who saw there could be no solidarity initiative without logistical organization.

CULTURAL SPONSORSHIP

bioMérieux supports cultural initiatives within the local communities where it is located. The Company supports the museums such as *Musée de Grenoble*, *Musée des Confluences* and the *Musée des Beaux Arts* in Lyon, thus securing the acquisition of paintings of considerable historical importance. Accordingly, in 2019, bioMérieux helped to fund the acquisition of a Henri Matisse painting, "Katia en robe jaune," for the *Musée des Beaux-Arts* in Lyon.

For many years, bioMérieux has also supported diverse cultural events, including the Chaise Dieu music festival (*Haute-Loire* – France), a partnership of over 30 years, the Baroque Music Festival of Lyon *(Rhône* – France), and the Lumière Cinema Festival held in Lyon (France) every year by the *Institut Lumière*.

3.8.4.2 Sharing values with the foundations

bioMérieux contributes to the Group's Corporate Social Responsibility by sharing the value created with two foundations in particular: Fondation Christophe et Rodolphe Mérieux and Fondation Mérieux. These independent family foundations fight against infectious diseases that affect developing countries by increasing their diagnostic capacities. In addition to strengthening local capabilities in biology, they also act to protect the most vulnerable individuals, especially mothers and their children.

FONDATION
CHRISTOPHE ET RODOLPHE MÉRIEUX

Established by Chantal and Alain Mérieux in 2001, the Fondation Christophe et Rodolphe Mérieux is an independent family-run foundation under the aegis of the Institut de France. Since 2005 it has been the reference shareholder of Institut Mérieux, holding one third of its shares. The purpose of the Fondation Christophe et Rodolphe Mérieux is to support public health-applied biological research in developing countries, and more specifically aid in the fight against infectious diseases, and contribute to scientific and educational projects.

bioMérieux distributes dividends to Institut Mérieux. Some of these dividends are paid indirectly to the Fondation Christophe et Rodolphe Mérieux, which is the only ultimate shareholder to benefit from them. This funds the Foundation's activities.

In an effort to support high-level research in emerging countries, it launched the Dr Christophe Mérieux Prize of €500,000. Awarded each year, the aim of this prize is to sponsor researchers studying specific diseases in developing countries.

In order to dedicate most of its resources to financing its projects, the Fondation Christophe et Rodolphe Mérieux relies on the staff of the Fondation Mérieux, entrusting to them some operational activities on the ground, in particular for projects in support of mothers and children.

FONDATION
MÉRIEUX

Since its founding in 1967 by Dr Charles Mérieux, the Fondation Mérieux, an independent family foundation recognized as being of public interest since 1976, has been fighting against infectious diseases in resource-limited countries.

Its objective is to strengthen laboratory diagnostic capabilities, which are often lacking in many countries suffering from repeated epidemics. Its actions favor diagnosis as an essential part of patient care, and also as an essential tool for monitoring and controlling diseases.

Fondation Mérieux's activities are based on four priorities:

- improving access to diagnosis for vulnerable groups by improving microbiology laboratory capacity in national healthcare systems;
- building up local applied research capacity by training researchers, developing collaborative programs and creating Rodolphe Mérieux Laboratories, handed over to local players;
- developing knowledge sharing and public health initiatives together with the Centre des Pensières;
- taking action for the mother and child through a holistic approach to health.

In 2021, for example, the accomplishments of the Foundations are the following:

Combating COVID-19

Historically closely involved with local players in combating the fight against infectious diseases, the Fondation Mérieux was mobilized from the first warning signs of the COVID-19 epidemic to provide appropriate assistance for the countries with limited resources with which it works. The Foundation has made the fight against COVID-19 a priority, by the mass distribution of diagnostic tests, by conducting a study in hospitals, launching or expanding projects and supporting local health authorities.

In order to develop these actions and with the aim of strengthening its presence in the most affected countries, the Fondation Mérieux has benefited from an exceptional payment derived from bioMérieux dividends. This exceptional payment has helped to define and implement four project families, both in the emergency response and in the long-term reinforcement:

- construction and renovation of infrastructure;
- provision of additional equipment for Rodolphe Mérieux Laboratories and other partner laboratories on the ground;
- training development/sharing of knowledge;
- research activities around COVID-19.

Other major projects

- The Rodolphe Mérieux Laboratory in Goma (Democratic Republic of Congo) has demonstrated its scientific relevance and its excellent geographical positioning, particularly in the fight against COVID-19 and in monitoring the Ebola threat, which is still present.
- The Rodolphe Mérieux Laboratory of Tunis (Tunisia) was inaugurated in the Institut Pasteur of Tunis.
- Construction of the Rodolphe Mérieux Laboratory in Casablanca (Morocco) has begun.
- The diaTROPiX platform, of which Fondation Mérieux is a founding member, has been inaugurated. Its objective is to produce quality rapid tests for the diagnosis of COVID-19 and neglected tropical diseases at affordable prices for resource-limited countries in Africa.
- The first edition of the Afro-ACDx course, co-organized with the Institut Pasteur of Dakar, was held in Senegal in November: it is the very first advanced course on diagnostics for Francophone Africa.
- The container factory for the production of food supplements NUTRISUD, financed by Fondation Christophe et Rodolphe Mérieux to fight against malnutrition in the south of Madagascar in partnership with NUTRISET, has started its activity.
- The Youssouf Issabré maternity hospital in Sirakoro (Mali) was inaugurated in November. This facility will allow women and their newborns to be cared for in the best possible conditions.

3.8.4.3 Commitment to local scientific communities

BIOASTER, the Université de Technologie de Compiègne (UTC), the Hospices Civils de Lyon (HCL) and bioMérieux have formalized a strategic collaboration to evaluate the ability of third-generation sequencing technology to become a new tool for diagnosing bacteremia, to quickly identify bacteria and predict genetic resistance.

Joint research laboratories

France

Since 2002, bioMérieux and the Hospices Civils de Lyon (HCL) have been working together in two joint research laboratories at the Lyon-Sud and Edouard-Herriot hospitals.

These two laboratories will be brought together at a single location in the coming years. In 2019, a joint roadmap for both laboratories was approved, focusing on three areas of research: the diagnosis of severe bacterial infections in children who arrive in the emergency department or are hospitalized in neonatology, the study of organ failure, particularly kidney failure, and the validation of innovative tests to characterize the immune status of intensive care patients.

This special collaboration between bioMérieux and the HCL had enabled them to react together very quickly to the COVID-19 health crisis. Clinical studies monitoring healthcare staff and intensive care patients infected by the SARS-CoV-2 virus were very quickly put in place to better understand the physiopathology of the infection and the immune response to this disease (see Section 1.5.1.3).

In addition, bioMérieux has strengthened its commitment to the fight against COVID-19 by joining the COVIFERON (COVID-19 and interferons: from discovery to therapy) University Hospital Research (UHR) project, which aims to understand the immune response of the interferon pathway during infection.

In China

In 2019, a new joint research laboratory was created with the Shanghai Children Medical Center. It has launched studies in line with the strategic themes of the joint research laboratories in Lyon, in particular immunomonitoring of children with sepsis or onco-hematological diseases (treatment with CAR-T cells) (see Section 1.5.1.3).

Medical education

bioMérieux supports and develops high-quality medical education programs to maintain and improve the knowledge and skills of healthcare professionals for the benefit of patients.

In 2021, it organized more than 450 medical training courses worldwide to increase knowledge about the role and value of diagnostics in the care pathway.

The Company supports medical education activities, developed in collaboration with leading experts, and independent medical education programs through grants.

It has developed multiple collaborations with recognized medical societies and scientific organizations, such as APSCMI (Asia Pacific Society of Clinical Microbiology and Infection) for the development of distance learning in microbiology in clinical practice. In 2021, bioMérieux had nearly 100 educational collaboration projects worldwide.

bioMérieux's medical education activities have impacted nearly 50,000 healthcare professionals, including clinicians, laboratory specialists and pharmacists.

BIOMÉRIEUX CREATED THE BIOMÉRIEUX ENDOWMENT FUND IN DECEMBER 2020, WITH AN ENDOWMENT OF €20 MILLION.

It promotes equal opportunity with the ambition of reducing inequalities through and in education in order to allow everyone to find their place in the world. Convinced that education is a powerful lever of change to generate a positive impact on the world, the bioMérieux Endowment Fund supports, in the regions where bioMérieux teams are present, structures that guide children from early childhood and then throughout their educational career to help restore equal opportunity. Because educational support provided to children from the earliest age enables the acquisition of fundamental knowledge as well as emotional and cognitive development that is essential for their future, the fund wishes to finance projects that provide support to young children with the commitment to give them the confidence, the desire and the means to develop.

For its operational implementation, the fund will rely on bioMérieux employees who, on a voluntary basis, will be able to propose, select and monitor local projects, coordinate several projects, take part in one-off volunteer initiatives or simply support and raise awareness of the fund's actions.

3.9 SCOPE AND REPORTING OF NON-FINANCIAL INDICATORS

3.9.1 Calculation scope of quantified indicators

The scope corresponds to that of the bioMérieux group. Hybiome (450 employees at December 31, 2021) is included in the calculation of HSE data but not in the HR data presented in Chapter 3.

3.9.2 Data collection and consolidation

Health and Safety data are collected on a monthly basis, and environmental data on a quarterly basis, from HSE representatives in the Company's entities. Data are consolidated by the Group HSE team.

With regard to occupational Health and Safety, all consolidated data comply with regulations for recording occupational accidents and diseases for each country in question.

This *report* covers all Group entities.

Human resources data is collected at year end through the information system used by all Group entities, except for absenteeism data, which are consolidated on the basis of information managed locally.

Environmental data is collected by quarterly campaigns managed by a dedicated computing system for industrial sites and the six bioMérieux commercial entities with the largest numbers of employees (Durham Hamlin - United States, Sao Paolo - Brazil, Kerlann - France, Madrid - Spain, Basingstoke - United Kingdom and Shanghai - China). The environmental intensities of the other subsidiaries (local offices) are extrapolated from the intensities reported for Madrid, related to the headcount present in these subsidiaries, thus covering 100% of the scope.

This approach is justified by the very low contribution of these subsidiaries to the company's overall environmental intensity and the need to refocus the staff of these subsidiaries on operational HSE activities when they are not dedicated to this activity. It is important to note that these commercial subsidiaries were the subject of the reporting campaign prior to 2018, and their contribution was established at that time as follows:

- 3.5% in waste production;
- 2.5% in energy consumption;
- 1.6% in water consumption.

3.9.3 Definition and method of calculating the indicators

Social information

The data below do not include Hybiome.

- Headcount on the payroll, new hires, and departures: permanent and temporary employee headcount (excluding interns, international volunteers (VIE), and agency staff).
- Training: all training hours recorded and delivered in the training management system used by all Group entities, whether *via* e-learning or classroom-based.
- Promotions: for an employee still included in the Company headcount at December 31 of year N, identification of career changes with a related reason, compared with December 31 of year N-1.
- Absenteeism: number of days' absence (excluding maternity leave, paternity leave and leave related to length of service) divided by the theoretical number of working days (excluding weekends, public holidays, paid vacation, and working week reduction time) and multiplied by the average annual FTEs. Only entities with more than 50 FTEs are considered.

Health and Safety

- Number of lost-time occupational accidents: number of accidents occurring in the workplace and resulting in more than one day's lost time (the day on which the accident occurs is not counted as lost time). The number of accidents includes those involving both permanent and temporary employees.
- Accidents are categorized as follows: lost-time occupational accident, occupational accident without lost time, and non-reportable accident. The last category was created in 2017 to better standardize the way accidents are recorded across different countries, and includes accidents that bioMérieux considers it has no means of preventing (*e.g.*, injury during team activity off work premises or during personal activities carried out on work premises, sickness unrelated to work, food poisoning, etc.).
- Number of days lost: number of days lost following a lost–time occupational accident that occurred during the year. The day of the accident's occurrence is not counted as lost time. The extension to work stoppage days is counted in the month and the year the accident occurred.
- Frequency rate of lost-time occupational accidents: number of lost-time occupational accidents per million hours worked.
- Frequency of total reportable occupational accidents: number of occupational accidents with or without lost time per million hours worked.
- Severity rate: number of days off work per thousand hours worked.
- Number of occupational diseases: an occupational disease is the result of exposure, of any duration, to a risk existing in the normal practice of the occupation.

Environment

Data for previous years may be modified following adjustments.

Water-related indicators:

- total water consumption (thousand m^3). The quantities of water taken from the natural environment (*e.g.*, groundwater) and re-introduced into this environment under conditions that do not damage this environment are not included in the total water consumption;
- the performance indicator monitored is the total water consumption of the Company's entities in cubic meters in relation to the Company's sales (in m^3 per €million);
- discharge of industrial effluents (thousand m^3).

Indicators relating to energy:

- total energy consumption (GWh);
- consumption of energy from renewable sources (GWh);
- the performance indicator monitored is the total energy consumption (from all energy sources) of the Company's various entities in relation to the Company's sales (in MWh per €million).

Waste-related indicators:

- total quantity of waste produced (metric tons): one-off waste such as inert waste, construction/demolition waste, and waste from contaminated soil is excluded from the indicator reported in Chapter 3. They are, however, reported by the Company's entities and monitored, but as they are liabilities, they do not necessarily reflect the Company's business to which the reduction efforts relate.

  Goods/materials that have become redundant and that are reused outside the Company without reprocessing are no longer considered in this total;
- hazardous waste: total amount of hazardous waste produced (metric tons). Hazardous waste is waste with one or more properties that poses a threat to human health or the environment, and requires special processing. This category includes chemical waste, infectious waste, or waste electrical and electronic equipment;
- recovery rate of materials or energy: the indicator monitored is the ratio, expressed as a percentage, of the total weight of waste recycled, composted, reused or incinerated with energy recovery to the total weight of waste.

Indicators relating to greenhouse gas emissions:

- greenhouse gas emissions are assessed using GreenHouse Gas Protocol and Bilan Carbone® methodologies.

The following indicators are assessed:

SCOPE	TYPE	INPUT DATA	EMISSION FACTORS
Scope 1	Direct emissions from fixed combustion sources	Fossil fuel consumption collected via environmental reporting	GHG Protocol
	Direct emissions from mobile sources equipped with a thermal combustion engine	CO_2 data collected from our suppliers	N/A
	Fugitive direct emissions	Cooling gas emissions after accidental leak. These data are collected *via* environmental reporting	IPCC 2016, others
Scope 2	Indirect emissions related to electricity consumption	Electricity consumption collected via environmental reporting	ADEME AIB 2020 factors for residual mix in Europe Residual mix factors in the US (e-green.org)
	Indirect emissions related to the use of steam, heat or cooling	Heated water consumption collected via environmental reporting	ADEME
Scope 3	Commuting	Calculation of average distances by site	ADEME
	Business travel	CO_2 data collected from our suppliers	N/A
	Car rentals	CO_2 data collected from our suppliers	N/A
	Global freight	CO_2 data collected from our suppliers	N/A
	Local freight	CO_2 or mass x distance result collected from our suppliers depending on the transport type (air, road, sea)	Air: GHG Protocol Road: ADEME Sea: GHG Protocol
	Product use	Annual energy consumption of installed equipment, by country	ADEME
	End of product life		

Uncertainties are calculated as follows:

- uncertainty on input data: assessment based on experience and practice;
- uncertainty on the emission factor: take the value provided for the protocol used on the factor.

3.10 REPORT BY THE INDEPENDENT THIRD PARTY ON THE VERIFICATION OF THE CONSOLIDATED STATEMENT OF NON-FINANCIAL PERFORMANCE

This is a free translation into English of the report by the independent third party issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting,

In our capacity as an independent third party certified by COFRAC (COFRAC Inspection Accreditation No. 3-1681, scope of accreditation available on www.cofrac.fr) and member of the network of one of the Statutory Auditors of your Company (hereinafter the "entity"), we have performed procedures to issue a reasoned opinion expressing limited assurance on the compliance of the consolidated statement of non-financial performance for the fiscal year ended December 31, 2021 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to the third paragraph of part I, and part II of Article R. 225-105 of the French Commercial Code (hereinafter the "Information"), prepared in accordance with the procedures of the entity (hereinafter the "Guidelines"), presented in the management report pursuant to the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we performed, as described in the section "Nature and scope of our work," and on the information we gathered, no material irregularities came to light questioning the compliance of the consolidated statement of non-financial performance with the applicable regulatory provisions or questioning that the Information, taken as a whole, is presented fairly in accordance with the Guidelines.

Preparation of the declaration of non-financial performance

In the absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of the Information, different but acceptable measurement techniques can be used, which may affect comparability between entities and over time.

Consequently, the Information should be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement or available upon request from the entity's head office.

Limitations inherent to the preparation of the Information

The Information may be subject to uncertainty inherent to the state of scientific or economic knowledge and to the quality of the external data used. Some of the information is dependent on the methodological choices, assumptions and/or estimates made in preparing the information and presented in the Statement.

Responsibility of the entity

It is the duty of the Board of Directors:

- to select or define appropriate criteria for the preparation of Information;
- to prepare a Statement that complies with the legal and regulatory provisions, including presenting a business model, describing the principal non-financial risks, presenting the policies applied in response to the risks and the results of these policies, including key performance indicators and, in addition, the information provided for in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- and to implement such internal control procedures as it determines are necessary to enable it to produce Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by applying the entity's Guidelines as mentioned above.

Responsibility of the independent third party

On the basis of our work, it is our responsibility to provide a duly reasoned opinion expressing limited assurance on:

- the compliance of the Statement with the provisions set out in Article R. 225-105 of the French Commercial Code;
- the fairness of the historical (recorded or extrapolated) information provided pursuant to the third paragraph of part I and part II of Article R. 225-105 of the French Commercial Code, namely, the results of policies, including key performance indicators and actions, in relation to the principal risks.

Since it is our responsibility to form an independent conclusion on the Information as prepared by management, we are prohibited from being involved in the preparation of this Information, as this could compromise our independence.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory requirements, in particular, on the information provided for in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy), the vigilance plan and the fight against corruption and tax evasion;
- the accuracy of the information provided for in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- the compliance of the products and services with applicable regulations.

Regulatory provisions and applicable professional standards

We conducted our work described below in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, with the professional standards of statutory auditors applicable in France (established by the Compagnie nationale des commissaires aux comptes) relating to this type of engagement in lieu of an audit program and the international standard ISAE 3000 (revised)[1].

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11 of the French Commercial Code and the French Code of Ethics governing the audit profession. We have also implemented a quality control system comprising documented policies and procedures to ensure compliance with applicable laws and regulations, ethical rules and the professional standards of statutory auditors applicable in France relating to this type of engagement.

Means and resources

Our work involved the skills of four people between October 2021 and February 2022 over a total period of activity of approximately five weeks.

We conducted approximately 10 interviews with the people responsible for preparing the Statement, representing the Quality, Risk Management, Human Resources, Health and Safety, Environment, Compliance, and Purchasing Departments.

Nature and scope of our work

We planned and performed our work taking into account the risks of material misstatement of the Information.

We believe the procedures we conducted in the exercise of our professional judgment enable us to provide a conclusion of limited assurance:

- we reviewed the activities of all the entities included in the scope of consolidation and the description of the main risks;
- we assessed the appropriateness of the Guidelines in terms of their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, industry best practices;
- we ensured that the Statement covers each category of information stipulated in part III of Article L. 225-102-1 on social and environmental matters as well as respect for human rights and combating corruption and tax evasion;
- we verified that the Statement presents the information required by part II of Article R. 225-105 when relevant to the principal risks and includes, where appropriate, an explanation of the reasons for the absence of the information required by the second paragraph of part III of Article L. 225-102-1;
- we verified that the Statement presents the business model and a description of the principal risks associated with the business of all the entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by its business relationships, products or services, as well as policies, actions and results, including key performance indicators relating to the principal risks;
- we consulted with the documentary sources and conducted interviews in order to:
  - assess the process of selection and approval of the main risks as well as the consistency of the results, including the key performance indicators used, with respect to the principal risks and policies presented; and
  - corroborate the qualitative information (actions and results) that we considered most important, presented in Appendix 1. For some risks (business ethics, distributor management, responsible purchasing, and regulatory compliance of products), our work was carried out at the level of the consolidating entity. For the other risks, work was carried out at the level of the consolidating entity and in a selection of entities listed hereinafter: bioMérieux SA France (Grenoble) and bioMérieux USA (Lombard, Saint-Louis);
- we verified that the Statement covers the consolidated scope, namely, all of the entities included in the scope of consolidation in accordance with Article L. 233-16 within the limits specified in the Statement;
- we assessed the internal control and risk management procedures put in place by the entity, and we assessed the collection process aiming for the exhaustiveness and accuracy of the Information;
- for the key performance indicators and other quantitative results that we considered most significant, as presented in Appendix 1, we employed:
  - analytical procedures to verify that the data collected was consolidated correctly and the consistency of any changes,
  - detailed tests based on samples or other means of selection, to ensure that definitions and procedures were applied correctly and to reconcile the data in the supporting documents. This work was carried out on a selection of contributing entities listed below, covering between 10% and 20% of the consolidated data selected for these tests (18% of waste, 20% of energy and 10% of headcount);
- we assessed the consistency of the Statement as a whole in relation to our knowledge of all of the entities included within the consolidation scope.

The procedures performed for a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with professional standards; a higher level of assurance would have required more extensive audit work.

Paris-La Défense, February 21, 2022

The independent third party
EY & Associés

Christophe Schmeitzky

Partner, Sustainable Development

(1) ISAE 3000 (revised) – Assurance engagements other than audits or reviews of historical financial information.

Appendix 1: information considered to be the most important

Social information

Quantitative information (including key performance indicators)	*Qualitative information (actions or results)*
Change in headcount, breakdown of headcount by geographic area.	New employment agreements.
Movements (arrivals and departures).	Profit-sharing, incentives and employee saving agreements.
Absenteeism.	Talent Pool, Development Plan, and Succession Plan.
Promotion/internal mobility.	Results of the training policy with Mérieux Université.
Overall breakdown by gender and among managers.	Results of the diversity and equality policies.
OHSAS 18001 and ISO 45001 certifications.	HSE (Health, Safety and Environment) organization and management system.
Number of hours of training and training completion rate.	
Frequency rate of lost-time occupational accidents.	
Severity rate of occupational accidents.	
Number of occupational diseases.	

Environmental information.

Quantitative information (including key performance indicators)	*Qualitative information (actions or results)*
Number of ISO 14001 certified sites.	
Scopes 1 and 2 greenhouse gas emissions.	
Scope 3 greenhouse gas emissions (purchases of goods and services, downstream transportation and distribution of goods, commuting, business travel).	Results of the environmental policy with respect to managing energy, waste and water.
Total waste generated, hazardous waste and recycled waste.	Initial results of the product life cycle analysis program.
Consumption of public water and groundwater.	Climate change (significant emission categories due to activity, and reduction targets).
Discharges into water.	
Total energy consumption and % of energy consumed from renewable sources.	

Social information

Quantitative information (including key performance indicators)	*Qualitative information (actions or results)*
ISO 9001 and ISO 13485 certification.	Preliminary results of the distributor management policy.
Number of personal data incidents or breaches, rate of completion of personal data training for employees in contact with patient data.	Results of sustainable purchasing actions.
Number of suppliers evaluated by an external rating agency on CSR criteria, and % of expenditure covered.	Results of the personal data protection policy.
Completion of training on anti-corruption, third-party management and application of the Code of Conduct.	Results of the product quality and regulatory compliance policy.
Percentage of distributors who have undergone a performance and skills assessment.	Results of business ethics policies.
Percentage of R&D investments earmarked to fight microbial resistance.	Actions taken to prevent corruption and tax evasion.

3.11 VIGILANCE PLAN

For the second year in a row, bioMérieux has published its Vigilance Plan, in accordance with Law No. 2017-399 of March 27, 2017, relating to the duty of vigilance of parent companies and contractors (known as the Vigilance Law). This law introduced a requirement to produce a vigilance plan containing reasonable vigilance measures for identifying and preventing the risks to human rights and fundamental freedoms, the risks of physical or environmental harm, as well as the health risks arising from their activities or those of their subsidiaries, sub-contractors or suppliers, whether in France or overseas.

The scope of this plan covers bioMérieux SA and the subsidiaries under its control, as defined by article L. 233-16 of the French Commercial Code (Code de commerce), as well as first-tier suppliers managed by the Purchasing Department, with which the Group has a commercial relationship.

This vigilance plan allows bioMérieux to consolidate and strengthen its risk prevention and management processes in the areas covered by the Law. It also allows it to extend its due diligence with its subcontractors, in a continuous improvement approach.

The vigilance plan is a CSR component that has been an integral part of the Group's strategy for many years and is driven by the various departments in the projects initiated. The plan thus benefits from the various initiatives implemented (in particular materiality analysis, non-financial risk analysis, implementation of environmental and social roadmaps).

This plan was drawn up with all Group departments, including CSR, Risks, Legal, Ethics & Compliance, HSE, Purchasing, and Quality.

Risk mapping – Methodology Note

Since 2020, the Company has strengthened its risk analysis process relating to the Vigilance Law. In order to benefit from a robust and objective methodology, it has partnered with Verisk Maplecroft. This company is an independent player and is recognized in terms of social, societal and environmental risks. bioMérieux has benefited from the expertise and databases of Verisk Maplecroft, which assesses countries and industries according to their risk as regards the environment and human rights.

Risk mapping has been defined to determine the exposure of bioMérieux and its third parties (suppliers, subcontractors, distributors) to the risks of serious breaches across the following 13 topics:

Human rights	Child labor and young workers
	Forced labor
	Living wage
	working time organization
	Workplace discrimination
	Freedom of assembly and of association
Occupational health and safety	Single risk compiling national indicators
Environment	Air quality
	Waste management
	Water quality
	Water stress
	Deforestation
	CO_2 emissions related to energy consumption

The assessment of each risk takes into account three main components:

- the country of supply that influences the level of risk of the indicators analyzed;
- the industry in which the assessed third party operates (the risk indicators provided by Verisk Maplecroft are adapted by industry in order to determine an appropriate risk profile);
- the purchase volume affecting the likelihood of the risk occurring.

In order to assess overall risk, the above criteria were weighted by the following in decreasing order of importance: country of supply and industry (with equal weighting) then purchase volume.

The risk analysis covered all suppliers from which bioMérieux made purchases during 2019 (reference year in order to cover a full accounting fiscal year). More than 14,000 suppliers were analyzed in order to assess their exposure to the risk criteria detailed above.

In addition, the analysis has been extended to bioMérieux distributors worldwide.

Risk analysis results

Risk assessment is based on a gross risk assessment in terms of the criteria set out above (country of supply, industry, purchase volume).

This results in a mapping of the Group's purchases whereby suppliers can be classified according to their criticality.

The assessment helped to identify certain industries with a predominant risk profile in the supply chain, including:

- oil and gas;
- mining and metals extraction;
- construction and engineering services;
- hotels and accommodation;
- agricultural products.

An analysis by risk factor highlights the following as the priority issues to be addressed:

- CO_2 emissions related to energy consumption;
- water stress;
- occupational health and safety;
- living wage;
- working time organization.

Taking these factors, bioMérieux can draw up an action plan to reduce the Group's residual exposure to the risks presented by its supply chain.

This specific action plan is built up by the various functions concerned while drawing on the management systems of existing suppliers, particularly the supplier qualification process, periodic performance reviews, supplier audits, external audits (EcoVadis, ProVigis, etc.), and bioMérieux's external CSR/HSE evaluation questionnaires.

Governance

bioMérieux has a CSR Operational Steering Committee (see Section 3.1.4), the main role of which is to ensure proper implementation of the Vigilance Law. In this context, this committee:

- defines the methodology and ensures implementation of the risk mapping related to the activities of the Group and its suppliers;
- analyzes risk mapping results;
- ensures that there are action plans to mitigate risks and prevent serious breaches and assesses their effectiveness;
- ensures an alert mechanism is in place so that potential breaches can be reported.

The risk mapping will be reviewed periodically and updated to take into account changes in the scope of third parties covered by the analysis and implementation of action plans.

BREAKDOWN OF THE VIGILANCE PLAN

	HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS	ENVIRONMENT	HEALTH AND SAFETY OF PERSONS
RISK MAPPING			
Activities of bioMérieux SA and its subsidiaries	Non-financial risk mapping (see Section 3.3.1)		
Activities of subcontractors or suppliers	Mapping of non-financial risks (see Section 3.3.1) and analysis performed with Verisk Maplecroft described above		
RISK MAPPING – REGULAR EVALUATION PROCEDURES			
Activities of bioMérieux SA and its subsidiaries	Ecovadis (see Section 3.1.7)	Ecovadis (see Section 3.1.7) Reporting by industrial sites, subsidiaries and central functions (see Section 3.5.3)	Ecovadis (see Section 3.1.7) HSE management system (see Section 3.7.1.1) Process and tools for managing health and safety at work (see Section 3.7.1.2) Occupational hazards assessment process (see Section 3.7.1.2 and Section 3.7.1.3) Assessment of the rate of occupational accidents and of occupational diseases (see Section 3.7.1.2)
Activities of subcontractors or suppliers	EcoVadis (see Section 3.8.1) Automated third-party screening based on a risk matrix (see Section 3.6.3.1) Procedure for assessing certain suppliers and subcontractors, including prequalification audits and verification audits during the contractual relationship Supplier self-assessment questionnaire (including commitment to comply with bioMérieux's or supplier's Code of Conduct)		
TARGETED ACTIONS FOR MITIGATING RISKS OR PREVENTING SERIOUS BREACHES			
Activities of bioMérieux SA and its subsidiaries	bioMérieux Code of Conduct (see Section 3.6.3.1) Diversity (see Section 3.7.5) gender equality, integration of employees with disabilities	bioMérieux Code of Conduct (see Section 3.6.3.1) Overall HSE policy: Environmental objectives (see Section 3.5.1) Certification: ISO 14001 (see Section 3.5.1)	bioMérieux Code of Conduct (see Section 3.6.3.1) Overall HSE policy: Occupational health and safety objectives (see Section 3.7.1.1) Certification: ISO 45001 (see Section 3.7.1.1)
Activities of subcontractors or suppliers	Code of Conduct (see Section 3.6.3.1) Subcontractor approval form and business practices applicable to third parties (see Section 3.6.3.1) Responsible Procurement Charter (see Section 3.8.1) Specific article within contracts: reference to the Responsible Procurement Charter and business practices applicable to third parties		
WHISTLE-BLOWING PROCEDURE AND RECORDING REPORTS			
Activities of bioMérieux SA and its subsidiaries	Whistle-blowing process available to employees and third parties (see Section 3.6.3.1)		Whistle-blowing process available to employees and third parties (see Section 3.6.3.1) Reporting tool for hazardous situations and suggestions for improvement (see Section 3.7.1.2)
Activities of subcontractors or suppliers	Whistle-blowing process available to employees and third parties (see Section 3.6.3.1)		Reporting tool for hazardous situations and suggestions for improvements (see Section 3.7.1.2) for service providers working on-site
PROCESS FOR MONITORING MEASURES AND EVALUATING THEIR EFFECTIVENESS			
Activities of bioMérieux SA and its subsidiaries	CSR Operational Steering Committee (see Section 3.1) Monitoring and renegotiating Company-level agreements (see Sections 3.7.2 and 3.7.5)	CSR Operational Steering Committee (see Section 3.1) HSE Committee (see Section 3.3.3.1)	CSR Operational Steering Committee (see Section 3.1) HSE Committee (see Section 3.7.1.1)
Activities of subcontractors or suppliers	Review of EcoVadis scores by the Purchasing Department	Review of EcoVadis scores by the Purchasing Department	Review of EcoVadis scores by the Purchasing Department

3.12 EUROPEAN GREEN TAXONOMY

Pursuant to Regulation (EU) 2020/852 of June 18, 2020 (European Green Taxonomy), bioMérieux publishes the following indicators concerning the eligibility of its operations

The European taxonomy refers to a classification of economic activities that have a positive impact on the environment. Its purpose is to direct capital expenditure toward "green" activities, in order to allow the European Union to reach its objectives, in conformity with its commitments resulting from the Paris agreements of the COP21.

An activity is classified as sustainable if it corresponds to at least one of the following six objectives:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of aquatic and marine resources;
- transition to a circular economy;
- pollution control;
- protection and restoration of biodiversity and ecosystems.

The activity must contribute substantially to one or more of its objectives, without causing significant harm to the other objectives.

For the activities of the 2021 fiscal year, the regulations define a scope reduced to the first two objectives.

The following are the indicators to be published:

- Eligible sales/total consolidated sales;
- Eligible capital expenditure/total consolidated capital expenditure;
- Eligible operating expenses/total consolidated operating expenses.

The list of eligible activities has been defined in the Delegated Regulation (EU) 2021/2139 of June 4, 2021. It should be noted that this regulation targets companies whose activities are directly related to an impact on climate change. These include forestry, renewable energy, low-carbon transportation, low-carbon cement and steel. Given its field of activity and the nature of its operations, the eligible elements identified for the Company are limited.

However, the Company is strongly committed to actions aimed at limiting global warming as described in Chapter 3.5.

Sales indicator: the Company has no eligible activities.

- Net income: 0%

Capital expenditure indicator: the Company's capital expenditure consist primarily of instruments placed and industrial investments. Only a non-material portion enters the eligible category. These include the installation of solar panels on some of its sites, equipment for recharging electric vehicles, heat pumps and building insulation work.

- Net income: 0.8%

Operational expenditure indicator: only expenses related to the upkeep and maintenance of eligible capital expenditure can be included in the base. The Company therefore considers that the portion of these operating expenses is not material.

- Net income: 0%

4.

GOVERNANCE AND EXECUTIVE COMPENSATION

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4.1 PRINCIPLES AND FRAMEWORK FOR IMPLEMENTATION OF CORPORATE GOVERNANCE

The Company complies with applicable Corporate Governance requirements. It refers to the AFEP-MEDEF Corporate Governance Code, revised in January 2020. This code may be viewed online on the MEDEF website:

https://www.se.com/ww/en/Images/afep-medef-code-revision-january-2020-en_tcm564-134746.pdf

The provisions of the code that have not been applied, and the recommendations of the HCGE that the Company has decided not to follow are set out in the following table.

SUMMARY TABLE OF PROVISIONS REJECTED

Shares held by the directors	Each of the directors held a number of Company shares in accordance with the internal rules, which specify a minimum holding of 10 shares.
Independent directors	Harold Boël is a director of Mérieux NutriSciences Corporation, a company consolidated by Institut Mérieux. Marie-Paule Kieny is a director of the Fondation Mérieux, an independent foundation with public-interest status. The Board of Directors, after discussion with the Human Resources and CSR Committee, considers that Harold Boël and Marie-Paule Kieny's status as independent directors remains unchanged and that there are no conflicts of interest (see Section 4.2.5). Nevertheless, Harold Boël and Marie-Paule Kieny will abstain from discussions and votes held by the Board of Directors regarding any circumstances relating to Mérieux NutriSciences Corporation and the Fondation Mérieux.
Presence of the director representing employees on the Human Resources and CSR Committee	The Board of Directors' internal rules stipulate that the Human Resources and CSR Committee comprise three directors. The Company does not wish to increase the number of members of this Committee or revise its composition as it considers its current operation to be efficient. The Company will assess the possibility of including the director representing employees when one of the current members ceases to be a member of the committee. In addition, the director representing employees participates in Board of Directors' meetings during which issues related to executive compensation are discussed and decided. More generally, the Human Resources and CSR Committee systematically reports on its work to the Board of Directors, and its recommendations are discussed during Board meetings. All directors, including the director representing employees, thus have the opportunity to express their opinions on the subjects handled by the committee.
Annual variable compensation of executive corporate officers	bioMérieux ensures the precision of the indicators the Board of Directors uses, at the recommendation of the Human Resources and CSR Committee, to determine and then evaluate the performance of its executives, while taking into account the confidentiality of certain data (see section 4.3)

4.2 ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

4.2.1 General Management and Executive Committee

Chairman and Chief Executive Officer

The Company chose to entrust General Management to the Chairman of the Board of Directors. The Company believes that, as a controlled company, this method of governance is best suited to its operations and to protecting its interests. During the Board's self-assessment, the directors confirmed that the balance of power within the Board of Directors was in line with this organization (see Section 4.2.6.5).

Mr Alexandre Mérieux has been Chairman and Chief Executive Officer since December 15, 2017.

The Chairman and Chief Executive Officer has the broadest powers to act in all circumstances in the name of the Company. He exercises his powers within the limits of the Corporate purpose and subject to the powers expressly granted by law to Shareholders' Meetings and to Board of Directors' meetings. He represents the Company in its dealings with third parties. He does not make any major decision without the agreement of the Board of Directors, which rules collectively. The Board of Directors has not specifically limited the powers of the Chief Executive Officer, except as regards certain provisions set out in its internal rules and defined in Section 4.2.6.2.

The Company ensures that the prerogatives of each Corporate body (Annual General Meetings, the Board of Directors and General Management) are fully respected. The Company has also put in place measures to avoid the centralization of powers and to ensure compliance with the rules of good governance. These include:

- the division of powers between the Chairman and Chief Executive Officer and the Chief Operating Officer;
- the review by the Board of Directors of all major issues relating to the Company;
- the presence of five independent directors on the Board;
- the meeting of independent directors, at their request, at least once a year.

Chief Operating Officer

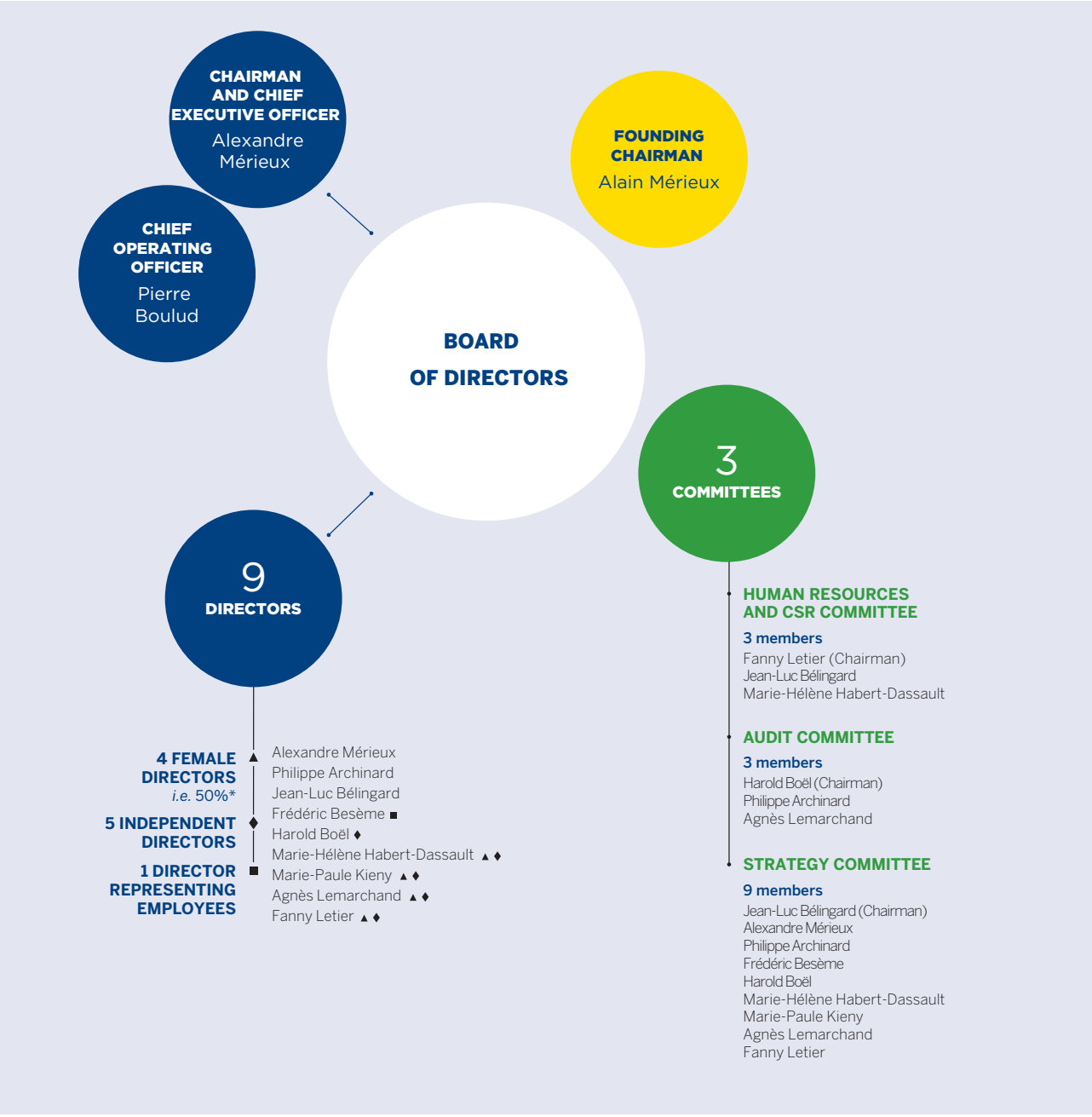
At the recommendation of the Chairman and Chief Executive Officer, and through a decision of the Board of Directors on February 25, 2020, the Company has appointed a Chief Operating Officer, Pierre Boulud. He has been appointed for a three-year term beginning on March 1, 2020. He is not a director of the Company. His powers are as extensive as those of the Chairman and Chief Executive Officer.

Executive Committee

The Executive Committee is responsible for implementing the Company's general strategy validated by the Board of Directors. The committee is responsible for overseeing strategic projects, deciding on priorities and implementing the necessary resources within the Company's various departments, such as deciding on significant capital expenditure. It also reviews the Group's operations, regulatory and quality situation, financial position, sales, headcount and major projects. It meets every month. It is chaired by Alexandre Mérieux, chairman and chief executive officer, and is composed, at the date of publication of this Universal Registration Document, of:

- Pierre Boulud, Chief Operating Officer, Clinical Operations;
- Guillaume Bouhours, Chief Financial Officer, Executive Vice President Purchasing & Information Systems;
- Pierre Charbonnier, Executive Vice President, Quality, Manufacturing & Supply Chain;
- François Lacoste; Executive Vice President, R&D;
- Valérie Leyldé, Executive Vice President, Human Resources and Communications;
- Mark Miller, Executive Vice President, Chief Medical Officer;
- Yasha Mitrotti, Executive Vice President, Industrial Microbiology;
- Esther Wick, Executive Vice President, Legal Affairs, Intellectual Property and Compliance.

4.2.2 Summary presentation of the Board of Directors



* *Pursuant to Article L. 225-23 of the French Commercial Code (Code de Commerce), the percentage of female directors is calculated without including the director representing employees.*

	Personal information				Experience	Position on the Board				
	Age	Gender	Nationality	Number of shares	Number of directorships in listed companies*	Indepen-dence	Initial appointment date	Term expiration	Number of years on Board	Participation in Board Committees
Alexandre Mérieux *Chairman and Chief Executive Officer*	48 years	M	French	60	2		04/16/2004	2022	18 years	Strategy Committee
Philippe Archinard *Non-independent director*	62 years	M	French	30	3		06/10/2010	2023	12 years	Audit Committee Strategy Committee
Jean-Luc Bélingard *Non-independent director*	73 years	M	French	60,150	4		09/15/2006	2022	16 years	Strategy Committee (Chairman) HR and CSR Committee**
Frédéric Besème *Director representing employees*	65 years	M	French	2,940	1		05/17/2018	2022	4 years	Strategy Committee
Harold Boël *Independent director*	57 years	M	Belgian	150	2	✓	05/30/2012	2024	10 years	Audit Committee (Chairman) Strategy Committee
Marie-Hélène Habert-Dassault *Independent director*	56 years	F	French	57	4	✓	05/30/2012	2024	10 years	Strategy Committee HR and CSR Committee**
Marie-Paule Kieny *Independent director*	66 years	F	French	180	1	✓	08/28/2017	2025	5 years	Strategy Committee
Agnès Lemarchand *Independent director*	67 years	F	French	150	3	✓	05/28/2014	2023	8 years	Audit Committee Strategy Committee
Fanny Letier *Independent director*	42 years	F	French	30	2	✓	05/30/2017	2025	5 years	HR and CSR Committee** (Chairman) Strategy Committee

* *Including the position held at bioMérieux.*
** *Human Resources and CSR Committee*

4.2.3 Members of the Board of Directors

The Board of Directors is composed of at least three members and up to the maximum number permitted by law.

On December 31, 2021, it had nine members, five of whom were independent and one a director representing employees.

The directors

The Annual General Meeting of May 20, 2021 renewed the terms of office of Marie-Paule Kieny and Fanny Letier for a period of four years until the close of the Annual General Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024.

The terms of office of Marie-Hélène Habert-Dassault and Harold Boël were renewed by the Annual General Meeting of June 30, 2020, and will end at the close of the Annual General Meeting to be held in 2024 to approve the financial statements for the fiscal year ending December 31, 2023.

The terms of office of Agnès Lemarchand and Philippe Archinard were renewed by the Annual General Meeting of May 23, 2019, and will end at the close of the Annual General Meeting to be held in 2023 to approve the financial statements for the fiscal year ending December 31, 2022.

The Board of Directors will recommend the renewal of the terms of office of Alain Mérieux and Jean-Luc Bélingard to the Annual General Meeting of May 23, 2022, for a period of four years until the close of the Annual General Meeting held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025.

Biography of the directors for whom the Board of Directors is proposing the renewal of terms of office to the Annual General Meeting

Alexandre Mérieux

Alexandre Mérieux is the great-grandson of Louis Pasteur's former student, Marcel Mérieux, who in 1897 founded a laboratory in Lyon where he developed the first anti-tetanus serums. Under the leadership of his son, Dr. Charles Mérieux, and then his grandson Alain Mérieux, Institut Mérieux became the world's leading company for human and veterinary vaccines. In 1994, Alain Mérieux withdrew from the vaccinology business and refocused on *in vitro* diagnostics with bioMérieux. Alexandre Mérieux took over as Chief Operating Officer of bioMérieux in 2014, and heads the Executive Committee in this capacity.

At 48-year-old, he has been Chairman and Chief Executive Officer of bioMérieux since December 15, 2017.

Alexandre Mérieux earned a degree in biology from Lyon I University and is a graduate of HEC Montréal Business School.

From 1999 to 2004, he worked for Silliker Group Corporation, a company of the Institut Mérieux group that has since become Mérieux NutriSciences. He held marketing positions in the United States and Europe before taking on a marketing and business unit management position in France.

He joined the bioMérieux Group in 2005 as Executive Vice President, Industrial Microbiology. Then, from 2011 to 2014, Mr. Mérieux was Corporate Vice President of the Microbiology and Industrial Operations unit.

Alexandre Mérieux has been Vice-Chairman of Institut Mérieux since December 2008. In 2009, he took over the chairmanship of Mérieux Développement and has chaired the Board of Directors of Mérieux NutriSciences since 2013.

A description of her directorships and positions is included in Section 4.2.4.

He has been a Director of bioMérieux since 2004. He is a member of the Strategy Committee.

The Board of Directors recommends to the Annual General Meeting the renewal of the directorship of Alexandre Mérieux for the reasons outlined above. He has extensive expertise as a senior executive of bioMérieux, a listed company, in the healthcare field.

Jean-Luc Bélingard

Jean-Luc Bélingard, 73, has held executive positions in a number of French companies, including bioMérieux, where he was Chairman and Chief Executive Officer from 2011 to December 2017.

He is a graduate of HEC business school and holds an MBA from Cornell University (United States).

He has spent his career in the pharmaceutical industry, notably with Merck & Co. and Hoffmann-La Roche, where he was a member of the Group Executive Committee and Chief Executive Officer of Roche Diagnostics. He was a member of the Management Board and Chief Executive Officer of bioMérieux-Pierre Fabre between 1999 and 2001. From 2002 to 2010, he was Chairman and CEO of Ipsen, a French pharmaceutical group active in several therapeutic areas including oncology, neurology and endocrinology.

A description of her directorships and positions is included in Section 4.2.4.

He has been a Director of bioMérieux since 2006. He is also a member of the Human Resources and CSR Committee and chairman of the Strategy Committee.

The Board of Directors recommends that the Annual General Meeting renew the directorship of Jean-Luc Bélingard for the following reasons:

- Director for 15 years and a former bioMérieux executive, he has an excellent knowledge of the Company and its market, and contributes his expertise as Chairman of the Strategy Committee;
- his experience as an executive in major international healthcare groups gives him an excellent knowledge of the issues in this sector.

The director representing employees

Frédéric Besème was appointed director representing employees during 2018 for a period of four years, *i.e.* until 2022. The Annual General Meeting of May 17, 2018 amended the articles of association to allow for the terms and conditions of his appointment by the Central Works Council.

The Founding Chairman

Alain Mérieux was appointed Founding Chairman by the Board of Directors in 2017. The Annual General Meeting of May 20, 2021 reappointed her for a period of four years until the close of the Annual General Meeting to be held in 2025 to approve the financial statements for the fiscal year ending December 31, 2024. The articles of association enable the Board of Directors to appoint an honorary Founding Chairman, an individual, selected from among the former Chairpersons of the Company. Alain Mérieux is a former Chairman of the Company.

The Founding Chairman is eligible indefinitely. He is invited to all Board meetings and attends the Board of Directors sessions in an advisory role. He must nevertheless comply with the internal rules of the Board of Directors. His right to information and communication is identical to that of the members of the Board of Directors.

Representatives of the Central Social and Economic Committee (CSEC)

There are four representatives who are convened to each meeting of the Board of Directors.

Changes in the composition of the Board of Directors and its committees during the fiscal year

Situation as at March 1, 2022.

	Departure	Appointment	Renewal
Board of Directors	N/A	N/A	Marie-Paule Kieny and Fanny Letier (May 20, 2021)
Audit Committee	N/A	N/A	N/A
Human Resources and CSR Committee	N/A	N/A	Fanny Letier (May 20, 2021)
Strategy Committee	N/A	N/A	Marie-Paule Kieny and Fanny Letier (May 20, 2021)

4.2.4 Description of the terms of office of the directors

The table below presents all of the directorships and positions held in other companies by each of the Company's corporate officers based on the information they have submitted.

Alexandre Mérieux

CHAIRMAN AND CHIEF EXECUTIVE OFFICER
MEMBER OF THE STRATEGY COMMITTEE
Non-independent director

Born on 01/15/1974 (aged 48)
Nationality: **French**
First appointed on: **04/16/2004**
Term expires: **2022**
Number of shares in the Company: **60**

MAIN EXPERTISE:

- Executive management of major groups/listed companies
- International environment
- Strategy and M&A
- Health sector

Alexandre Mérieux earned a degree in biology from Lyon I University and is a graduate of HEC Montréal Business School. He worked for Siliker Group Corporation from 1999 to 2004. During this period, he held marketing positions in the United States and Europe before becoming Marketing and Business Unit Director in France.

He joined the bioMérieux Group in 2005 as Executive Vice President, Industrial Microbiology. Then, from 2011 to 2014, Mr. Mérieux was Corporate Vice President of the Microbiology and Industrial Operations unit. He became Chief Operating Officer in April 2014 and led bioMérieux's Executive Committee. He was appointed Chairman and Chief Executive Officer by the Board of Directors on December 15, 2017. Alexandre Mérieux has been Vice-Chairman of Institut Mérieux since December 2008. In 2009, he took over the chairmanship of Mérieux Développement and has chaired the Board of Directors of Mérieux NutriSciences since 2013.

Other directorships and positions held at 12/31/2021 (all companies)

Within the Group[(a)]:

- Chief Operating Officer and Vice-Chairman of Institut Mérieux
- Chairman of Mérieux Développement SAS, Mérieux NutriSciences Corp. (Chairman, United States)
- CEO of Compagnie Mérieux Alliance
- Director of IM US Holding (US)
- Manager of SCI ACCRA
- Director of the Fondation Christophe et Rodolphe Mérieux and the Fondation Mérieux
- Director of Mérieux Equity Partners SAS
- Representative of bioMérieux, Chairman of the bioMérieux Endowment Fund

Outside the Group[(a)]:

- Director of Plastic Omnium (France - listed company)
- Permanent representative of Mérieux Participations 2, director of Financière Senior Cinqus SAS (France) (formerly Financière Senior Mendel SAS France)
- Director of the Fondation Jacques Chirac

Directorships and positions that have expired in the past five years

Within the Group[(a)]:

- bioMérieux China Ltd (China), bioMérieux Shanghai Ltd (China), Sysmex bioMérieux Ltd (Japan), SGH

Outside the Group[(a)]:

N/A

(a) Any company controlled by Compagnie Mérieux Alliance SAS within the meaning of Article L. 233-16 of the French Commercial Code (Code de Commerce).

Philippe Archinard

MEMBER OF THE AUDIT COMMITTEE
MEMBER OF THE STRATEGY COMMITTEE
Non-independent director

Born on 11/21/1959 (aged 62)
Nationality: **French**
First appointed on: **06/10/2010**
Term expires: **2023**
Number of shares in the Company: **30**

MAIN EXPERTISE:

- International environment
- Executive management of major groups/listed companies
- Scientific expertise
- Strategy and M&A
- Finance/audit
- Health sector

Philippe Archinard is a graduate of the École Nationale Supérieure de Chimie in Montpellier and holds a PhD in biochemistry from the University of Lyon. He has also completed the PMD management program from the Harvard Business School. He was the Chief Executive Officer of Innogenetics (Belgium) from 2000 to 2004.

He was appointed Chief Executive Officer of Transgene in 2004 and Chairman and Chief Executive Officer in 2010. Since 2014, Philippe Archinard has been Chairman of BIOASTER (Foundation for scientific cooperation), a technology research institute focusing on infectious diseases and microbiology. He chaired the Lyon competitiveness cluster, Lyon Biopôle, for 11 years. He has terminated his operational functions at Transgene while continuing to be a director of this company. He has also been Chief Operating Officer of Institut Mérieux since 2021.

Other directorships and positions held at 12/31/2021 (all companies)

Within the Group[(a)]:

- Chief Operating Officer of Institut Mérieux (France)
- Director of Transgene SA (France - listed company)
- Chief Executive Officer of TSGH (France)
- Permanent representative of TSGH, director of ABL Inc. (USA)

Outside the Group[(a)]:

- Director of Erytech Pharma SA (France – listed company)
- Chairman of BIOASTER (Foundation for scientific cooperation)
- Director of NH Theraguix (France)
- Chairman of the Supervisory Board of Fabentech

Directorships and positions that have expired in the past five years

Within the Group[(a)]:

- Chairman and Chief Executive Officer of Transgene SA (France – Listed company – end 2020)

Outside the Group[(a)]:

- Director of CPE Lyon – Representative of FPUL (end 2020)

(a) Any company controlled by Compagnie Mérieux Alliance SAS within the meaning of Article L. 233-16 of the French Commercial Code (Code de Commerce).

Jean-Luc Bélingard

CHAIRMAN OF THE STRATEGY COMMITTEE
MEMBER OF THE HUMAN RESOURCES AND CSR COMMITTEE
Non-independent director

Born on 10/28/1948 (aged 73)
Nationality: **French**
First appointed on: **09/15/2006**
Term expires: **2022**
Number of shares in the Company: **60,150**

MAIN EXPERTISE:

- Executive management of major groups/listed companies
- International environment
- Strategy and M&A
- Health sector

Jean-Luc Bélingard is a graduate of HEC Paris and holds an MBA from Cornell University (United States). He was CEO of Roche Diagnostic and a Member of the Executive Committee of Roche Group from 1990 to 1999. He was also a member of the Management Board and Chairman and Chief Executive Officer of bioMérieux-Pierre Fabre between 1999 and 2001. He then became Chairman and Chief Executive Officer of IPSEN from 2001 to 2010, and Chairman and Chief Executive Officer of bioMérieux between 2011 and 2017.

Other directorships and positions held at 12/31/2021 (all companies)

Within the Group[(a)]:

- Director and Vice-Chairman of Institut Mérieux (France),
- Director of Transgene SA (France - listed company)

Outside the Group[(a)]:

- Director of Pierre Fabre SA (France)
- Director of LabCorp of America (United States - listed company)
- Director of Lupin (India - listed company)

Directorships and positions that have expired in the past five years

Within the Group[(a)]:

- Director of ABL Inc. (term expired: 2018)

Outside the Group[(a)]:

- Director of Starllergenes Greer (UK - listed company - term expired: 2019)

(a) Any company controlled by Compagnie Mérieux Alliance SAS within the meaning of Article L. 233-16 of the French Commercial Code (Code de Commerce).

Frédéric Besème

MEMBER OF THE STRATEGY COMMITTEE
Director representing employees

Born on 09/23/1956 (aged 65)
Nationality: **French**
First appointed on: **05/17/2018**
Term expires: **2022**
Number of shares in the Company: **2,940**

MAIN EXPERTISE:

- Health sector
- CSR

Frédéric Besème holds a PhD in Biology (University of Montpellier). He worked at INSERM from 1984 to 1987. He joined bioMérieux in 1987, as an R&D researcher. He has held various personnel representation roles as union delegate and social partner (between 1997 and 2016). He became CSR Manager between 2016 and 2020. Since becoming a director representing employees in 2018, in accordance with the law, he has abandoned all personnel representation and union functions within bioMérieux. To perform his role as a director, he completed a training course at the Institut Français des Administrateurs (IFA) in 2018.

Other directorships and positions held at 12/31/2021 (all companies)

N/A

Directorships and positions that have expired in the past five years

N/A

Harold Boël

CHAIRMAN OF THE AUDIT COMMITTEE
MEMBER OF THE STRATEGY COMMITTEE
Independent director[a]

Born on 08/27/1964 (aged 57)
Nationality: **Belgian**
First appointed on: **05/30/2012**
Term expires: **2024**
Number of shares in the Company: **150**

MAIN EXPERTISE:

- International environment
- Strategy & M&A
- Finance/Audit
- Digitalization and new economy

Harold Boël holds a Bachelor of Science degree in chemistry from Brown University (United States) and a diploma in Materials Science from the École Polytechnique Fédérale de Lausanne. He has held various managerial positions in the steel industry within the Corus group. He has been the Chief Executive Officer of Sofina (Belgium – listed company) since 2008.

Other directorships and positions held at 12/31/2021 (all companies)

Within the Group[b]:

- Director of Mérieux NutriSciences Corporation (United States)

Outside the Group[b]:

- Deputy director of Sofina SA (Belgium - listed company)
- Director of Cognita (UK)
- Deputy director of Société de Participations Industrielles (Belgium)
- Chairman of Domanoy (Belgium)

Directorships and positions that have expired in the past five years

Within the Group[b]:

N/A

Outside the Group[b]:

- Member of the Supervisory Board of Eurazeo (France – listed company, term expired: September 2017)
- Director of Caledonia Investment plc (UK – listed company – term expired: May 2017)
- Director of SODAVI (Belgium – term expired: 2020)

(a) Independent director according to the assessment made by the Board of Directors (see Section 4.2.5).
(b) Any company controlled by Compagnie Mérieux Alliance SAS within the meaning of Article L. 233-16 of the French Commercial Code (Code de Commerce).

Marie-Hélène Habert-Dassault

MEMBER OF THE STRATEGY COMMITTEE
MEMBER OF THE HUMAN RESOURCES AND CSR COMMITTEE
Independent director[(a)]

Born on 04/04/1965 (aged 56)
Nationality: **French**
First appointed on: **05/30/2012**
Term expires: **2024**
Number of shares in the Company: **57**

MAIN EXPERTISE:

- Executive management of major groups/listed companies
- Health sector
- CSR

Marie-Hélène Habert-Dassault holds a post-graduate diploma in Business Law and Taxation, a degree in Business Law from the University Paris 2 Panthéon-Assas (1988), and a Master's degree in Strategy and Marketing from Sciences Po (1989). She began her career at DDB Advertising in London as a media planning consultant. She joined the Dassault Group in 1991 as Deputy Communications Director. Since 1998, she has been Director of Communications and Corporate Sponsorship of the Dassault Group.

Other directorships and positions held at 12/31/2021 (all companies)

Within the Group[(b)]:

N/A

Outside the Group[(b)]:

- Chair of the Supervisory Board of GIMD
- Director of Dassault Aviation SA[(c)] (France – listed company) since 2014, Dassault Systèmes SA[(c)] (France – listed company) since 2014, and Artcurial SA[(c)]
- Director and Vice-Chair of the Serge Dassault Foundation
- Vice-Chair on the Supervisory Board of Immobilière Dassault SA[(c)] (France - listed company)
- Member of the Supervisory Board of Rond-Point Immobilier (SA)
- Manager of H Investissements SARL and HDH Immobilière
- Director of SIPAREX
- Director of Fondation Fondamental
- Manager of SCI Duquesne
- Chair and member of the Strategy Committee of HDF (SAS)

Directorships and positions that have expired in the past five years

Within the Group[(b)]:

N/A

Outside the Group[(b)]:

- Member of the Supervisory Board of GIMD
- Chair of the Supervisory Board of Rond-Point Immobilier
- Vice-Chair of HDF
- Manager of HDH

(a) Independent director according to the assessment made by the Board of Directors (see Section 4.2.5).
(b) Any company controlled by Compagnie Mérieux Alliance SAS within the meaning of Article L. 233-16 of the French Commercial Code (Code de Commerce).
(c) Companies controlled by GIMD within the meaning of Article L. 233-16 of the French Commercial Code.

Marie-Paule Kieny

MEMBER OF THE STRATEGY COMMITTEE
Independent director[a]

Born on 04/24/1955 (aged 66)
Nationality: **French**
First appointed on: **08/28/2017**
Term expires: **2025**
Number of shares in the Company: **180**

MAIN EXPERTISE:

- Strategy and M&A
- CSR
- Health sector (global health, low-income countries, research and development)

Marie-Paule Kieny obtained her doctorate in microbiology at the University of Montpellier (France). She has published more than 350 articles and reviews, mainly in the fields of infectious diseases, immunology, vaccinology and healthcare systems.

Until June 2017, she occupied the position of Assistant Director General responsible for health systems and innovation at the World Health Organization (WHO). She notably coordinated the WHO's R&D work during the Ebola epidemic in West Africa from 2014 to 2016. She also designed the WHO's master plan for R&D (global preparedness plan against emerging diseases epidemics). Before joining the WHO, Ms. Kieny occupied first-rate research positions in the public and private sectors in France. She is currently research director at INSERM (Paris, France), in charge of the priority research program on antimicrobial resistance initiated by France in 2019 under the Future Investments program. She also represents France on the Board of Directors of the Joint Programming Initiative on Antimicrobial Resistance, JPIAMR.

Between March and July 2020, she was a member of the Research and Expertise Analysis Committee (CARE), created by President Macron, to advise the government on COVID-19 treatments, vaccines and tests. Since June 2020, she has been Chair of the French Scientific Committee for the COVID-19 vaccine.

She is Chair of the Board of Directors of the Drugs for Neglected Diseases initiative (DNDi, Geneva, Switzerland) and the Medicines Patent Pool Foundation (MPPF, Geneva, Switzerland). She is also Vice-Chair of the Board of the Global Antibiotic Research and Development Partnership (GARDP, Geneva, Switzerland). She sits on the scientific advisory boards of several organizations that are active in the healthcare field. She is a director of the Fondation Mérieux.

She received the title of Officer in the Ordre National du Mérite in France in 2021 and Chevalier in the Ordre National d'Honneur in France in 2016. She received an honorary doctorate from the Autonomous University of Barcelona (Spain) in 2019 and won the INSERM International Prize in 2017, the Prix Génération 2000-Impact Médecin in 1994, and the Prix Innovation Rhône-Poulenc in 1991.

Other directorships and positions held at 12/31/2021 (all companies)

Within the Group[b]:

- Director of Fondation Mérieux

Outside the Group[b]:

N/A

Directorships and positions that have expired in the past five years

N/A

(a) Independent director according to the assessment made by the Board of Directors (see Section 4.2.5).
(b) Any company controlled by Compagnie Mérieux Alliance SAS within the meaning of Article L. 233-16 of the French Commercial Code (Code de Commerce).

Agnès Lemarchand

MEMBER OF THE AUDIT COMMITTEE
MEMBER OF THE STRATEGY COMMITTEE
Independent director[a]

Born on 12/29/1954 (aged 67)
Nationality: **French**
First appointed on: **05/28/2014**
Term expires: **2023**
Number of shares in the Company: **150**

Main expertise:

- International environment
- Executive management of major groups/listed companies
- Strategy and M&A

A graduate of the École Nationale Supérieure de Chimie de Paris (ENSCP) and of MIT (USA), with an MBA from INSEAD, Agnès Lemarchand began her professional life with various operational responsibilities within the Rhône-Poulenc Group from 1980 to 1985.

In 1986, she was appointed Chief Executive Officer of Industrie Biologique Française (IBF), and in 1987, she founded IBF Biotechnics in the United States, a subsidiary of the Rhône-Poulenc group and Institut Mérieux, where she was appointed Chairman and Chief Executive Officer.

In 1991, she joined the Ciments Français Group as Chief Executive Officer of Prodical, an industrial minerals subsidiary that she managed from 1991 to 1996. She joined the Lafarge Group in 1997 as Strategy Director of the Specialty Materials Division, and in 1999, was appointed Chairman and Chief Executive Officer of Lafarge Chaux. In 2004, together with the managers, she took over the subsidiary of Lafarge Chaux in the United Kingdom and founded Steetley Dolomite Limited, where she was Executive Chair for 10 years before selling the company to the Lhoist industrial group.

Agnès Lemarchand was a member of the Economic, Social and Environmental Council (economic activities Section) from 2012 to 2015. She is a member of the ESG Committee of the Institut Français des Administrateurs (IFA).

Other directorships and positions held at 12/31/2021 (all companies)

Within the Group[b]:

N/A

Outside the Group[b]:

- Independent director of Saint-Gobain (listed company); Chairman of the CSR Committee
- Independent director of Solvay SA (Belgium - listed company)

Directorships and positions that have expired in the past five years

Within the Group[b]:

N/A

Outside the Group[b]:

- Chairman of Orchad SAS (October 2019)
- Member of the Supervisory Board of CGG (listed company – term expired: October 2017)

(a) Independent director according to the assessment made by the Board of Directors (see Section 4.2.5).
(b) Any company controlled by Compagnie Mérieux Alliance SAS within the meaning of Article L. 233-16 of the French Commercial Code (Code de Commerce).

Fanny Letier

CHAIR OF THE HUMAN RESOURCES AND CSR COMMITTEE
MEMBER OF THE STRATEGY COMMITTEE
Independent director[(a)]

Born on 03/15/1979 (aged 42)
Nationality: **French**
First appointed on: **05/30/2017**
Term expires: **2025**
Number of shares in the Company: **30**

Main expertise:

- International environment
- Executive management of major groups/listed companies
- Strategy and M&A
- Finance/audit
- CSR
- Digitalization

Fanny Letier is a graduate of Sciences Politiques Paris, the ENA, and the Institut Français des Administrateurs (IFA). She was a senior civil servant in the French Treasury Department (Ministry of Finance) from 2004 to 2012, Secretary General of the Inter-Ministry Committee on Industrial Restructuring (CIRI) from 2009 to 2012, Deputy Director of the Office of the Minister of Industrial Recovery from 2012 to 2013, and Director, then Executive Investment Director of SME funds for Bpifrance from 2013 to 2018.

She co-founded the asset management company GENEO Partenaires and the investment company GENEO Capital Entrepreneur in 2019, and is a director of Aéroports de Paris, and France Invest.

Other directorships and positions held at 12/31/2021 (all companies)

Within the Group[(b)]:

N/A

Outside the Group[(b)]:

- Director of Aéroports de Paris (France - listed company)

Directorships and positions that have expired in the past five years

Within the Group[(b)]:

N/A

Outside the Group[(b)]:

- Director of Nexans (listed company - end 2020)

(a) Independent director according to the assessment made by the Board of Directors (see Section 4.2.5).
(b) Any company controlled by Compagnie Mérieux Alliance SAS within the meaning of Article L. 233-16 of the French Commercial Code (Code de Commerce).

Professional address of directors

The members of the Board of Directors can be contacted at the Company's registered office in Marcy-l'Étoile, France (Rhône).

Limit on directorships

The laws currently in force on the maximum number of directorships are applied within the Company.

Corporate officers' interests in the company and the Group

In accordance with Delegated Regulation (EU) 2019/980 of March 14, 2019, it is noted that Alexandre Mérieux is one of the main shareholders of the Compagnie Mérieux Alliance, which itself holds 100% of the Institut Mérieux holding company, the Company's majority shareholder with 58.90% of the Company's share capital and 73.04% of its voting rights as at February 28, 2022 (see Sections 7.3.2 and 7.4.1).

4.2.5 Independent directors, conflict of interest and other declarations

Evaluation of the independence of directors

	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7	Criterion 8
Alexandre Mérieux			√	√	√			
Philippe Archinard		√	√	√	√	√	√	√
Jean-Luc Bélingard			√	√	√		√	√
Frédéric Besème		√	√	√	√	√	√	√
Harold Boël		√	√	√	√	√	√	√
Marie-Hélène Habert-Dassault	√	√	√	√	√	√	√	√
Marie-Paule Kieny	√	√	√	√	√	√	√	√
Agnès Lemarchand	√	√	√	√	√	√	√	√
Fanny Letier	√	√	√	√	√	√	√	√

Table prepared based on the information provided by the relevant party.

Criterion 1: Employee corporate officer during the five preceding years

Not being or having been during the preceding five years:

- *an employee or executive corporate officer of the Company;*
- *an employee, executive corporate officer, or director of a company that the Company consolidates;*
- *an employee or executive corporate officer or director of the parent company of the Company or of a company consolidated by this parent company.*

Criterion 2: Cross-directorships

Not being an executive corporate officer of a company in which the Company directly or indirectly holds a director seat or within which an employee designated as such or an executive corporate officer of the Company (current or having been one within the last five years) holds the position of director.

Criterion 3: Material business relationships

Not being a customer, supplier, Corporate banker, investment banker, consultant:

- *in a significant capacity for the Company or its group;*
- *or for whom the Company or its group represents a material share of business.*

The assessment of the materiality or immateriality of the relationship between the Company or its group is discussed by the Board of Directors and the quantitative and qualitative criteria underlying this assessment (continuity, economic dependence, exclusivity, etc.) are explained in the annual report.

Criterion 4: Family ties

Not having any close family ties with a corporate officer.

Criterion 5: Statutory Auditor

Not having been a Statutory Auditor of the Company during the five preceding years.

Criterion 6: Being a director for more than 12 years

Not having been a director of the Company for over 12 years. The loss of status as an independent director occurs on the anniversary date of the 12 years.

Criterion 7: Status of non-executive corporate officer

Non-executive corporate officers cannot be considered as being independent if they receive variable compensation in cash, or securities, or any type of compensation linked to the Company's or the Group's performance.

Criterion 8: Status of major shareholder

Directors representing major shareholders of the Company or the parent company may be considered independent as long as these shareholders do not participate in the control of the Company. However, beyond a threshold of 10% of the share capital or the voting rights, the Board, based on a report from the Appointment Committee, systematically evaluates the independence of the director, based on the composition of the Company's share capital and the existence of a potential conflict of interest.

The Board of Directors, during its meeting of March 1, 2022, reviewed the analysis of the Human Resources, and CSR Committee regarding the independence of directors, according to the criteria contained in the AFEP-MEDEF Corporate Governance Code. After having debated it, the Board of Directors confirmed the independent capacity of the following five directors out of the nine who composed it: Harold Boël, Marie-Hélène Habert-Dassault, Marie-Paule Kieny, Agnès Lemarchand and Fanny Letier.

In particular, the Board of Directors deemed the following directors to be independent: Harold Boël, despite the fact that he is director of Mérieux NutriSciences Corporation, a US company held by Institut Mérieux, and Marie-Paule Kieny, a director of Fondation Mérieux (see Section 4.1 and the following section).

Evaluation of conflicts of interest

The Board of Directors meeting of March 1, 2022 assessed the business ties and potential conflicts of interest that could arise from the terms of office of some of its directors.

Although Harold Boël is a director of Mérieux NutriSciences Corporation, the Board of Directors deemed that there is no conflict of interest. The two companies are independent and each operates in different areas. The existing business relations are not significant and are not likely to call into question their independence. Accordingly, Harold Boël will abstain from discussion and votes held by the Board of Directors regarding any circumstances relating to Mérieux NutriSciences Corporation.

Marie-Paule Kieny is a Director of the Fondation Mérieux. The Board of Directors also decided that there was no conflict of interest that would call her independence into question. This is because the Fondation Mérieux is an independent foundation with public interest status. It specifically receives grants from the Company. Accordingly, Marie-Paule Kieny will abstain from discussions and votes held by the Board of Directors regarding any circumstances relating to the Fondation Mérieux.

Other than Harold Boël and Marie-Paule Kieny, since the independent directors have no relationship of any kind with the Company, the Group or the Management, there is no conflict of interest which the Board of Directors could be required to discuss.

Other declarations

To the best of the Company's knowledge:

- no member of the Board of Directors of the Company has been convicted of fraud in the past five years;
- no member of the Board of Directors has been involved, in the past five years, in any bankruptcy, court-ordered receivership or liquidation, in their capacity as member of an administrative, management or supervisory body or as Chief Executive Officer;
- no sentence has been pronounced in the past five years against any member of the Board of Directors of the Company barring them from serving on an issuer's administrative, management or supervisory body or from participating in the management or conduct of the affairs of an issuer;
- no member of the Board of Directors of the Company has been charged with an offense or had any official public disciplinary action taken against them by a statutory or regulatory authority (including recognized professional bodies).

To the best of the Company's knowledge, there is no potential conflict of interest between the duties to the Company of any member of the Board of Directors, and their private and/or other interests. The agreements involving certain directors are subject to the procedures concerning related-party agreements and are described in section 4.4.

To the best of the Company's knowledge, no commitments have been undertaken by members of the Board of Directors that restrict their freedom to dispose of their bioMérieux shares, other than the rules on insider trading and closed periods.

4.2.6 Practices and work of the Board of Directors and its committees

4.2.6.1 Directors' attendance at Board of Directors and committee meetings in 2021

	Board of Directors		Audit Committee		Human Resources and CSR Committee		Strategy Committee	
Directors	Attendance rate	Number of meetings	Attendance rate	Number of meetings	Attendance rate	Number of meetings	Attendance rate	Number of meetings
Alexandre Mérieux	100%	6/6	-	-	-	-	100%	2/2
Philippe Archinard	100%	6/6	100%	5/5	-	-	100%	2/2
Jean-Luc Bélingard	100%	6/6	-	-	67%	2/3	100%	2/2
Frédéric Besème	100%	6/6	-	-	-	-	100%	2/2
Harold Boël	100%	6/6	100%	5/5	-	-	100%	2/2
Marie-Hélène Habert-Dassault	100%	6/6	-	-	100%	3/3	100%	2/2
Marie-Paule Kieny	100%	6/6	-	-	-	-	50%	1/2
Agnès Lemarchand	50%	3/6	100%	5/5	-	-	50%	1/2
Fanny Letier	83%	5/6	-	-	100%	3/3	100%	2/2
AVERAGE PARTICIPATION RATE	**92.5%**		**100%**		**89%**		**89%**	

BOARD OF DIRECTORS

9 directors OF

1 director
ATTENDANCE RATE
83%
Number of meetings
5/6

7 directors
ATTENDANCE RATE
100%
Number of meetings
6/6

1 director
ATTENDANCE RATE
50%
Number of meetings
3/6

AUDIT COMMITTEE

3 directors

3 directors
ATTENDANCE RATE
100%
Number of meetings
5/5

STRATEGY COMMITTEE

9 directors OF

7 directors
ATTENDANCE RATE
100%
Number of meetings
2/2

2 directors
ATTENDANCE RATE
50%
Number of meetings
1/2

HUMAN RESOURCES AND CSR COMMITTEE

3 directors OF

2 directors
ATTENDANCE RATE
100%
Number of meetings
6/6

1 director
ATTENDANCE RATE
67%
Number of meetings
2/3

4.2.6.2 Practices of the Board of Directors and its internal rules

The Board of Directors is responsible for defining and implementing the Company's strategies. It has powers to act on all questions concerning the smooth running of the Company and settles all matters affecting the Company by its deliberations, within the limits of the corporate purpose and subject to the powers expressly granted to shareholders' meetings. The Board of Directors carries out all controls and procedures that it deems appropriate.

The Chairman organizes and oversees the board's work and reports thereon to the shareholders' meeting. He ensures that the Company's management bodies operate effectively and that the directors are able to perform their duties.

The Chairman of the Board of Directors is responsible for shareholder relations. He therefore works in close cooperation with the Investor Relations Department (see Section 7.1). The Chairman reports on his activities to the Board of Directors, where appropriate.

The Board of Directors meets as often as the Company's interests require, at the invitation of its Chairman, either at the registered office or at any other place indicated in the meeting notice. Meetings are held in the presence of directors or by videoconferencing or any other telecommunication means.

The committees of the Board of Directors are in charge of examining issues assigned to them by the Board of Directors or its Chairman, preparing the Board of Directors' work on these issues, and reporting their findings to the Board of Directors in the form of reports, proposals, communications or recommendations.

The committees act in an advisory capacity. The Board of Directors determines at its own discretion how to follow up on the findings reported by the committees. Each director remains free to vote as he wishes, without being bound by these studies, investigations or reports. Nor is he bound by any recommendations made by the committees.

On the date of filing of this Universal Registration Document, the Board of Directors of the Company had set up three committees: the Audit Committee, the Human Resources and CSR Committee, and the Strategy Committee, as described in Section 4.2.6.7.

Internal rules of the Board of Directors

The internal rules, adopted in 2004 by the Board of Directors and intended to define its operating procedures, in addition to legal, regulatory and statutory requirements, are regularly updated to reflect new legal provisions and the recommendations of the AFEP-MEDEF Corporate Governance Code for listed companies. They are regularly updated. All Board members have agreed to comply with the internal rules.

The internal rules provide that directors must first ensure that they are fully informed of the general and specific obligations attached to their duties and are familiar with securities regulations pertaining to breaches of stock exchange regulations prior to the acceptance of their duties. They must familiarize themselves and comply with the laws and regulations, the articles of association, the Board of Directors' internal rules and any additional information that the Board of Directors may provide to them, the rules concerning the Board provided for in the AFEP-MEDEF Corporate Governance Code (particularly the rules of ethics for directors) as well as the Stock Market Code of Conduct adopted by the Company.

The internal rules also provide that directors:

(i) represent all the shareholders, even though they are shareholders themselves holding at least ten shares, and must act in the Company's interests in all circumstances;

(ii) must inform the Board of any actual or potential direct or indirect conflict of interest between the interests of the Company and their own interests or those of the shareholder or group of shareholders they represent, and must abstain from voting on the issues concerned;

(iii) undertake to devote the necessary time and attention to their duties;

(iv) undertake to remain independent in their analysis, judgment, decision-making and actions, and to resist all direct or indirect pressure that may be placed on them by directors, specific groups of shareholders, creditors, suppliers and other third parties. Similarly, if they believe that decisions taken by the Board are not in the interests of the Company, they undertake to clearly express their opposition and strive to convince the Board of the merits of their opinion;

(v) must attend and participate in all meetings of the Board of Directors and, if applicable, of the committees on which they serve;

(vi) are bound by a strict duty of confidentiality beyond the exercise of discretion required by law with respect to non-public information acquired in connection with their role as directors;

(vii) are bound by a duty of loyalty;

(viii) must trade in the Company's shares only in compliance with the Code of Conduct adopted by the Company; and

(ix) must provide the Board with all relevant information concerning compensation and benefits-in-kind paid to them by the Company or a Group entity, and their directorships and positions held in all companies and other legal entities, including details on their attendance at all committees of French or foreign companies.

The Board of Directors' internal rules provide that the Board of Directors must decide on (i) the approval of the strategic plans of the Company and its subsidiaries, (ii) the approval of the annual budget and, on a quarterly basis, its implementation, and (iii) the authorization of all key transactions (acquisitions, exchanges, settlements, granting of security interests, all financing arrangements, etc.) exceeding €30 million and not provided for in the strategic plan or the budget.

The internal rules also provide that the Board of Directors must be notified of any significant event affecting the operation of the Company and more specifically its financial and cash position and commitments.

4.2.6.3 Diversity policy within the Board of Directors and the management bodies

On the recommendation of the Human Resources and CSR Committee, the Board of Directors, pursuant to Article L. 22-10-10, paragraph 2, of the French Commercial Code, has defined a diversity policy that applies to the Board of Directors and management bodies.

Accordingly, the Board of Directors has established a policy of promoting cultural and international diversity among its members; seeking a balance in the distribution of skills, both as regards the age and experience of its members, and their fields of expertise (management, medical or scientific, knowledge of listed companies); and, aiming for gender equality. The purpose of this policy is to provide a balanced and harmonious Board membership facilitating fruitful, varied and high quality discussions to support the Company's interests and strategy.

The Board will endeavor to implement this policy for every reappointment or new appointment.

Nonetheless, it should be noted that the Company does fulfill its legal obligations. The Board of Directors is composed of nine members:

- in accordance with Article L. 225-18-1 of the French Commercial Code, four of the directors are women: Marie-Hélène Habert-Dassault, Marie-Paule Kieny, Agnès Lemarchand and Fanny Letier;
- in accordance with Article L 225-27-1 of the French Commercial Code, the Company amended its articles of association in 2018, to allow for the appointment of a director representing employees by the Central Works Council. Frédéric Besème was appointed to this position during 2018.

The self-assessment process debated by the Board of Directors demonstrates that the Board operates smoothly and that each director contributes in an effective way (see Section 4.2.6.5).

In addition, the Company is committed to strengthening the representation of women within its Executive Committee. It is therefore seeking to promote women, without discrimination, in order to enable them to take up senior positions, and to develop their skills, if required. The Executive Committee will, as a matter of priority, be refreshed through the appointment of women until parity has been achieved, unless the skills required prevent this. On the date of writing of this Universal Registration Document, the Executive Committee is composed of two women out of nine members.

Finally, the Company supports the balanced representation of women and men in its senior management posts. In particular, in 2021, women represented around 38% of bioMérieux employees in the most senior positions (levels 1–6, 10% of the headcount), compared with around 37% in 2020.

4.2.6.4 Work of the Board of Directors

During the previous fiscal year, the Company's Board of Directors met six times and in particular:

- approved the parent company financial statements and the consolidated financial statements; approved the related press releases; prepared the Annual General Meeting and approved the various reports required by law;
- approved the budget and monitored its implementation quarterly; reviewed the progress of the Company's operations;
- heard some members of the Company's Executive Committee; reviewed the Company's major projects;
- reviewed and approved, where applicable, the Business Development opportunities;
- took note of the reports and recommendations, if any, of its committees;
- discussed the Company's policy in terms of equality and equal pay in the workplace;
- approved the principles and criteria for setting compensation for the executive corporate officers for fiscal year 2021 (Say on Pay Ex ante) and compensation for the corporate officers for the previous fiscal year (Say on Pay Ex post);
- granted free shares to some employees of the Group; decided on free share grants; authorized the principle of implementation of an employee share ownership plan;
- evaluated the independence of the directors, the potential conflicts of interest and the effective contribution of each of the directors; defined a diversity policy for the Board of Directors and management bodies;
- proposed the renewal of the terms of office of two directors and the Founding Chairman;
- analyzed the ethics and compliance actions implemented;
- approved the update of risk mapping;
- monitored the project to change the company's legal form to a Societas Europaea (European limited company) adopted at the Annual General Meeting on May 20, 2021;
- approved the creation of new subsidiaries;
- authorized a regulated agreement; heard the Audit Committee on the evaluation of current agreements;
- approved the delegation of authority to the Chairman and Chief Executive Officer for 2022, with respect to sureties, endorsements and guarantees, under the new terms of the law.

4.2.6.5 Self-assessment of the Board of Directors and assessment of the effectiveness of the contribution made by each director

In addition, as stipulated in its internal rules, each year the Board of Directors devotes an agenda item to the Board's operations in order to (i) evaluate the quality and effectiveness of the Board's deliberations, (ii) assess the Board of Directors' actual roles and duties, (iii) analyze the reasons for any shortcomings as perceived by the Chairman, directors or shareholders, and (iv) analyze the independence criteria applicable to directors.

At its meeting of March 1, 2022, the Board of Directors carried out a self-assessment based on a questionnaire in which each director was able to state his or her opinion. It discussed the responses received based on a preliminary analysis by the Human Resources and CSR Committee.

The Board of Directors confirmed that its responsibilities and duties were fulfilled and it was operating effectively, both in terms of the standard and effectiveness of its meetings. Areas of improvement are proposed by the Company and, the following year, the Board of Directors ensures they are addressed or continues its efforts, where applicable.

- The directors consider that their access to information concerning the Group and its environment is sufficient, and that such information is of a high quality and is sent to them in a timely manner. Nevertheless, these time frames could still be improved.
- The information provided for the discussion of topics on the agenda was considered to have been presented with sufficient internal or external analysis on which to base decisions. In this respect, extraordinary sessions on specific subjects and the information given to the Board in advance of decisions are highly appreciated. The directors appreciate taking part in the discussions of the Strategy Committee, which enables them to have a better vision of the Company's strategy.
- The directors consider their training to be appropriate, and appreciate the regular presentation of the members of the Executive Committee at the meetings of the Board of Directors, which participates in their continuing education. The dialog with the Management Committee must continue.
- Directors consider that the governance mode does not obstruct the harmonious balance of powers on the Board. With respect to General Management, directors believe they are fully independent and able to speak freely and appreciate the efforts made to explain and share knowledge. They consider that they have sufficient access to other information than that provided by the General Management, and particularly at the Audit Committee level.
- They consider that the composition of the Board is balanced. They also consider that the independent directors are duly independent (see Section 4.2.5). They confirm the importance of meetings between independent directors outside of these Board meetings, irrespective of the transparency and openness shown by the Management and the standard of discussion at those meetings.
- The members of the Board committees believe that the committees on which they sit function effectively, and that the frequency with which the committees are held and duration of committee meetings are fully satisfactory. They appreciate the quality of the work produced by committees as well as the distribution of work between the committees and the Board. They emphasize the high quality of the debates within the committees as well as the smooth communication of information.

Finally, the Board of Directors debated the effective contribution made by each director to the work of the Board, after hearing the analysis of the Human Resources and CSR Committee. Having highlighted the individual and varied skills of each director (international environment, management of major groups or listed companies, strategy and M&A, finance/audit, health sector, CSR, digitalization) and the complementary nature of its members, the Board of Directors concluded that each member's involvement, in their field of expertise, led to high quality discussions. As a result, their significant personal contributions, as well as regular attendance, are criteria that ensure the smooth running of the Board and the appropriate membership.

4.2.6.6 Meeting between independent directors

Since 2018, the Company has organized an annual meeting of independent directors. This meeting may be held at any time at the request of the directors concerned.

4.2.6.7 Practices and work of the Committees of the Board of Directors

The Board of Directors' internal rules provide that the Board of Directors may set up one or more permanent or temporary committees to help it accomplish its work and contribute effectively to the preparation of its decisions.

The committees are in charge of examining issues referred to them by the Board of Directors or its Chairman, preparing the Board of Directors' work on these issues, and reporting their findings to the Board of Directors in the form of reports, proposals, communications or recommendations. They can also bring in external consultants when necessary.

The committees act in an advisory capacity. The Board of Directors determines at its own discretion how to follow up on the findings reported by the committees. The directors remain free to vote as they choose and are not bound by the committees' studies, investigations or reports, nor by any recommendations they may issue.

Audit Committee

Breakdown

The Audit Committee has three members appointed by the Board of Directors from among its members who are not members of the Company's Management. It consists of a majority of independent directors.

The Audit Committee, set up in 2002, was composed, on December 31, 2021, of Harold Boël, its Chairman, Agnès Lemarchand, and Philippe Archinard. Harold Boël and Agnès Lemarchand are independent directors within the meaning of the Board of Directors' internal rules. Two-thirds of the committee are therefore independent members.

All of the committee's members have specialized financial or accounting expertise. Agnès Lemarchand, Harold Boël and Philippe Archinard each possess "financial or accounting expertise" as set out in Article L. 823-19 of the French Commercial Code and in the AMF's July 22, 2010 working group report on Audit Committees. They acquired this expertise through their general management experience in major industrial groups (in the case of Agnès Lemarchand and Harold Boël) and in pharmaceutical groups (in the case of Philippe Archinard).

Practices – Missions

The committee meets as often as it deems necessary and at least twice a year, before the review by the Board of Directors of the annual and interim financial statements. The Audit Committee appoints a Chairman from among its members, who may hold a directorship but no management or other position as corporate officer within the Company or the Group. Depending on the points on its agenda, the Audit Committee invites members of the Finance, Legal, Intellectual Property and Compliance departments, Investor Relations or the Statutory Auditors and exceptionally General Management, to its meetings. External experts may be called upon if necessary. In consultation with the Chairman of the Board of Directors, the Audit Committee is provided with all of the resources it considers necessary to properly perform its duties.

Pursuant to the Board of Directors' internal rules, the Audit Committee's duties are to assist the Board of Directors. It is primarily responsible for (i) ensuring the monitoring of the preparation of financial information, (ii) ensuring the effectiveness of internal control and risk management systems as well as the internal audit, (iii) making a recommendation on the Statutory Auditors proposed for appointment by the Annual General Meeting, (iv) monitoring the Statutory Auditors' performance of their duties, (v) monitoring the independence of the Statutory Auditors, (vi) approving the provision of services other than the statutory audit and (vii) reviewing the draft financial press releases in particular relating to the interim financial statements and quarterly sales.

Work

The Audit Committee meets between one and four days before the Board of Directors' meeting held to approve the annual and interim financial statements and prepares a systematic report on its meeting. It met five times in 2021.

The Audit Committee reviewed the annual and interim financial statements, including the notes thereto and the year-end accounting options and off-balance sheet commitments as well as the scope of the consolidated companies. It reviewed the press releases relating to the annual and interim financial statements as well as the quarterly sales. The committee also examined the draft Universal Registration Document. It reviewed the Company's foreign exchange policy and its implementation and also reviewed the budget process. It reviewed the internal audit reports, the results of internal audit missions, and the action plan for the current year. It considered the implementation of the action plan for the Sapin II Law and General Data Protection Regulation. It reviewed the Company's insurance program and updates to the risk map, including financial and non-financial risks and the methodology used. It also reviewed the changes in the information security system implemented. It reviewed current agreements within the framework of the delegation received from the Board of Directors. Finally, the Audit Committee pre-approved the services performed by the Statutory Auditors other than the certification of the financial statements and approved, on a case-by-case basis, specific assignments.

The Statutory Auditors issued a detailed report on their audit engagement relating to the annual and interim financial statements and on auditor independence, and regularly informed the Audit Committee of changes in accounting rules and legal regulations.

The Statutory Auditors also held private discussions with the members of the Audit Committee.

Human Resources and CSR Committee

Breakdown

In 2004, the Board of Directors created the Compensation Committee, which became the Human Resources, Appointment and Compensation Committee in 2010. In 2020, the remit of the Committee was extended and it was renamed the Human Resources and CSR Committee. Pursuant to the Board of Directors' internal rules, this Committee comprises three members appointed by the Board of Directors from among its members. It consists of a majority of independent directors.

As of December 31, 2021, the Human Resources and CSR Committee was composed of Fanny Letier, who chairs the committee, Marie-Hélène Habert-Dassault and Jean-Luc Bélingard. Marie-Hélène Habert-Dassault and Fanny Letier are independent directors within the meaning of the Board of Directors' internal rules. Two-thirds of the Human Resources, Appointment and Compensation Committee are therefore independent members. In addition, the Chairman and Chief Executive Officer is involved in the committee's work on the selection and appointment of directors as well as on the compensation policy applicable to the main non-officer executives.

Practices – Missions

The Human Resources and CSR Committee meets at least once a year. Meetings are called by the Chairman of the Board of Directors.

With respect to appointments, the committee is responsible for making recommendations on the composition of the Board after considering all relevant information prior to making a decision: desirable balance in Board membership to reflect the Company's shareholding structure, identifying and evaluating possible candidates, and renewal or non-renewal of terms of office. In particular, the committee defines and implements the procedure for selecting future independent directors and reviews potential candidates before any action is taken in their regard.

The Committee must establish a succession plan for executive corporate officers to fill any unforeseen vacancy. The Committee reviews the succession plan for all of the Company's key positions on an annual basis; the Chairman and Chief Executive Officer may participate in discussions with the Committee.

With respect to the compensation, the committee is primarily responsible for (i) making recommendations to the Board of Directors concerning fixed and variable compensation, supplementary and specific pension and personal protection plans, benefits in kind and other financial benefits to which the Chairman and Chief Executive Officer and, where applicable, the Chief Operating Officer, may be entitled; (ii) recommending to the Board an overall amount of directors' fees, as well as rules governing the distribution of such fees and the individual amounts payable to each director based on their attendance record at Board meetings and committee meetings; and (iii) where applicable, proposing to the Board of Directors the rules governing the variable portion of corporate officers' compensation and ensuring that these rules are applied. The Human Resources and CSR Committee is also informed of the compensation policy applicable to the main non-corporate officers.

With respect to stock options and free share grants, where appropriate, the committee submits to the Board of Directors its observations regarding the Company's stock option and free share plans proposed by the Chairman and Chief Executive Officer and makes recommendations on the different categories of beneficiaries. The options or free shares granted to corporate officers are examined on a case-by-case basis by the committee.

With respect to CSR, the Committee's task is to ensure that the Company takes CSR issues into account and includes it in its strategy.

Work

The Human Resources and CSR Committee met three times in 2021. The main topics discussed during these meetings were the following: the review of the renewal of the terms of office of two directors and the Founding Chairman, the 2021 compensation policy for corporate officers, namely the Chairman and Chief Executive Officer, the Chief Operating Officer and directors, *ex post* compensation, succession plans for key positions and executive corporate officers, the independence of directors; and the diversity policy of the Board of Directors and the Executive Committee.

In addition, the Committee discussed and approved other topics, such as, when necessary, annual salary negotiations, the compensation policy for members of the Executive Committee and the one applied to all employees in the Group (validation of the variable compensation matrix applicable to employees for the 2021 fiscal year and application of a 150% multiplier to the variable compensation for 2020), the amount of the 2020 profit-sharing, the implementation of free share grant plans, the validation of performance criteria for free shares, the policy implemented for identified talent pools and the Gender Equality Index. The Committee also reviewed the Board of Directors' self-assessment process and examined the CSR strategy.

In 2021, there were no changes to the compensation allocated to directors.

In accordance with its operating rules, the Strategy Committee reports to the Board of Directors regarding the performance of its tasks and will provide any observations it deems useful.

The Strategy Committee

Breakdown

The Strategy Committee, created in 2017, is composed of at least three members appointed by the Board of Directors from among its members. A Chairman ensures the proper operation of the committee.

At December 31, 2021, all of the directors were members of the Strategy Committee: Marie-Paule Kieny, Marie-Hélène Habert-Dassault, Agnès Lemarchand, and Fanny Letier, and Alexandre Mérieux, Philippe Archinard, Harold Boël, Frédéric Besème, and its Chairman, Jean-Luc Bélingard.

Practices – Missions

The Committee meets as often as it deems necessary and at least once a year, when convened by the Chairman. The committee may invite members of the Company's management and may also call upon external experts.

The Strategy Committee's purpose is to discuss the main strategic topics with General Management, particularly changes in the technological, medical and market environments, and to guide the strategic choices of the Company, both in terms of technologies and its business model.

Work

The Committee met twice in 2021, to discuss the Company's strategic plan.

In accordance with its operating rules, the Strategy Committee reports to the Board of Directors regarding the performance of its tasks and provides any observations it deems useful.

4.3 COMPENSATION OF CORPORATE OFFICERS

The information and tables in this chapter were prepared in accordance with Order No. 2019-1234 of November 27, 2019, relative to the compensation of corporate officers of listed companies, supplemented by Decree 2019-1235 of the same date transposing the Shareholders' Rights Directive 2 (SRD 2).

They are also compliant with the AFEP-MEDEF Corporate Governance Code and its user guide, and comply with AMF Recommendation 2012-02 (updated on December 3, 2019), "Corporate Governance and executive compensation in companies referring to the AFEP-MEDEF Code – Consolidated presentation of the recommendations contained in the AMF annual reports" and AMF Recommendation 2021-02 "Guide for the preparation of Universal Registration Documents."

This chapter specifies:

- the policy on the compensation of corporate officers of the Company for the 2022 fiscal year, namely the Chairman and Chief Executive Officer, the Chief Operating Officers, and the directors;
- the fixed, variable and exceptional elements composing the total compensation and benefits of any kind paid during the previous fiscal year or allocated pursuant to the same year to the corporate officers.

It incorporates the provisions of Articles L. 22-10-8, L. 22-10-9 and L. 22-10-34 of the French Commercial Code and is included in the report on Corporate Governance mentioned in Article L. 225-37 of the Commercial Code. These principles were decided by the Board of Directors at its meeting on March 1, 2022, upon the recommendation of the Human Resources and CSR Committee. It will be put to a vote during the Annual General Meeting of May 23, 2022.

It should be noted that the compensation policy for corporate officers (Chairman and Chief Executive Officer, Chief Operating Officer, and members of the Board of Directors) for 2022 described below is subject to an overall vote, which does not prejudice the outcome of individual votes on the manner in which this policy is applied to the Chairman and Chief Executive Officer, the Chief Operating Officer, and members of the Board of Directors.

4.3.1 Compensation policy 2022 – *ex ante* voting

4.3.1.1 General description

Upon a recommendation from the Human Resources and CSR Committee, the Board of Directors proposes a policy on the compensation of corporate officers (the "Policy") that is compliant with the Corporate interest of the Company, which contributes to its sustainability and fits within its commercial strategy.

Thus, the directors' compensation takes into account their actual presence at meetings of the Boards and Committees. This is because the variable portion linked to the rate of attendance at or participation in the Board of Directors or a Committee outweighs the fixed portion. This compensation encourages directors to invest in the Company's strategy. The compensation package allocated to directors is also reviewed from time to time to take into account changes in the composition of the Board.

In addition, the compensation policy for corporate officers explicitly provides that variable compensation will be linked to the Company's short- and long-term performance. The fixed compensation portion is reviewed only occasionally, to ensure that it is consistent with the Company's performance and developments. The Company is attentive to the adequacy of the terms and conditions of compensation of its employees and those of its corporate officers.

Thus, to define the policy, the Board of Directors takes into account:

- the Company's interest and strategy;
- the performance and development of the Company and the executive, where applicable, on an annual and multi-annual basis;
- the compensation policy for all the Group's senior executives;
- the compensation paid directly by Institut Mérieux, if any;
- analysis of market practices which allow them to compare the level and structure of compensation for corporate officers and executive corporate officers with that in force in other SBF 120 companies of a similar size (compensation level and trends, respective position and weight of each component of compensation) and in international companies operating in similar businesses; and
- if applicable, specific situations that may give rise in exceptional circumstances to extraordinary compensation.

This policy and these elements are analyzed and reviewed every year by the Human Resources and CSR Committee. The Committee makes its recommendations to the Board of Directors, which debates them in meetings, then determines the terms of the Policy. Any proposed modification is examined by the Human Resources and CSR Committee, and then submitted for approval to the Board of Directors. In particular, that the corporate officers not participate in the discussions and evaluation of their performance, and leave the meeting, if applicable, in order to avoid any risk of a conflict of interest.

Except in the case of provisions to the contrary, the Policy is applicable to all corporate officers, whether they are reappointed during the year or newly appointed.

The policy is unchanged compared with the one presented in 2021, which was approved by the Annual General Meeting of May 20, 2021 (see Section 4.3.2.1) with the exception of annual variable compensation.

Finally, the Board of Directors may, exceptionally, deviate from the Policy in the event of a change in the Company's organization or governance.

4.3.1.2 Components of the fixed and variable compensation of corporate officers for the 2022 fiscal year

At the date of publication of this Universal Registration Document, the executive corporate officers are Alexandre Mérieux, Chairman and Chief Executive Officer; and Pierre Boulud, Chief Operating Officer.

The current term of office of the Chairman and Chief Executive Officer is four years, renewable, corresponding to the duration of his term office as director. The term of office of current directors is also four years. The term of office of the Chief Operating Officer is set at three years. All corporate offices may be revoked ad nutum by the Company's shareholders, and also by the Board of Directors. The employment contract of Pierre Boulud, Chief Operating Officer, is an open-ended contract under French law, and provides for a three-month notice period.

4.3.1.2.1 Compensation allocated to directors

Upon a recommendation from the Human Resources and CSR Committee, the Board of Directors proposes to the Annual General Meeting an overall budget for the compensation allocated to directors.

In particular, the maximum amount of compensation allocated to directors will be €500,000 per year, subject to the approval of the 8th resolution that will be presented to the Company's Annual General Meeting on May 23, 2022.

SUMMARY TABLE OF COMPENSATION ASSIGNED TO DIRECTORS

On December 15, 2017, the Board of Directors set the rules on the breakdown of compensation allocated directors. On September 3, 2019, the Board of Directors decided to no longer compensate Directors for their participation on Strategic Committees. These decisions followed the recommendations of the Human Resources and CSR Committee.

Thus, for fiscal year 2022, the compensation allocated to Directors breaks down as follows:

(in euros)	Annual fixed amount[(a)]	Variable amount *(per meeting and per director)*
Board of Directors	5,000	5,000
Audit Committee	2,000	4,000
Human Resources and CSR Committee	2,000	3,000
Strategy Committee		No compensation

(a) Calculated pro rata to the number of months in office of the directors.

In accordance with the AFEP-MEDEF Corporate Governance Code, the variable portion linked to directors' rate of attendance or participation on the Board of Directors or a committee is greater than the fixed portion.

4.3.1.2.2 Compensation of executive corporate officers

General principles

The Human Resources and CSR Committee and the Board of Directors analyze the overall compensation for executive corporate officers by taking into account all of the components:

- fixed portion;
- annual variable portion;
- deferred variable portion;
- multi-annual variable portion;
- if applicable, extraordinary compensation;
- entirely conditional stock option plans and performance shares;
- compensation allocated to directors;
- benefits-in-kind;
- termination benefits; and
- supplementary pensions.

Moreover, the Human Resources and CSR Committee and the Board of Directors have decided:

- that no benefits in connection with a non-compete clause will be paid in the event of departure; and
- that no additional compensation will be paid by a Group subsidiary outside of compensation allocated to directors.

Fixed compensation

Fixed compensation for executive corporate officers is determined by taking into account the level and difficulty of responsibilities, experience in the function and area of the Company's business, seniority in the Group and practices in force in groups or companies of a similar size.

Fixed compensation may only be reviewed at fairly long intervals – in theory every two or three years – excluding the overall pay review for all Company employees and barring exceptional events.

In addition to their functions within the Company, the executive corporate officers can exercise functions within Institut Mérieux, for which they may be paid under the terms of an employment contract or mandate. This compensation is not rebilled to bioMérieux. The compensation paid directly by Institut Mérieux is therefore excluded from the Shareholders' Meeting's vote.

The fixed compensation of the Chairman and Chief Executive Officer was increased to €500,000 gross on April 1, 2020, compared with €450,000 previously. This increase was justified by the implementation of a new organization of the Company, strengthening its client focus around business expertise. His fixed compensation was last increased on June 1, 2018, when it went from €380,000 to €450,000, following his appointment as Chairman and Chief Executive Officer.

The fixed compensation of the Chief Operating Officer is €510,000 since March 1, 2020, of which €450,000 relates to his employment agreement and €60,000 to his service as a corporate officer.

Annual variable compensation

Principle applied in the Company

The principle of variable compensation applicable in the Company is as follows:

- The variable portion is expressed as a percentage of basic pay as of December 31 of the year. This percentage depends on the grade of the employee. It represents a theoretical target for the variable portion in the event that employees achieve 100% of their individual objectives. For the purpose of calculating variable compensation, a maximum achievement rate of 120% is applied. These individual objectives were applicable to all Group employees; the compensation of corporate officers was subject to the same ceilings and mechanisms as for all employees.
- The Company's multiplier ratio (applicable to all French and US employees excluding sales teams, "B200" key positions and executive corporate officers) according to a matrix defined annually (MBO matrix). This matrix presented several levels of revenue growth and contributive operating income, with assumptions below and above the targets announced by the Company at the beginning of the fiscal year. The intersection of each of these variables defined the percentage of the multiplier coefficient applicable to the individual objectives (with a minimum of 70% and a maximum of 150%). This matrix was set annually by the Human Resources and CSR Committee and the Board of Directors.

The Company decided to launch in 2021 a review of the current applicable rules regarding variable compensation. It is examining in particular the opportunity and possibilities of establishing a system to allow the fruits of its growth to be shared with all its employees throughout the world.

Specific application to executive corporate officers

Upon recommendation of the Human Resources and CSR Committee, the Board of Directors has defined a theoretical target for the variable portion for each of the executive corporate officers. The Chairman and Chief Executive Officer receives a target variable portion of 100% of his/her fixed compensation and the Chief Operating Officer receives a target variable portion of 70% of his/her fixed compensation.

The objectives of the corporate officers are then set for the current fiscal year. These objectives take into account the performance criteria selected based on the Company's strategy.

They comprise quantitative and qualitative targets which are reviewed each year and defined according to the strategic priorities set for the Group. They are defined by the Board of Directors and are detailed below for the fiscal year 2022.

Variable compensation is calculated as follows:

Annual base salary as at December 31 (bioMérieux) x theoretical target for the variable component x % of individual objectives achieved x the multiplier coefficient of the Company

The extent to which the objectives have been met ("achievement rate") and the amount of variable compensation will be determined by the Board of Directors based on a recommendation of the Human Resources and CSR Committee during the meeting to be held to approve the financial statements for the fiscal year. The Board of Directors may take into consideration new systems of variable compensation that will be adopted for the 2022 fiscal year and which will be applicable to the executives, corporate officers and employees concerned.

The Chairman and Chief Executive Officer is not present when the Board of Directors discusses his/her performance.

The Company does not foresee any cases in which the variable compensation must be returned.

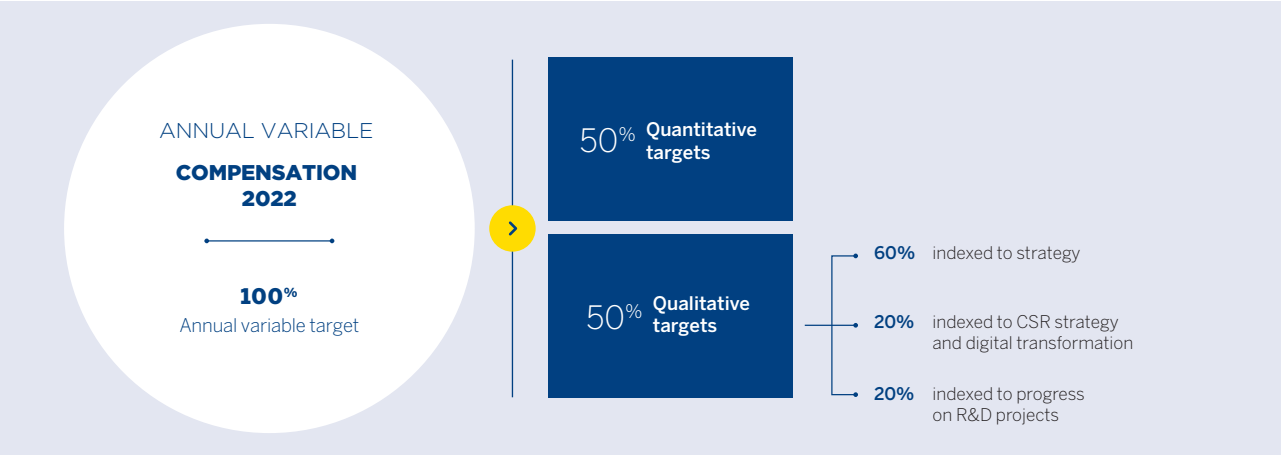
►Chairman and Chief Executive Officer

The annual variable target of the Chairman and Chief Executive Officer is 100% of his fixed compensation in accordance with his corporate office at bioMérieux. He does not receive any variable compensation indexed to his compensation paid by Institut Mérieux.

In 2022, the targets will be as follows:

- the quantitative targets represent 50% of the variable target. They consist of the budgetary objectives communicated by the Company, namely (i) a decline in annual sales of between 7% and 3% at constant exchange rates and on a like-for-like basis, and (ii) contributing current operating income before non-recurring items comprised between €530 million and €610 million;
- the qualitative targets represent 50% of the variable target. They are made of up criteria related to (i) strategy for 60%, taking into account the execution of the Company's roadmap (in particular business development and regional strategy), (ii) the implementation of the CSR strategy and digital transformation for 20%, and (iii) the progress of R&D projects for 20% (execution of the project portfolio).

The Company decided not to disclose the details on some criteria for confidentiality reasons.

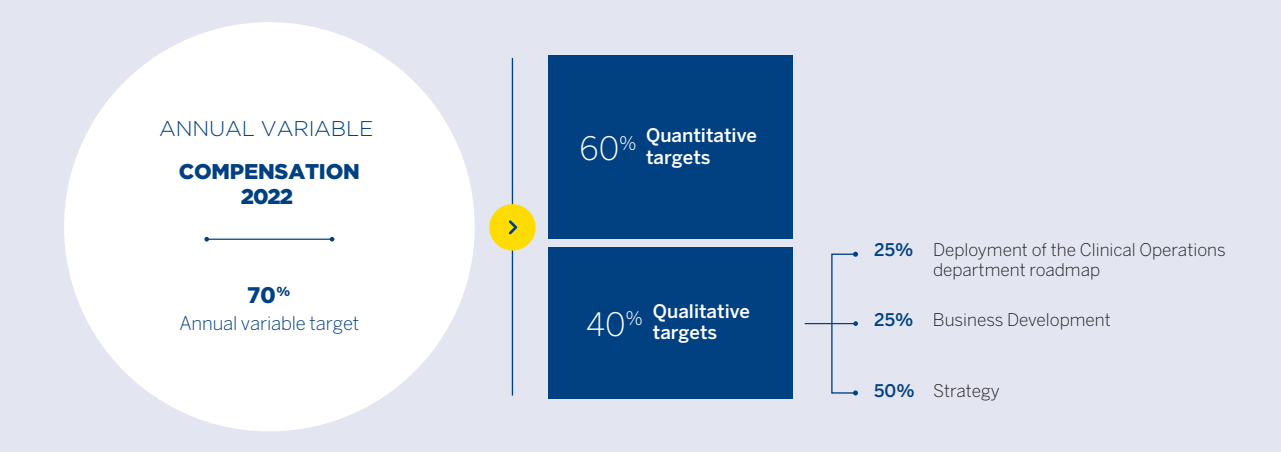


►Chief Operating Officer

The annual variable target for the Chief Operating Officer is 70% of his fixed compensation. In 2022, the targets will be as follows:

- the quantitative targets represent 60% of the variable target. They consist of the financial objectives set by the Company for the Clinical Operations Department, namely (i) annual growth in sales, and (ii) contributory current operating income before non-recurring items;
- the qualitative targets represent 40% of the variable target. They are made up of criteria related to (i) the deployment of the Clinical Operations Division roadmap for 25%, in particular the full-potential program, (ii) business development for 25%, and (iii) strategy for 50%, taking into account the Company's roadmap (in particular regional strategy and product launch).

The Company decided not to disclose the details on some criteria for confidentiality reasons.



Deferred variable compensation

The Board of Directors may decide upon a deferred variable compensation component that is based on qualitative and quantitative criteria and subject to continued employment by the Company. In 2022, no deferred variable compensation will be offered to the Chairman and Chief Executive Officer or to the Chief Operating Officer.

Multi-year variable compensation

Multi-year variable compensation may be granted to executive corporate officers. In 2022, no variable multi-year compensation will be offered to the Chairman and Chief Executive Officer or to the Chief Operating Officer.

Extraordinary compensation

Executive corporate officers may benefit from extraordinary compensation in the event of specific performance or the particularly successful implementation of certain projects by these executives. In 2022, no extraordinary compensation will be offered to the Chairman and Chief Executive Officer or to the Chief Operating Officer.

Stock option plans and performance shares

General principles

The level of shares awarded takes into account all of the elements used to determine the executive corporate officers' compensation as well as the market practices adopted by comparable listed companies.

Generally speaking, the respective proportion of stock options and performance shares awarded varies in line with the grade and performance of the beneficiaries, with the proportion of stock options and performance shares increasing with the beneficiary's degree of responsibility and performance.

Under IFRS 2, the value of any share-based payment award is limited to one year of fixed and target variable compensation, with the target variable corresponding in this case to the compensation due when the beneficiary has an achievement rate of 100%. The total amount of annual awards to corporate officers must not exceed 2.5% of the total compensation pool approved by the Annual General Meeting for stock option and free share grants within the Group, or 5% of the annual total award (calculated where applicable in equivalent stock options for combined stock option and performance share grants).

Balance and proportionality

The conditions for the award and exercise of stock options and for the award and vesting of performance shares for executive corporate officers are contingent on demanding and appropriate internal and/or external performance criteria, which must be met over several consecutive years. The share-based payment plan formally states that executive corporate officers must be employed by the Group at the end of the vesting period in order to exercise their stock options or for their performance shares to vest.

Total stock option and performance share awards represent a low percentage of equity.

Mandatory holding period ("lock-up") for shares awarded by the Company

In accordance with French law and with the AFEP-MEDEF Corporate Governance Code, the Board of Directors sets the number of shares that corporate officers are required to hold:

- for performance shares, executive corporate officers must hold a number of shares equal to 40% of the performance shares, that will ultimately be awarded upon expiry of the vesting period;
- for stock options, executive corporate officers must hold a number of shares resulting from each exercise of options equal to 40% of the theoretical net capital gain (after tax and social security levies) calculated at the option exercise date.

The mandatory holding requirement will cease to apply three years after the award or at the end of the corporate officer's term of office.

Given the restrictive holding requirement set, it was not considered appropriate to require the executive corporate officers to purchase a specific quantity of shares in the Company when their performance shares become available, as recommended by the AFEP-MEDEF Corporate Governance Code.

The executive corporate officers are required to hold their shares in registered form, whether they are subject to the holding requirement or not.

The laws and the Group's internal Code of Conduct aimed at preventing insider trading forbids any sale of the Company's shares for a period of 60 calendar days preceding the date of publication of the Company's annual and interim financial statements (or 21 calendar days preceding the publication of quarterly information). This requirement to refrain from trading in the Company's shares expires one day after the clear publication of privileged information (e.g., in an official press release). During authorized trading periods, the Legal Department should be consulted in the event of any doubt about a possible transaction. In accordance with the AFEP-MEDEF Corporate Governance Code, executive corporate officers may not exercise the stock options allocated to them during these closed periods, even when the exercise of options is not followed by a sale of shares.

The directors' performance share grant plans, like all of those implemented within the Company, expressly state that it is prohibited to corporate officers to perform financial transactions that would have the effect of hedging the risk inherent to these shares. The ban applies for the whole vesting period and, if relevant, any lock-up period.

In 2022, no stock options or performance shares will be granted to the Chairman and Chief Executive Officer. The Chief Operating Officer will benefit from a maximum total number of free share grants representing approximately 125% of his compensation on the grant date.

Supplementary pensions

Supplementary pensions for executives are the same as those for Company managers, *i.e.* a "PER Entreprise" (formerly Article 83) defined contribution plan.

Benefits-in-kind

Executive corporate officers are provided with a company car.

The Chairman and Chief Executive Officer receives a company car provided by Institut Mérieux that is not re-billed to bioMérieux. This item is therefore excluded from the vote of the 2022 Annual General Meeting.

The Chief Operating Officer has the use of a company car.

Termination benefits

The Board of Directors may decide to allocate termination benefits according to market conditions and according to the rules of the AFEP-MEDEF Corporate Governance Code.

The Chairman and Chief Executive Officer and the Chief Operating Officer do not collect termination benefits.

4.3.2 Elements composing the total compensation and benefits of any kind paid during the 2021 fiscal year or allocated pursuant to this year to directors – *ex post* voting

The paragraph below describes all of the compensation paid or allocated to corporate officers by bioMérieux or one of its subsidiaries (the "Scope"), as well as that paid by Institut Mérieux, the parent company of bioMérieux. Within the meaning of Article L. 22-10-9 of the French Commercial Code, only the compensation paid within the Scope is subject to the vote of shareholders. The other compensation is communicated for purposes of transparency.

During I year 2021, the corporate officers were the directors and Alexandre Mérieux, Chairman and Chief Executive Officer, and Pierre Boulud, Chief Operating Officer.

The compensation described below concerns all directors, including, if applicable, those for whom the term of office has ended, and those who are newly appointed during the 2021 fiscal year.

4.3.2.1 General policy and vote by the Annual General Meeting – overall ex post voting

The total compensation for 2021 described below complies with the compensation policy adopted at the Annual General Meeting of May 20, 2021.

It should be noted, however, that the amount of variable compensation for corporate officers in 2020 has been adjusted in the calculation formula as described in Section 4.3.3.

This policy contributes to the Company's performance in the long term by associating a significant portion of the executive corporate officer's variable compensation with priorities such as CSR, R&D, and the completion of major transformations or external growth.

The Annual General Meeting of May 20, 2021 decided on the 2021 compensation policy – *ex ante* voting. The results of the votes are set out in the table below.

Resolutions	Policy put to vote	Percentage of votes for policy
12	Compensation of corporate officers	99.82%
13	Compensation of the Chairman and Chief Executive Officer	91.05%
14	Compensation of the Chief Operating Officer	90.61%
15	Compensation of directors	100%

The Company continues to pay particular attention to any comments from its shareholders, taking them into account where possible, with the aim of continuous development (see Section 7.1). In particular, the Company has provided more details on the description of the performance criteria for the variable compensation of its executive corporate officers.

4.3.2.1.1 Equity ratios

Pursuant to Article L. 22-10-9 of the French Commercial Code, information is presented below on the equity ratios between the level of compensation of executive corporate officers and the average and median compensation of the Company's employees in France.

SUMMARY OF EQUITY RATIOS

SUMMARY OF COMPENSATION USED IN CALCULATING EQUITY RATIOS

	2017	2018	2019	2020	2021
Compensation of Alexandre Mérieux[(a)]	997,800	997,800	1,271,833	1,012,500	1,435,000
Compensation of Pierre Boulud[(b)]	N/A	N/A	N/A	1,658,519	1,932,309
Compensation of Jean-Luc Bélingard[(c)]	3,527,922	N/A	N/A	N/A	N/A

(a) In his capacity as Chief Operating Officer until December 2017, and since December 2017 in his capacity as Chairman and Chief Executive Officer.
(b) Since March 1, 2020 in his capacity as Chief Operating Officer.
(c) In his capacity as Chairman and Chief Executive Officer until December 2017.

	2017	2018	2019	2020	2021
Average employee compensation	50,417	52,721	55,625	55,518	59,667
Median employee compensation	40,277	42,032	44,171	45,612	48,520

The Company presents the information required in the table below in accordance with the AFEP guidelines updated in February 2021.

TABLE OF RATIOS UNDER I-6 AND 7 OF ARTICLE L. 22-10-9 OF THE FRENCH COMMERCIAL CODE (CODE DE COMMERCE)

		2017	2018	2019	2020	2021
Change (as %) of the compensation compared with the previous fiscal year						
Alexandre Mérieux		2%	0%	27%	-20%	42%
Pierre Boulud		N/A	N/A	N/A	N/A	17%
Jean-Luc Bélingard		-39%	N/A	N/A	N/A	N/A
INFORMATION ABOUT THE SCOPE OF THE LISTED COMPANY						
Change (as %) of average employee compensation compared with the previous fiscal year		1%	5%	6%	0.2%	7%
Alexandre Mérieux	Ratio compared with average employee compensation	20	19	23	18	24
	Change in average ratio compared with the previous fiscal year	1%	-4%	21%	-20%	32%
Pierre Boulud	Ratio compared with average employee compensation	N/A	N/A	N/A	30	32
	Change in average ratio compared with the previous fiscal year	N/A	N/A	N/A	N/A	8
Jean-Luc Bélingard	Ratio compared with average employee compensation	70	N/A	N/A	N/A	N/A
	Change in average ratio compared with the previous fiscal year	-40%	N/A	N/A	N/A	N/A
Change (as %) of median employee compensation compared with the previous fiscal year		4%	4%	5%	3%	6%
Alexandre Mérieux	Ratio compared with median employee compensation	25	24	29	22	30
	Change in median ratio compared with the previous fiscal year	-2%	-4%	21%	-23%	33%
Pierre Boulud	Ratio compared with median employee compensation	N/A	N/A	N/A	36	40
	Change in median ratio compared with the previous fiscal year	N/A	N/A	N/A	N/A	10%
Jean-Luc Bélingard	Ratio compared with median employee compensation	88	N/A	N/A	N/A	N/A
	Change in median ratio compared with the previous fiscal year	-42%	N/A	N/A	N/A	N/A
PERFORMANCE OF THE COMPANY						
Revenue (in millions of euros)		2,288	2,421	2,675	3,118	3,376
Change compared with previous fiscal year*		10.2%	9.9%	7.2%	19.7%	10.5%
Contributive operating income before non-recurring items (in millions of euros)		335	361	389	613	801
Change compared with previous fiscal year		12.4%	7.8%	6.9%	57.7%	30.8%

* *at constant exchange rates and on a like-for-like basis*

Methodology for calculation of the ratios

The methodology that the Company applied is based on the AFEP guidelines updated in February 2021.

The ratios are calculated by taking into account the following: Only bioMérieux SA is taken into account. Compensation concerns those paid by bioMérieux SA, excluding compensation and benefits paid by Institut Mérieux, if applicable.

The calculation takes into account 3,581 employees as at December 31, 2021.

The compensation of corporate officers includes the basic salary, bonus and profit-sharing paid during the year, as well as the total number of free shares granted for the year. It excludes benefits in kind, Article 83 contributions and compensation paid by other companies, where applicable. Thus, the total compensation presented in these equity ratios is different from the compensation presented in sections 4.3.2.2, 4.3.2.3 and 4.3.3.

Free shares are valued in accordance with IFRS accounting principles.

The change in the compensation of corporate officers between 2020 and 2021 is mainly due to individual variable compensation (multiplier ratio paid at 100% in 2020 versus 150% in 2021).

Calculation of numerator

- Taking into account the elements **paid** during 2021: fixed part, variable part, extraordinary compensation, exceptional bonuses, directors' compensation and benefits in kind;
- Taking into account elements **allocated** during fiscal year 2021: free share allocation.

Only compensation paid by bioMérieux SA is taken into account (compensation and benefits-in-kind received from Institut Mérieux, if applicable, are not taken into account in calculating compensation).

The compensation of the following persons are taken into account:

- Alexandre Mérieux in his capacity as Chief Operating Officer until December 2017, and since December 2017 in his capacity as Chairman and Chief Executive Officer;
- Jean-Luc Bélingard in his capacity as Chairman and Chief Executive Officer until December 2017;
- Pierre Boulud, since March 1, 2020 only in his capacity as Chief Operating Officer.

Calculation of the denominator

- Taking into account the elements **paid** during 2021: fixed portion, variable portion (bonus in respect of 2020), extraordinary compensation, employee savings (profit-sharing/additional profit-sharing) and benefits-in-kind.
- Taking into account elements **allocated** during fiscal year 2021: free share allocation.

Scope: all employees of bioMérieux on permanent, fixed-term, PhD, and CIFRE fixed-term contracts present over two fiscal years; excluding work-study placements, interns, temporary employees, and expatriates.

4.3.2.1.2 Components of the compensation of directors for the 2021 fiscal year

Upon recommendation from the Human Resources and CSR Committee, the rules on the distribution of compensation allocated to directors, fixed by the Board of Directors on December 15, 2017, were the following:

(in euros)	Annual fixed amount[(a)]	Variable amount *(per meeting and per director)*
Board of Directors	5,000	5,000
Audit Committee	2,000	4,000
Human Resources and CSR Committee	2,000	3,000
Strategy Committee		No compensation

(a) Calculated pro rata to the number of months in office of the directors.

SUMMARY TABLE OF COMPENSATION ASSIGNED TO DIRECTORS

Board members	Compensation paid in 2021 *(in euros)*	Compensation paid in 2020 *(in euros)*
Alexandre Mérieux	35,000	30,000
Philippe Archinard	57,000	56,000
Jean-Luc Bélingard	43,000	41,000
Frédéric Besème	35,000	30,000
Harold Boël	57,000	60,000
Marie-Hélène Habert-Dassault	46,000	41,000
Marie-Paule Kieny	35,000	25,000
Agnès Lemarchand	42,000	47,000
Fanny Letier	41,000	41,000
TOTAL	**391,000**	**371,000**

OTHER COMPENSATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS (TABLE 3)

Jean-Luc Bélingard - director

Jean-Luc Bélingard is a director and Vice-Chairman of Institut Mérieux. As such, he received compensation as director, which was not re-invoiced to bioMérieux. Jean-Luc Bélingard is not an employee of bioMérieux.

(in euros)	Amounts paid for the 2021 fiscal year	Amounts paid for the 2020 fiscal year
Compensation allocated pursuant to appointment as director[(a)]	43,000	41,000
Other compensation[(b)]	25,000	25,000
TOTAL	**68,000**	**66,000**

(a) As a director of bioMérieux.
(b) Compensation paid by Institut Mérieux for his directorship.

Philippe Archinard – director

Philippe Archinard has been Chief Operating Officer of Institut Mérieux since September 15, 2020. He is in charge of technological innovation and scientific partnerships. He was previously the director of the Immunotherapy Division of Institut Mérieux. His compensation for his functions within Institut Mérieux is partly re-billed to bioMérieux, under the service provision agreement between the two companies. Philippe Archinard is not an employee of bioMérieux, and the re-billing does not contravene the rules on having employment contract and holding corporate office. The re-billed services are not related to the corporate mandate of Philippe Archinard within bioMérieux. Part of Philippe Archinard's compensation is paid directly by Transgene, of which he was Chairman and Chief Executive Officer until December 31, 2020. He remains a member of Transgene's Board of Directors.

His gross variable compensation is based on his individual performance assessed against objectives set at the beginning of the year and is paid in the following year.

(in euros)	Amounts paid for the 2021 fiscal year	Amounts paid for the 2020 fiscal year
Compensation allocated pursuant to appointment as director[(a)]	57,000	56,000
Other compensation[(b)]	1,041,720	285,789
TOTAL	**1,098,720**	**341,789**

(a) As a director of bioMérieux. No compensation is paid to Philippe Archinard for his directorship within Institut Mérieux.
(b) Compensation paid by Institut Mérieux:
- *in 2021, €539,999.98 in fixed compensation, €486,000 in variable compensation, €8,316 in benefits-in-kind, and €7,404.36 for the "PER Entreprise" (formerly Article 83);*
- *in 2020, €139,961 in fixed compensation, €135,000, in variable compensation, €7,776 in benefits-in-kind, and €3,052 for the "PER Entreprise" (formerly Article 83).*

Frédéric Besème - director representing employees

Frédéric Besème is CSR Manager at bioMérieux.

(in euros)	Amounts paid for the 2021 fiscal year	Amounts paid for the 2020 fiscal year
Compensation allocated pursuant to appointment as director[(a)]	35,000	30,000
Other compensation[(b)]	89,677	87,653
TOTAL	**124,677**	**117,653**

(a) As a director of bioMérieux.
(b) Compensation paid by bioMérieux in respect of his employment contract:
- *in 2021, €78,040 in fixed compensation, €8,028 in variable compensation, and €3,608.61 for the "PER Entreprise" (formerly Article 83);*
- *in 2020, €78,040 in fixed compensation, €7,804 in variable compensation, and €1,809 for the "PER Entreprise" (formerly Article 83).*

Other directors

In the 2021 fiscal year, the Company's other directors did not receive any compensation or benefits-in-kind from the Company, companies controlled within the meaning of Article L. 233-16 of the French Commercial Code, or the company that controls the Company in which the director's term of office is served, within the meaning of said Article, except for the above-mentioned compensation allocated to directors.

4.3.2.2 Ex post voting on the compensation for the Chairman and Chief Executive Officer in 2021

SUMMARY TABLE OF COMPENSATION ASSIGNED TO EACH EXECUTIVE CORPORATE OFFICER

Alexandre Mérieux in his role as Chairman and Chief Executive Officer

Components of compensation due or granted in respect of the financial year ended	Amounts or accounting value subject to vote	Presentation
Fixed compensation	**€588,113**	The total fixed compensation for 2021 paid by Institut Mérieux was €88,113 (not subsequently re-billed to bioMérieux) and by bioMérieux was €500,000.
Annual variable compensation for 2021 (payment of which is subject to shareholder approval in 2022)	**€900,000** (180% of fixed compensation)	The Chairman and Chief Executive Officer's variable compensation is reviewed annually by the Board of Directors, without him being present, on the basis of a recommendation from the Human Resources and CSR Committee, and based on his performance. In accordance with the 2021 ex ante voting policy: • the annual variable target of the Chairman and Chief Executive Officer is 100% of his fixed compensation in accordance with his corporate office at bioMérieux; • variable compensation is calculated as follows: *Annual bioMérieux fixed compensation as at December 31 x theoretical target for the variable portion x % individual achievement rate x Company coefficient*. The pre-established **quantitative objectives** account for 50% of his variable compensation and consist of the financial objectives communicated by the Company, namely: • annual growth in sales of 5–8% at constant exchange rates and on a like-for-like basis; • and contributive operating income before non-recurring items at the same level as in 2020. Based on the Company's performance, the Human Resources and CSR Committee considered that the quantitative objective had been largely exceeded. To determine the percentage of achievement of this criterion, it used the result of the MBO 2021 matrix implemented at mid-year. For this purpose, it defined a multiplier ratio of 150% applicable to all eligible employees. Thus, the Board of Directors validated the achievement of the quantitative targets at 150%. The predefined **qualitative targets** are based on the individual performance of Alexandre Mérieux within the Company. They represent a 50% share of his annual variable compensation. In particular, three criteria were adopted by the Board of Directors in 2021: (i) strategy for 60%, taking into account the execution of the Company's roadmap (in particular completion of the BioFire transition project, strategic programs for clinical and industrial operations), (ii) improvement in CSR indicators for 15% (implementation of the roadmap presented to the Board of Directors in December 2020, including in particular the deployment of the new CSR ambition), and (iii) progress on R&D projects for 25% (execution of the project portfolio). The Company had decided not to disclose the details on some criteria for confidentiality reasons. At its meeting of March 1, 2022, the Board of Directors, on the recommendation of the Human Resources and CSR Committee, considered that these targets were 120% met, due in particular to: • **Strategy.** This target has been 120% met, due in particular to the entering into the SPECIFIC REVEAL® co-exclusive distribution agreement in Europe and the acquisition of Banyan Biomarkers; • **CSR.** This target has been 120% met, due in particular to (i) obtaining or renewing several certifications and indices (such as entering in the Dow Jones Sustainability Indices [DJSI] and the SBTi approving the Company's roadmap), (ii) defining indicators and CSR objectives for 2025 and 2030, and (iii) the CSR performance in 2021; • **Progress on R&D projects.** This target has been 120% met, due in particular to new products being launched (such as EPISEQ SARS-COV-2®, VITEK MS Prime®, TB IGRA® tests and Dengue sur VIDAS®) and (ii) benchmarks successfully being met on major ongoing R&D projects. All variable compensation for a given year is paid during the following year by bioMérieux. The amount of variable compensation awarded to Alexandre Mérieux in 2022 for fiscal year 2021 in respect of his duties as Chairman and Chief Executive Officer was set at €900,000 (representing 180% of his fixed annual compensation in respect of his duties within bioMérieux), calculated according to the formula shown above : €500,000 x 100% (theoretical target for the variable portion) x 120% (% individual achievement rate) x 150% (Company coefficient).
Deferred variable compensation	N/A	Alexandre Mérieux does not receive any deferred variable compensation.

Components of compensation due or granted in respect of the financial year ended	Amounts or accounting value subject to vote	Presentation
Multi-year variable compensation	N/A	Alexandre Mérieux does not receive any multi-year variable compensation.
Extraordinary compensation	N/A	Alexandre Mérieux does not receive any extraordinary compensation.
Stock options, performance shares and other long-term compensation	N/A	No stock options were granted during the 2021 fiscal year. Alexandre Mérieux does not receive any performance shares.
Compensation allocated pursuant to appointment as director	**€35,000**	Alexandre Mérieux receives compensation in his capacity as director in accordance with the terms and conditions set by the Board of Directors.
Valuation of benefits	**€5,328**	Alexandre Mérieux has the use of a company car provided by Institut Mérieux.
Termination benefits	N/A	Alexandre Mérieux does not receive any termination benefits.
Benefits in connection with a non-compete clause	N/A	Alexandre Mérieux does not receive any benefits in connection with a non-compete clause.
Supplementary pension plan	**€18,067**	Alexandre Mérieux is eligible for a supplementary pension plan with the following characteristics: defined contribution pension in accordance with PER Enterprise (former Article 83), to which the Company contributes up to salary bracket C on behalf of bioMérieux (€17,400) and Institut Mérieux (€667)

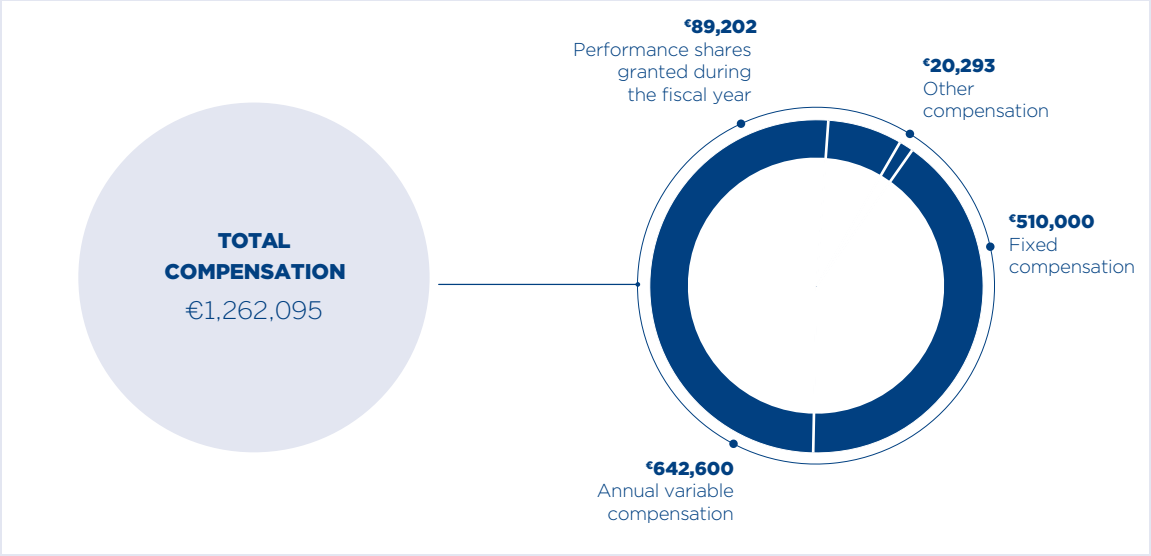
4.3.2.3 *Ex post* vote on the compensation for the Chief Operating Officer in 2021

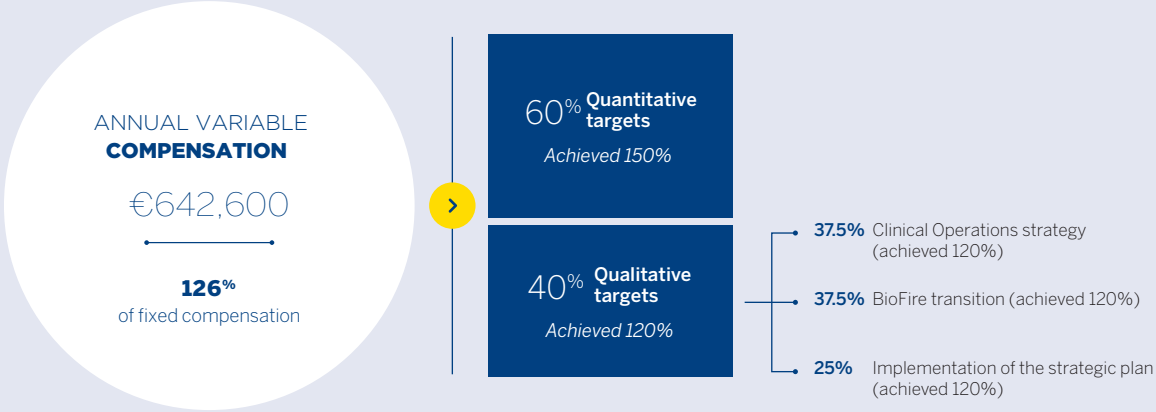
SUMMARY TABLE OF COMPENSATION ASSIGNED TO EACH EXECUTIVE CORPORATE OFFICER

Pierre Boulud in his capacity as Chief Operating Officer

Components of compensation due or granted in respect of the financial year ended	Amounts or accounting value subject to vote	Presentation
Fixed compensation	**€510,000**	Compensation for 2021 is broken down as follows: €450,000 in respect of his employment contract and €60,000 for his service as a corporate office.
Annual variable compensation for 2021 (payment of which is subject to shareholder approval in 2022)	**€642,600** (126% of fixed compensation)	The Chief Operating Officer's variable compensation is reviewed annually by the Board of Directors, on the basis of a recommendation from the Human Resources and CSR Committee, and based on his performance. In accordance with the 2021 ex ante voting policy: • the annual variable target for the Chief Operating Officer is 70% of his fixed compensation; • variable compensation is calculated as follows: *Annual fixed compensation as at December 31 (bioMérieux) x theoretical target for the variable portion x % individual achievement rate x Company coefficient.* The **quantitative targets represent 60% of the variable target.** They consist of the financial objectives set by the Company for the Clinical Operations Department, namely (i) annual growth in sales, and (ii) contributory current operating income before non-recurring items. Based on the Company's performance, the Human Resources and CSR Committee considered that the quantitative objective had been largely exceeded. To determine the percentage of achievement of this criterion, it used the result of the MBO 2021 matrix implemented at mid-year. For this purpose, it defined a multiplier ratio of 150% applicable to all eligible employees. Thus, the Board of Directors validated the achievement of the quantitative targets at 150%. The **qualitative targets** represent 40% of the variable target. They consist of criteria related to (i) the deployment of the strategy of the Clinical Operations Department for 37.5% (a full-potential program specifically characterized by the implementation of the five key initiatives and coordination of interactions between the global and local teams), (ii) the finalization of the BioFire transition project for 37.5% (monitoring of deployment, internal communication, identification and management of project risks), and (iii) the completion of the strategic plan for 25%. The Company had decided not to disclose the details on some criteria for confidentiality reasons. The Board meeting held in March 1, 2022, on the recommendation of the Human Resources and CSR Committee, considered that these targets were 120% met, due in particular to: • **Clinical Operations strategy.** This target was 120% met, thanks to the successfully led initiatives carried out as part of the Full Potential program). • **BioFire transition.** This target was 120% met, thanks in particular to (i) the establishment of a new common organization for all departments, (ii) the deployment of aligned processes and tools and (iii) the finalization of the project in December 2021. • **Implementation of the strategic plan.** This target was 120% met, thanks in particular to the entering into the SPECIFIC REVEAL® co-exclusive distribution agreement in Europe and the acquisition of Banyan Biomarkers. All variable compensation for a given year is paid during the following year by bioMérieux. The amount of variable compensation awarded to Pierre Boulud for fiscal year 2021 in respect of his duties as Chief Operating Officer was set at €642,600 (representing 126% of his fixed annual compensation in respect of his duties within bioMérieux), calculated according to the formula recalled earlier : €510,000 x 70% (theoretical target for the variable portion) x 120% (% individual achievement rate) x 150% (Company coefficient).
Deferred variable compensation	N/A	Pierre Boulud does not receive any deferred variable compensation.
Multi-year variable compensation	N/A	Pierre Boulud does not receive any multi-year variable compensation.
Extraordinary compensation	N/A	Pierre Boulud does not receive any extraordinary compensation.

Components of compensation due or granted in respect of the financial year ended	Amounts or accounting value subject to vote	Presentation
Stock options, performance shares and other long-term compensation	**€89,202**	Pierre Boulud was granted performance shares of 7,625 securities at August 31, 2021 valued under the IFRS 2 accounting method (value of the security €105).
Compensation allocated pursuant to appointment as director	N/A	Pierre Boulud is not a director of the Company.
Valuation of benefits	**€1,782**	Pierre Boulud is provided with a company car.
Termination benefits	N/A	Pierre Boulud does not receive any termination benefits.
Benefits in connection with a non-compete clause	N/A	Pierre Boulud does not receive any benefits in connection with a non-compete clause.
Supplementary pension plan	**€18,511**	Pierre Boulud is eligible for a supplementary pension plan with the following characteristics: defined contribution pension plan under the PER Enterprises (former Article 83), to which the Company contributes up to salary bracket C.





4.3.2.4 Commitments made in favor of corporate officers

In 2021, the Company made no other commitments whatsoever to its corporate officers regarding compensation, indemnities or benefits due or likely to be due in connection with their appointment, termination or change of office or subsequent thereto.

4.3.3 Other information on the compensation of executive corporate officers

The information below corresponds to the information on compensation of executive corporate officers that appears in the AMF recommendation that had not already been provided above.

SUMMARY OF COMPENSATION, STOCK OPTIONS AND SHARE GRANTS (TABLE 1)

Alexandre Mérieux, Chairman and Chief Executive Officer

(in euros)	2021	2020
Compensation allocated for the fiscal year*	1,528,441	1,509,394
Value of stock options granted during the fiscal year	0	0
Value of performance shares granted during the fiscal year	0	0
Value of the other long-term compensation plans	0	0
TOTAL	**1,528,441**	**1,509,394**

* *Compensation due for each fiscal year (fixed compensation paid by bioMérieux SA as well as Institut Mérieux, variable compensation, benefits-in-kind, directors' fees, excluding the amount paid for the supplementary retirement scheme, i.e. a total compensation, including the sum paid to the supplementary retirement scheme, of €1,546,508.*

Pierre Boulud – Chief Operating Officer

(in euros)	2021	2020
Compensation allocated for the fiscal year*	1,154,382	1,088,040
Value of stock options granted during the fiscal year	0	0
Value of performance shares granted during the fiscal year**	89,202	88,784
Value of the other long-term compensation plans	0	0
TOTAL	**1,243,584**	**1,176,824**

* *Compensation due for each fiscal year (fixed compensation paid by bioMérieux SA, variable compensation, benefits-in-kind, directors' fees, excluding the amount paid for the supplementary retirement scheme, i.e. a total compensation, including the sum paid to the supplementary retirement scheme, of €1,262,095.*

** *In 2020, valuation of all historically vested performance shares: €796,875, of which €88,784 in respect of shares vested in 2020. In 2021, valuation of all historically vested performance shares: €800,625, of which €89,902 in respect of shares vested in 2021.*

SUMMARY OF COMPENSATION, STOCK OPTIONS AND SHARE GRANTS (TABLE 2)

Alexandre Mérieux, Chairman and Chief Executive Officer

	Amounts paid for 2021		Amounts paid for 2020	
(in euros)	Allocated	Paid[a]	Allocated	Paid[a]
Fixed compensation (bioMérieux)	500,000	500,000	487,500	487,500
Fixed compensation (Institut Mérieux)	88,113	88,113	86,385	86,385
TOTAL FIXED COMPENSATION	**588,113**	**588,113**	**573,885**	**573,885**
Variable compensation (bioMérieux)[b]	900,000[f]	900,000[c]	877,500[c]	495,000
Variable compensation (Institut Mérieux)	0	0	0	0
Extraordinary compensation	0	0	0	0
TOTAL VARIABLE COMPENSATION	**900,000[f]**	**900,000[c]**	**877,500[c]**	**495,000**
Target variable compensation as a % of total compensation (bioMérieux portion only)[b]	100%	100%	100%	100%
Actual variable compensation as a %[b]	180%	180%	180%	110%
Maximum variable compensation as a %[b]	180%	180%	180%	180%
Compensation allocated pursuant to appointment as director	35,000	35,000	30,000	30,000
Benefits-in-kind[d]	5,328	5,328	5,509	5,509
Total[e]	**1,528,441**	**1,528,441**	**1,486,894**	**1,104,394**
Value of stock options granted during the fiscal year	N/A	N/A	N/A	N/A
Value of performance shares granted during the fiscal year	N/A	N/A	N/A	N/A

(a) Details per relevant fiscal year. Represents the 2020 variable compensation effectively paid in 2021 as well as the 2019 variable compensation effectively paid in 2020.
(b) Variable compensation is calculated based on the salary as at December 31 of the previous year. All percentages are calculated on this basis when they concern amounts payable for the financial year.
(c) The difference between the sum of €877,500 of variable compensation awarded in 2020 and the sum of €900,000 effectively paid in 2021 is due to a correction in the calculation method when it was implemented.
(d) Company car provided by Institut Mérieux.
(e) Does not include the amount paid to the supplementary pension scheme, unlike the amounts listed in Section 4.3.2.2.
(f) Variable compensation attributed in 2021 and paid in 2022.

Pierre Boulud – Chief Operating Officer

	Amounts paid for 2021		Amounts paid for 2020	
(in euros)	Allocated	Paid[a]	Allocated	Paid[a]
Fixed compensation (bioMérieux, including corporate office)	510,000	510,000	497,258	497,258
TOTAL FIXED COMPENSATION	**510,000**	**510,000**	**497,258**	**497,258**
Variable compensation (bioMérieux)[b]	642,000[h]	589,000[c]	574,333[c]	N/A[e]
Extraordinary compensation	0	0	N/A	N/A
TOTAL VARIABLE COMPENSATION	**642,600[h]**	**589,000[c]**	**574,333[c]**	**N/A**
Target variable compensation as a % of total compensation (bioMérieux portion only)[b]	70%	70%	70%	N/A
Actual variable compensation as a %[b]	126%	115.5%	115.5%	N/A
Maximum variable compensation as a %[b]	126%	126%	N/A	N/A
Compensation allocated pursuant to appointment as director	N/A	N/A	N/A	N/A
Benefits-in-kind[d]	1,782	1,782	1,782	1,782
TOTAL[f]	**1,154,382**	**1,100,782**	**1,073,373**	**499,940**
Value of stock options granted during the fiscal year	0	0	N/A	N/A
Value of performance shares granted during the fiscal year[g]	89,202	N/A	88,784	N/A

(a) Breakdown by fiscal year including his compensation paid in 2020, including that received before he became a corporate officer on March 1, 2020.
(b) Variable compensation is calculated based on the salary as at December 31 of the previous year. All percentages are calculated on this basis when they concern amounts payable for the financial year. In 2021, the bonus paid for 2020 was €589,000 despite the allocation of €574,333. This difference is due to a correction in the calculation method.
(c) The difference between the sum of €574,333 of variable compensation awarded in 2020 and the sum of €589,000 effectively paid in 2021 is due to a correction in the calculation method when it was implemented.
(d) Company car.
(e) The Company does not disclose the variable compensation paid in 2020 in respect of the fiscal year 2019 in his capacity as an employee who is not a corporate officer who is not a corporate officer.
(f) Does not include the amount paid to the supplementary pension scheme, unlike the amounts specified in Section 4.3.2.3.
(g) According to the IFRS 2 calculation methodology: in 2020, valuation of all historically vested performance shares: €796,875, of which €88,784 in respect of shares vested in 2020. In 2021, valuation of all historically vested performance shares: €800,625, of which €89,202 in respect of shares vested in 2021.
(h) Variable compensation awarded in 2021 and paid in 2022.

PERFORMANCE SHARES GRANTED DURING THE FISCAL YEAR TO EACH EXECUTIVE CORPORATE OFFICER BY THE ISSUER AND BY ALL GROUP COMPANIES (TABLE 6)

Name	Plan No. and date	Number of shares granted during the year	Valuation of shares according to the method used for the consolidated financial statements[a]	Acquisition date	Availability date	Performance criteria
Pierre Boulud	EC 2021 A&B	7,625	89,202	August 31, 2021	August 31, 2024	Yes[b]
Pierre Boulud	200901 EC	6,375	88,784	September 1, 2020	September 1, 2023	Yes[b]

(a) According to the IFRS 2 calculation methodology: in 2020, valuation of all historically vested performance shares: €796,875, of which €88,784 in respect of shares vested in 2020. In 2021, valuation of all historically vested performance shares: €800,625, of which €89,202 in respect of shares vested in 2021.
(b) The plans provide for differentiated conditions according to Tranche A or Tranche B. The conditions for the allocation of tranche A (60% of the shares) are based on Company performance and the presence of employees. The conditions for the allocation of tranche B (40% of the shares) are based on Company outperformance.

SUMMARY OF THE INFORMATION PRESENTED ABOVE (TABLE 11)

Executive corporate officers	Employment contract[a]		Supplementary pension plan[b]		Indemnities or benefits due or likely to be due as a result of a termination or change of office		Indemnities relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Alexandre Mérieux								
Chairman and Chief Executive Officer		√	√			√		√
First appointment as director: 04/16/2004								
Term expires: at the end of the 2022 AM								
Pierre Boulud								
Chief Operating Officer								
Non-director	√		√			√		√
First term: 03/01/2020								
Term expires: 03/01/2023								

(a) Alexandre Mérieux receives compensation paid by Institut Mérieux which is not re-billed to bioMérieux. He does not have an employment contract with bioMérieux for his compensation as executive corporate officer.

(b) Alexandre Mérieux benefits from a supplementary pension plan as part of his compensation paid by Institut Mérieux. This compensation has the following characteristics: retirement according to PER Entreprises (former Article 83), to which the Company contributes up to salary bracket C. Alexandre Mérieux also benefits from a supplementary pension plan as part of his compensation paid by bioMérieux. Pierre Boulud is eligible for a supplementary pension plan (PER Enterprises - former Article 83), to which the Company contributes up to salary bracket C.

OTHER TABLES REFERRED TO IN AMF RECOMMENDATION NO. 2021-02

The other tables in AMF Recommendation No. 2021-02 are not listed in the table below.

Table 4 (Subscription or purchase options awarded during the year to each executive corporate officer by the issuer and by any Group company), table 5 (Subscription or purchase options exercised during the year by each executive corporate officer), and table 7 (Performance shares that have become available during the year for each executive corporate officer) are not required as no stock options have been granted or exercised by the executive corporate officers and no performance shares were granted or became available during the year.

Table 8 (Past awards of subscription or purchase options) and table 9 (Subscription or purchase options granted to the top 10 grantees other than corporate officers and options exercised by them) are not required as no stock options or performance shares were awarded by the Company to corporate officers/ executive corporate officers.

Table 10 (Past free share grants) is shown in section 7.7.

4.3.4 Loans and securities granted to corporate officers

N/A.

4.3.5 Amounts provisioned or recognized by the Company or its subsidiaries for the payment of pensions, retirement or other benefits

N/A.

4.4 MAIN RELATED-PARTY TRANSACTIONS

4.4.1 Procedures for evaluating current agreements and related-party agreements

Pursuant to Article L. 22-10-12 of the French Commercial Code, the Company has instituted a procedure for evaluating the current agreements and the related-party agreements described in an internal charter.

This charter, approved by the Board of Directors on December 12, 2019, was prepared in concert with Institut Mérieux and the Group's other companies. Its purpose is (i) to define the criteria selected by bioMérieux to qualify an agreement as a related-party agreement to distinguish it from agreements on current operations concluded under normal conditions, (ii) to break down, if appropriate, the authorization procedure required by law, and (iii) to define the internal control methodology for agreements. The charter is established to prevent conflicts of interest and to respect the transparency of any agreements considered related-party agreements.

The Board of Directors has delegated to the Audit Committee the annual review of the charter and current agreements. The Audit Committee will be required to make a report on it to the Board of Directors each year.

This charter is published on the bioMérieux website. It is regularly updated upon recommendation by the Audit Committee.

4.4.2 Description of main related parties

The Company describes the activities of the main entities with which it has entered into agreements below.

Institut Mérieux

Institut Mérieux owns 58.9% of bioMérieux (see sections 1.2.4.1 and 7.4.1).

As at December 31, 2021, Alexandre Mérieux, Chairman and Chief Executive Officer of the Company, is a director and Chief Operating Officer of Institut Mérieux, Philippe Archinard, director, is Chief Operating Officer of Institut Mérieux and Jean-Luc Bélingard, director, is also a director at Institut Mérieux (see Section 4.2.4). They therefore do not take part in the votes of all the agreements with this company.

Institut Mérieux's aim is to fight infectious diseases and cancer, taking a global and long-term view.

Together with its subsidiaries, it develops complementary approaches to address current public health issues: from preventing health risks to developing innovative treatments, as well as the key diagnostics stage.

Institut Mérieux's activities are anchored in a long tradition of entrepreneurship in industrial biology. The Mérieux family's commitment to serving biology goes back to 1897, when Institut Mérieux was created by Marcel Mérieux, a student of Louis Pasteur.

A pioneer in industrial biology, Institut Mérieux defends an entrepreneurship model that gives meaning to performance, with just one purpose: to achieve progress in global public health.

Institut Mérieux focuses its activities on:

- reinvesting in its subsidiaries and minority interests in order to innovate and prepare for the future;
- societal initiatives, in particular supporting the commitment of the Fondations Mérieux, two independent family foundations dedicated to fighting infectious diseases in disadvantaged countries.

Fondation Christophe et Rodolphe Mérieux

Holding one third of share capital, the Fondation Christophe and Rodolphe Mérieux is Institut Mérieux's major shareholder, safeguarding its humanist and long-term vision.

The Fondation Christophe et Rodolphe Mérieux, under the aegis of the Institut de France, is the major shareholder of Institut Mérieux, holding 32% of its shares (see section 1.2.4.1). Its main actions are described in section 3.8.4.2.

As at December 31, 2021, Alexandre Mérieux, Chairman and Chief Executive Officer was a director of Fondation Christophe et Rodolphe Mérieux (see section 4.2.4). He does therefore not take part in the votes of all the agreements with this company.

Fondation Mérieux

The Fondation Mérieux is an independent family foundation recognized as a public utility and created in 1967. It fights against infectious diseases in developing countries. Its main actions are described in section 3.8.4.2.

As at December 31, 2021, Alexandre Mérieux, Chairman and Chief Executive Officer, and Marie-Paule Kieny, director, are directors of the Fondation Mérieux (see Sections 4.2.4 and 4.2.5). They therefore do not take part in the votes of all the agreements with this company.

Mérieux NutriSciences

Mérieux NutriSciences is a company of the Institut Mérieux group (see section 1.2.4.1).

As at December 31, 2021, Alexandre Mérieux, Chairman and Chief Executive Officer, and Harold Boël, director, are Chairman and director respectively of Mérieux NutriSciences Corp. (see section 4.2.4 and section 4.2.5). They therefore do not take part in the votes of all the agreements with this company.

Mérieux NutriSciences provides a wide range of analytical and expert solutions to the food industry throughout its customers' value chain. It offers advice, auditing and training that goes beyond analytical controls. Strengthened by its membership of Institut Mérieux and its Silliker heritage, Mérieux NutriSciences has been recognized for its expertise in food safety for over 50 years. Its scientific expertise and experience in the food sector enable it to provide the best solutions to meet the challenges of food safety, quality and sustainability. Over the years, its expertise has been extended to other sectors whose activities have a daily impact on the health of consumers, such as the water and environmental sectors, agrochemicals, consumer goods, pharmaceuticals and cosmetics.

4.4.3 Service agreements between members of the Board of Directors and the Company or one of its subsidiaries

None of the members of the administrative, management or supervisory bodies has a service agreement with the Company or one of its subsidiaries providing for the payment of benefits. There are service agreements between bioMérieux and certain Group companies that have executive officers in common, as described below.

4.4.4 Description of transactions

The Statutory Auditors' report on related-party agreements for financial year 2020 and the description of transactions with related parties are presented in section 4.4.5 and Section 6.1.2 (Note 30.2) and in section 6.2.2 (Note 21.3) of the 2020 Registration Document filed with the French financial markets authority (Autorité des marchés financiers - AMF) on March 17, 2021.

For 2021, transactions with related parties are described in this document in section 6.1.2 (Note 30.2) and section 6.2.2 (Note 21.3).

In particular, in 2021, the following agreements, outside the scope of the regulated agreements referred to in Articles L. 225-38, continued:

- a consulting and services agreement between Institut Mérieux, which owns 58.9% of bioMérieux SA, and bioMérieux Inc. for an amount of €3.3 million;
- a consulting and services agreement between Institut Mérieux, which owns 58.9% of bioMérieux SA, and BioFire Diagnostic, for an amount of €4.2 million.

The Statutory Auditors' special report on related-party agreements for the fiscal year 2021 is presented below (see Section 4.4.5). One agreement was authorized during the fiscal year, while some others remained in force. The details of these agreements are set out in the table below. The new agreements will be submitted for the approval of the Annual General Meeting of May 23, 2022.

LIST OF AGREEMENTS AUTHORIZED BY THE BOARD OF DIRECTORS IN 2021 AND SUBMITTED FOR THE APPROVAL OF THE ANNUAL GENERAL MEETING OF MAY 23, 2022

Framework sponsorship agreement

Fondation Christophe et Rodolphe Mérieux	Framework agreement signed on December 20, 2021. The annual corporate sponsorship budget was increased, which has remained unchanged since 2017, is €2 million (see Section 3.8.4.1). Motivations of the Board of Directors: This framework sponsorship agreement specifies the new procedure for receiving donations by Institut de France, which houses Fondation Christophe et Rodolphe Mérieux, in accordance with the applicable texts. It is part of the Company's general corporate sponsorship policy and underlines bioMérieux's strong commitment as a responsible company to public health and to the most disadvantaged, through public interest missions. It is driven by the long-term support of Fondation Christophe et Rodolphe Mérieux's humanitarian activities and objectives in the field of public health, which is the area in which the Company operates.

LIST OF AGREEMENTS CONTINUED IN 2021

At its December 2021 meeting, the Board of Directors carried out an annual review of the related-party agreements and confirmed, following discussion, that the previously authorized agreements and addenda still met the criteria on which basis it had granted prior authorization, and that these authorizations therefore remained in force.

Addendum to the agreement for the provision of services

Institut Mérieux	Addendum signed on February 18, 2021; agreement signed initially on April 23, 2015, modified by addendum in 2019. The contract defines the rules for re-billing services to bioMérieux provided by Institut Mérieux in its capacity as the Group's lead holding company. These services consist in (i) recurring assistance missions performed for all companies of the Institut Mérieux group in the administrative and scientific fields and representing the companies in the Institut Mérieux Group, both in France and abroad; and (ii) assignments carried out, on a permanent or more occasional basis, for the sole benefit of bioMérieux. The addendum of 2019 changed (i) the list of services provided, by adding the internal audit (according to the tasks actually carried out on behalf of bioMérieux) and risk and compliance functions, which will be performed by Institut Mérieux, (ii) the rules for re-billing services provided by Institut Mérieux in its capacity as the Group's lead holding company. The margins that apply are modified in accordance with the OECD's rules, by applying an 8% margin to all expenses incurred by Institut Mérieux except for expenses incurred by Institut Mérieux at the request of another entity, for practical and administrative reasons (pass-through costs), which will continue to be billed at cost price, and expenses incurred by Institut Mérieux in order to carry out specific services that are purely administrative, benefit a Group entity, and will be re-billed, applying a 5% margin.

Addendum to the agreement for the provision of services	
Institut Mérieux	It should also be noted that Institut Mérieux wishes to strengthen its Group Audit Department, including internal audit, risk management and compliance activities. This is in order to pursue the objective of consistency in the risk management and safeguarding processes in Institut Mérieux and its controlled companies, in order to meet all the legal and regulatory obligations that are incumbent upon it. This new organization allows bioMérieux to cease the administrative management of the employees on this team, who are henceforth employees of Institut Mérieux and who are billed to bioMérieux for time spent solely on the missions carried out for it. Since 2019, the cost for bioMérieux is equivalent overall, on a like-for-like basis, given the simplification, for bioMérieux, of the management of the employees of this department. This change does not involve any change for the bioMérieux Audit Committee or its engagements. The Audit Committee continues to approve the auditing plan and monitor its implementation, receive audit reports, and generally hear the views of the head of internal auditing, who is invited to every session of the Audit Committee. Since 2019, for the sake of transparency and in order to allow bioMérieux to define its own re-billing rules for its subsidiaries, Institut Mérieux bills bioMérieux for all of the defined services to be paid for by bioMérieux and its subsidiaries, according to the applicable allocation criteria, so that bioMérieux can re-bill its subsidiaries directly, without a mark-up. This new addendum changes the allocation key used only for the re-billing of internal audit services: (i) the costs corresponding to exceptional engagements specific to one of the companies of Institut Mérieux when they exceed a certain materiality threshold will be billed directly to the company concerned, without breaking it down; and (ii) all the other costs corresponding to the other engagements performed by Institut Mérieux for its subsidiaries will be assigned to each company of the Institut Mérieux Group based on two (2) criteria: headcount and number of countries in which the company records more than €2 million of sales. Motivations of the Board of Directors: The agreement was justified in 2015 by the Company's need to benefit from the support of Institut Mérieux, which has staff with high-level skills, particularly in strategy, public relations and human resources, as well as in scientific, industrial, legal and financial matters. In its capacity as lead holding company, Institut Mérieux provides assistance to the Group's companies, thus providing efficiency and coherence that would be difficult to achieve without an entity that coordinates the policies of each Group company including bioMérieux. This is the trade-off for belonging to the Institut Mérieux Group. This new addendum is justified by the commitment to better reflect the internal audit resources and services actually placed at the disposal of bioMérieux and the other companies of the Institut Mérieux Group. In particular, this modification should be reflected in a reduction in internal audit costs for bioMérieux.
Sponsorship agreement and its addendum	
Fondation Mérieux	Agreement signed initially on March 11, 2011, modified by addendum in 2015. The annual budget is voted by the Board of Directors (see section 3.8.4.1). Motivations of the Board of Directors: The addendum to the sponsorship agreement with the Fondation Mérieux is in line with the Company's general sponsorship policy and is driven by the Company's support of the humanitarian activities and goals of the foundations over the long term, in the field of public health, which is its area of operation.
Agreement relating to the management of employee mobility within the Mérieux Group	
Institut Mérieux, Mérieux NutriSciences, Thera, ABL, Transgene, Mérieux Développement, Fondation Mérieux	Agreement signed in 2017. This agreement provides that severance payments for employment contracts and/or the retirement of employees who have worked for Group companies, whose seniority was made retroactive without compensation, be divided equitably between the parties. This division is made prorata based on compensation paid by each Mérieux Group company that benefited from the employees' services, except for compensation that constituted the basis for a previous severance payment. Motivations of the Board of Directors: The Company shares severance payments under its employees' employment contracts among each of the Mérieux Group companies for which such employees also worked, based on common rules and conditions.
Service agreement and its addendum	
Fondation Mérieux	Agreement initially signed on January 1, 2011, and amended in 2015. Motivations of the Board of Directors: The Company places at the disposal of the Fondation Mérieux the skills and resources necessary for meeting some of the Foundation's needs, so that it can carry out its public interest missions, financed by the Company through sponsorship agreements.

4.4.5 Statutory Auditors' special report on related-party agreements

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

At the bioMérieux Annual General Meeting,

In our capacity as Statutory Auditors of bioMérieux, we hereby present our report on regulated agreements to you.

It is our responsibility to report to you, based on the information provided to us, the principal features, terms and conditions of the agreements and commitments that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements or commitments. Under Article R. 225-31 of the French Commercial Code, it is your responsibility to determine whether the agreements are appropriate and should be approved.

Where applicable, it is our responsibility to provide you with the information required by Article R. 225-31 of the French Commercial Code in relation to the implementation during the previous financial year of agreements already approved by the Annual General Meeting.

We have performed the procedures that we deemed necessary in accordance with the professional standards of the Compagnie Nationale des Commissaires aux Comptes (CNCC) relating to this engagement. These procedures consisted of verifying that the information provided to us is consistent with the underlying documents.

Agreements submitted for the approval of the Annual General Meeting

Pursuant to Article L. 225-40 of the French Commercial Code, we have been advised of the following agreement entered into during the previous fiscal year that was subject to the prior authorization of your Board of Directors.

With the Fondation Christophe et Rodolphe Mérieux

People concerned

Alexandre Mérieux, Chairman and Chief Executive Officer.

Nature and purpose

At its meeting of December 16, 2021, the Board of Directors authorized the amendment of the sponsorship agreement with Fondation Christophe et Rodolphe Mérieux, under which your company provides financial support to the foundation.

Your Company makes donations to the Fondation Christophe and Rodolphe Mérieux as part of its corporate sponsorship strategy.

Terms and conditions

Your company's annual contribution pursuant to this agreement remains unchanged compared with the previous agreement, and amounts to €2,000,000. Sponsorship with Fondation Christophe et Rodolphe Mérieux had been increased in 2017 from €1,325,000 to €2,000,000. The total amount of these donations is determined and voted on each year by the Board of Directors, and your company's Board of Directors confirms the contribution for the following year in December.

In the year ended December 31, 2021, your Company reported total liabilities of €2,000,000 in relation to donations to the Fondation Christophe and Rodolphe Mérieux.

Grounds justifying the interest of the agreement for the company

Your Board of Directors has given the following reasons for this agreement: This sponsorship agreement is driven by the long-term support of Fondation Christophe et Rodolphe Mérieux's humanitarian activities and objectives in the field of public health, the area in which your company operates.

Agreements already approved by the Annual General Meeting

Agreements approved during previous fiscal years

a) which remained in place during the previous fiscal year

Pursuant to Article R. 225-30 of the French Commercial Code, we were informed of the following agreements approved by the Annual General Meeting in prior years, which remained in place during the previous financial year.

With the Fondation Mérieux

People concerned

Alexandre Mérieux, Chairman and Chief Executive Officer.

1) Addendum to the sponsorship agreement concluded on March 8, 2011

Nature and purpose

Fondation Mérieux's sponsorship agreement concluded on March 8, 2011, was approved by the Board of Directors on December 18, 2014 and took effect on January 1, 2015 for an indefinite period.

Your Company donates cash and assigns some of its employees to initiatives carried out on behalf of the Fondation Mérieux as part of your corporate sponsorship strategy. The total amount represented by these donations and by the employees made available is determined and voted on each year by the Board of Directors.

Terms and conditions

During the fiscal year ended December 31, 2021, your company recorded an expense of a total amount of €739,288 in donations to Fondation Mérieux.

2) Addendum to the service agreement dated January 1, 2011

Nature and purpose

The agreement covering services provided to Fondation Mérieux by your Company, was approved by the Board of Directors on December 18, 2014 and took effect on January 1, 2015 for an indefinite length of time.

Your Company provides the Fondation Mérieux with human resources by assigning some of its employees to carry out Fondation work in biology, and by supplying administrative support and IT staff. These services are compensated in accordance with the regulation applicable to intragroup transfer prices, with an 8% margin added for the reimbursement of service costs, excluding biology services (categorized as research and development under the terms of the regulation on transfer prices), and a 10% margin added for the reimbursement of biology service costs.

Terms and conditions

In the year ended December 31, 2021, your Company reported profits of €6,573.08.

b) not fulfilled during the previous fiscal year

We have also been informed of the following agreement, already approved by the Annual General Meeting in previous years, which was not fulfilled during the previous fiscal year.

With Institut Mérieux, Mérieux NutriSciences, Transgène, ABL, Thera Conseil, Mérieux Développement and Fondation Mérieux, companies belonging to the Mérieux Group

People concerned

Alexandre Mérieux (Chairman and Chief Executive Officer), Harold Boël (independent director), Jean Luc Bélingard and Philippe Archinard (directors).

Nature and purpose

An agreement on managing the mobility of employees within the Mérieux Group, was approved by the Board of Directors on February 28, 2017 and took effect on January 1, 2017 for an indefinite length of time.

Terms and conditions

This agreement provides that severance payments for employment contracts and/or the retirement of employees who have worked for Group companies, whose seniority was made retroactive without compensation, be divided equitably between the parties. This division is prorated according to compensation paid by each Mérieux Group company having benefited from the employees' services, except for compensation that constituted the basis for a previous severance payment.

Agreements approved during the previous fiscal year

We have also been informed of the fulfillment during the previous fiscal year of the following agreement, already approved at the Annual General Meeting of May 20, 2021, by the Statutory Auditors' special report on March 15, 2021.

With Institut Mérieux

People concerned

Alexandre Mérieux (Chairman and Chief Executive Officer) and Jean-Luc Bélingard (director).

Nature and purpose

An addendum to the service agreement provided by Institut Mérieux signed on April 23, 2015 was authorized by the Board of Directors on February 25, 2020 and signed on March 1, 2021.

Terms and conditions

This addendum to the service agreement between your company and its parent company, the purpose of which is to modify the allocation key used only for re-invoicing internal audit services. The contract provides for an allocation key for the current service costs to all companies in the Institut Mérieux Group based on three criteria: payroll, revenue and fixed assets of each company. This allocation key remains applicable except for internal audit services, which will be invoiced as follows under the addendum:

- costs corresponding to specific missions of an exceptional nature to one of the companies in the Institut Mérieux Group, as soon as they exceed a certain materiality threshold, will be invoiced directly to the company concerned, without any breakdown; and
- all the other costs corresponding to the other missions performed by Institut Mérieux for its subsidiaries will be assigned to each company of the Institut Mérieux Group based on two criteria: headcount and number of countries in which the company records more than €2 million of revenue.

An initial addendum had been authorized by the Board of Directors on December 20, 2018, the purpose of which was to amend the list of services rendered and the rules for re-invoicing your company for services rendered by Institut Mérieux in its capacity as the holding company of the Institut Mérieux Group.

Terms and conditions

In the year ended December 31, 2021, your company recorded liabilities of €11,436,772 and earnings of €7,571,890 of which €4,225,123 from BioFire Diagnostics and €3,346,767 from bioMérieux Inc.

Lyon, March 15, 2022

The Statutory Auditors

GRANT THORNTON	ERNST & YOUNG et Autres
French member of Grant Thornton International	
Françoise Mechin	Sylvain Lauria

5.

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5.1 REVIEW OF FINANCIAL POSITION AND RESULTS

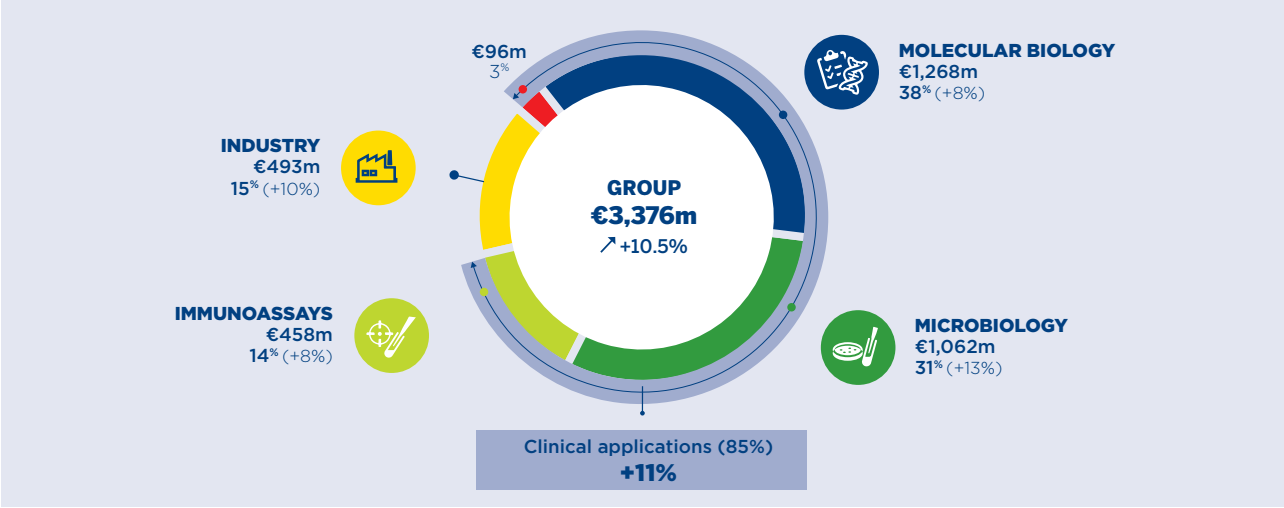
5.1.1 Sales

Sales amounted to €3,376 million in 2021, up 10.5% like-for-like from €3,118 million in the previous year. Reported growth stood at 8.3% for the period. The currency effect reduced reported sales by €69 million, primarily due to the decline in the US dollar and certain Latin American currencies.

Sales growth *(in millions of euros)*

SALES – TWELVE MONTHS ENDED DECEMBER 31, 2020	3,118	
Currency effect	-69	-2.2%
Changes in scope of consolidation	0	0%
Organic growth (at constant exchange rates and scope of consolidation)	+327	+10.5%
SALES – TWELVE MONTHS ENDED DECEMBER 31, 2021	**3,376**	**+8.3%**

The year-on-year change in sales by application is summarized as follows:



- In the clinical applications segment, which accounts for more than 85% of total Group sales, sales grew by more than 10% to nearly €2,884 million:
  - in molecular biology, the BIOFIRE® range recorded growth of close to 14% during the fiscal year, driven by exceptional use of respiratory panels during the COVID-19 pandemic and the commercial development of the other panels. The installed base continued to expand at a sustained pace, and approximately 4,700 units were deployed during the same period, bringing the total BIOFIRE® installed base to approximately 22,000 units, an increase of 27%. The other molecular biology lines, NUCLISENS® and ARGENE®, also used to combat the pandemic, were down versus exceptional levels in 2020,
  - in microbiology, business recovered strongly during the fiscal year, to above the pre-pandemic level. Sales performance was driven by the VITEK® and BACT/ALERT® lines. Both reagent and equipment sales enjoyed double-digit growth,
  - in immunoassays, performance was remarkable during the first three quarters. It was supported by the growth of VIDAS® for SARS-CoV-2 serological tests and high medical value tests, as well as by the resumption of routine testing activity. These results were partially offset by a weaker fourth quarter due to the impact of the *Field Corrective Action*, which has now been resolved and was linked to a quality problem with raw materials, and the decline in PCT testing in the United States;
- Sales generated by industrial applications, which account for nearly 15% of Group sales, totaled €493 million, an increase of more than 10% over the previous year. Growth was robust in reagent sales in both the healthcare and foods segments and particularly strong in instrument sales.

The year-on-year change in sales by geographic region is summarized as follows:

Sales by region *(in millions of euros)*	**12 months ended Dec. 31, 2021**	**12 months ended Dec. 31, 2020**	**% change as reported**	**% change at constant exchange rates and scope of consolidation**
Americas	1,668.7	1,588.9	+5.0%	+8.8%
• North America	1,488.7	1,428.6	+4.2%	+7.7%
• Latin America	180.0	160.3	+12.3%	+19.3%
EMEA[(a)]	1,127.0	1,024.8	+10.0%	+10.5%
Asia Pacific	580.4	504.6	+15.0%	+15.5%
TOTAL SALES	**3,376.2**	**3,118.2**	**8.3%**	**+10.5%**

(a) Europe, Middle East and Africa.

- Sales in the Americas (49% of total Group sales) totaled €1,669 million, a 9% increase year-on-year:
  - in North America (44% of the Group's total sales), growth was driven by the BIOFIRE® molecular biology and the microbiology lines, partially offset by a decline in immunoassays due to lower sales of procalcitonin tests,
  - in Latin America, sales growth was remarkable, marked by a solid increase in sales of the microbiology lines and the VIDAS® line, particularly for tests used to combat COVID-19;
- In the Europe-Middle East-Africa region (33% of total Group sales) sales stood at €1,127 million, up by 11% from the previous year:
  - in Europe (27% of total Group sales), business was robust in most countries, still buoyed by strong demand for the BIOFIRE® line and the microbiology lines. The other molecular biology lines, NUCLISENS® and ARGENE®, stepped back versus exceptional levels in 2020,
  - In the Russia - Middle East - Africa region, sales growth was led by Russia, Turkey and the distributors network, while positive in almost all the territory;
- In Asia Pacific (17% of total Group sales), sales reached €580 million in 2021, up 16% compared to the previous year. Volume continued to be particularly remarkable in Japan thanks to the development of the BIOFIRE® range. Growth was high in India and Southeast Asia. It was adequate in China, although affected by a decline in immunoassays in the last quarter.

5.1.2 Financial position

5.1.2.1 Consolidated income statement

Contributive operating income before non-recurring items

For the twelve months to December 31, 2021, contributive operating income before non-recurring items rose by 31% year-on-year to €801 million, or 23.7% of sales. The reported figure includes an unfavorable currency effect of around €33 million and no scope effect. At constant rates and scope of consolidation, contributive operating income before non-recurring items climbed by around 36% over the year. The impact of expenses recognized in respect of bonus plans in the United States that are indexed to the bioMérieux share price (phantom share plans) totaled €2 million, compared to an expense of €44 million in 2020.

- Gross profit for the year stood at €1,964 million, or 58.2% of sales, up from 56.2% the year before. The increase in gross margin stemmed primarily from the positive impact of changes in the product mix with the strong growth of BIOFIRE® reagents sales and from the increase in volumes.
- Selling and marketing, and general and administrative expenses amounted to €818 million, or 24.2% of sales, compared with 25.3% in 2020. The improvement primarily derived from operating savings, as travel expenses and marketing spend remained low in the continued context of the pandemic.
- R&D expenses stood at €389 million, or 11.5% of sales, compared with €399 million and 12.8% in 2020. The like-for-like decrease of less than 1% reflected the development efforts for COVID-19 tests in 2020 and high phantom share costs in 2020.
- Other operating income amounted to around €45 million for the year, down from €47 million in 2020, due to lower research tax credits.

Non-recurring income and expenses from operations

As a reminder, the Group decided in 2020 to support a variety of solidarity actions, totaling €42 million, which were recognized as non-recurring expenses from operations. The total amount included €22 million in exceptional corporate philanthropy projects and €20 million as initial contribution to the new bioMérieux endowment fund.

Operating income

The depreciation/amortization charged against assets valued at the date of acquisition of BioFire amounted to €17 million in 2021, nearly stable year-on-year. As a result, the Group ended the year with an operating income of €784 million, up 32% on the €595 million reported in 2020.

Net income of consolidated companies

Net financial expense stood at €10 million in 2021, a decrease compared to the €29 million in 2020. The cost of net debt came to €7 million in 2021 versus €25 million in 2020, mainly thanks to debt refinancing in 2020, and other financial income and expenses totaled €2.7 million, compared to €3.5 million in 2020.

The Group's effective tax rate stood at 22.7% on December 31, 2021, versus 23.2% in 2020, explained by the decrease of French corporate income tax rate combined with a steady increase in US-based export revenues.

Net income, Group share reached €601 million in 2021, up 49% from €404 million in 2020.

5.1.2.2 Cash flows

Free cash flow

EBITDA reached €1,032 million in 2021, representing 30.6% of sales, up by 25% compared to €824 million for 2020. This increase reflects the rise in the contributive operating income before non-recurring items.

Income tax paid represented €185 million, an increase from the €116 million paid in 2020, due to higher operating results.

Working capital requirement rose by €38 million in 2021. The change was primarily a result of the following factors:

- inventories rose by €62 million in 2021, in line with activity evolution;
- trade receivables were down by €24 million, in line with improved days sales outstanding;
- trade payables were up by €24 million, due to the increase in activity;
- other working capital requirement items rose by €24 million, led by the reduction of social debts linked to the last payment under the share plan in the United States in 2021.

Capital expenditures represented around 9% of sales or €290 million in 2021, versus €278 million in 2020. Main capital expenditures were related to the construction of an office building in Salt Lake (USA), the capacity increase and automation ramp-up of BIOFIRE® manufacturing, as well as the set-up of two new sites in Suzhou (China).

In light of the above, free cash flow came in at a record level of €541 million in 2021, compared to €328 million in 2020.

Change in net debt

Purchases of non-current financial assets, including minority interests, amounted to €33.5 million in 2021, linked to the acquisition of Banyan and the investment in Specific Diagnostics through a Convertible Promissory Note.

Dividend of €73 million was paid in first-half 2021, amounting to €0.62 per share.

As a result, the company stood with a net cash position of €341 million at the end of 2021, versus a consolidated net debt of €92 million as of December 31, 2020. This cash position included the discounted liability related to leases (IFRS 16) of €96 million.

5.1.3 Other information

Headcount

At December 31, 2021, the Group's total headcount stood at around 13,000 employees, vs. around 12,800 one year earlier.

CE marking of the NEPHROCHECK® test on VIDAS®

On February 3, 2021, bioMérieux announced the CE marking of the innovative NEPHROCHECK® assay to detect kidney stress in patients at risk of acute kidney injury.

BIOFIRE® Respiratory 2.1 (RP2.1) Panel with SARS-CoV-2 obtains De Novo FDA Authorization

On March 18, 2021, bioMérieux announced that BioFire Diagnostics, its subsidiary specialized in molecular syndromic infectious disease testing, has received U.S. Food and Drug Administration (FDA) De Novo authorization for the BIOFIRE® RP2.1. This *De Novo* authorization will be concurrent with the revocation of the U.S. FDA EUA that was obtained on May 1, 2020 for this panel.

CE marking of the TB IGRA® test on VIDAS®

On March 24, 2021, bioMéreux announced the CE marking of its innovative and fully automated test VIDAS® TB IGRA (Interferon-Gamma Release Assay) to diagnose latent TB infection.

CE marking of 3 dengue immunoassays on VIDAS®

On April 7, 2021, bioMérieux announced the CE marking of assays to diagnose dengue infection: VIDAS® DENGUE NS1 Ag, VIDAS® Anti-DENGUE Ig and VIDAS® Anti-DENGUE IgG.

Launch of new MALDI-TOF mass spectrometry identification system: VITEK® MS PRIME

On April 30, 2021, bioMérieux announced the CE marking of VITEK® MS PRIME, the next generation of the VITEK® MS MALDI-TOF mass spectrometry system for routine microbial identification in minutes.

CE marking of new generation semi-quantitative VIDAS® SARS-COV-2 IgG II serology test

On May 7, 2021, bioMérieux announced the CE marking of the new generation of VIDAS® SARS-COV-2 IgG serological test. This test makes possible a semi-quantitative interpretation of antibody levels in individuals who have been exposed to the SARS-CoV-2 virus that causes COVID-19.

Launch of EPISEQ® SARS-COV-2

On June 24, 2021, bioMérieux announced the launch of EPISEQ® SARS-COV-2, a genomic software solution to support microbiology labs in identification and reporting from raw sequencing data related to SARS-CoV-2 variants.

Co-distribution agreement in Europe for the SPECIFIC REVEAL® Rapid AST system

On June 29, 2021, bioMérieux and Specific Diagnostics announced that bioMérieux will distribute Specific Diagnostics' newly introduced REVEAL Rapid AST system in Europe. The REVEAL Rapid AST system provides actionable results for bloodstream infections (in an average of five hours directly from positive blood culture). It thus enables the clinician to quickly adjust the therapy prescribed to the patient, whether by using a more appropriate and lower-cost therapy or life-saving escalation to a more effective drug where a multidrug-resistant (MDR) infection is present.

Acquisition of Banyan Biomarkers

On July 16, 2021, bioMérieux proceeded with the acquisition of 100% of Banyan Biomarkers, an innovative biomarkers company developing blood tests helping in the diagnosis of traumatic brain injuries. Since 2017, bioMérieux has maintained a minority equity participation in Banyan Biomarkers, and with this acquisition, bioMérieux further strengthens its commitment to the development of innovative *in vitro* diagnostic solutions dedicated to the emergency field.

CE marking of the NEPHROCLEAR™ CCL14 test

On October 21, 2021, Baxter and bioMérieux announced the CE marking for this test to predict persistent severe acute kidney injury. This test can be used to support timely clinical decision-making and care pathways. The companies intend to commercially launch the test on bioMérieux's VIDAS platform in Western Europe in 2022.

bioMérieux molecular tests effectively detect the omicron variant of SARS-CoV-2

On December 1, 2021, bioMérieux confirmed that to date its BIOFIRE® and ARGENE® molecular tests amplify and effectively detect SARS-CoV-2 infection with the omicron variant, with no change in performance. This confirmation was made as part of the close monitoring of the emergence of each variant of concern and the in-depth internal analyses in silico performed by the Company.

Corporate Social Responsibility (CSR)

On December 14, 2021, bioMérieux announced that it had recently received a series of official recognitions from independent third parties. These included approval of bioMérieux's greenhouse gas emissions reduction targets by the Science Based Targets initiative (SBTi), inclusion in the Dow Jones Sustainability Index (DJSI) at both World and European levels, and the renewal of its leading position in its sector in the Euronext Vigeo Eiris Index.

European company

The conversion of bioMérieux into a European company and the terms of the proposed conversion were approved by the Annual General Meeting on May 20, 2021 on the recommendation of the Board of Directors.

The Board of Directors wishes to ensure the continuity of bioMérieux's operations and the neutrality of the change of corporate form for the Group's activities. An analysis of the formalities required in certain jurisdictions as a result of its change of corporate form is ongoing. Accordingly, given these circumstances, the Board of Directors has decided to postpone the Company's registration as a European company.

5.2 CAPITAL RESOURCES

5.2.1 Share capital

See the consolidated statement of changes in shareholders equity in Section 6.1.1 and Note 14 in Section 6.1.2.

5.2.2 Source and amount of cash flow

As a result, the net cash position was €341 million at the end of 2021, versus a consolidated net debt of €92 million as of December 31, 2020.

Further information relating to cash flow presented in Section 5.1.2.2.

The consolidated cash flow statement is presented in Section 6.1.1.

5.2.3 Borrowing conditions and financing structure

On June 29, 2020, the Company announced it had issued a €200 Euro PP bond placed with a top-tier European institutional investor. The 2013 bond issue maturing on October 14, 2020 was redeemed for €300 million.

It also has an undrawn €500 million syndicated line of credit expiring on January 26, 2024. Lastly, in 2015, it signed a 12-year leasing agreement in the original amount of €45 million to finance the extension of its site at Marcy l'Étoile. In order to meet the general financing needs of bioMérieux SA and its subsidiaries, the Company has a €500 million NEU CP (Negotiable EUropean Commercial Paper) program as well as a €500 million NEU MTN (Negotiable EUropean Medium Term Note) issue program.

The details and terms and conditions of these financing facilities are provided in Note 16.3 of Section 6.1.2.

5.2.4 Restriction on the use of share capital

See Note 16.6 of Section 6.1.2.

5.2.5 Expected financing sources

Current industrial capital expenditure is generally financed by the Company's equity (see the consolidated statement of cash flows in Section 6.1.1).

5.3 SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION

To the best of the Company's knowledge, no significant change in its financial or trading position has occurred since the end of 2021, with the exception of the information described in Section 5.5 of this Universal Registration Document.

5.4 CAPITAL EXPENDITURES

5.4.1 Main capital expenditure - past

The year 2021 was characterized by the completion of several major projects:

- Salt Lake City (Utah, United States) site: delivery of a new administration building and operationalization of projects to automate production of BIOFIRE® reagents in order to increase capacity.
- Shanghai (China): execution and startup of the project to remodel the production facilities so as to house validation batch manufacturing.
- Saint-Vulbas (France): continuation of the project to expand the capacity of the international logistics distribution center.
- Combourg (France): continuation of the site restructuring project to improve and increase its headcount capacity.

As a result, capital expenditure amounted to €290 million. It therefore represented 9% of sales. As of December 31, 2020, capital expenditure totaled €278 million (including changes in debt on acquisition of fixed assets).

5.4.2 Main capital expenditure - current

In 2022, the Company anticipates an overall investment effort of around 9% of sales for the fiscal year.

The Company continues to develop its production capacity to meet customer demand.

- Salt Lake City (Utah, United States) site: continuation of projects to automate production of BIOFIRE® reagents in order to increase capacity.
- St. Louis (Missouri, United States) site: continuation of plan to automate and increase capacity of production lines for VITEK® 2 cards.
- Durham (North Carolina, USA): launch of a project to restructure and increase production capacity.
- Suzhou (China): the construction project for a new production building is proceeding according to plan.
- Suzhou (China): completion of construction of a new site that will host all the activities of Suzhou Hybiome Biomedical Engineering Co. Ltd.
- Florence (Italy): launch of a new building project as part of the site restructuring work.
- La Balme (France): launch of a new building project to increase the headcount capacity for the R&D teams.

Current capital expenditure is generally financed by the Company's equity (see the consolidated statement of cash flows in Section 6.1.1).

5.4.3 Main capital expenditure - future

In addition to current projects, bioMérieux will continue to adapt and upgrade its production resources.

5.5 OVERVIEW AND CURRENT TRENDS AND OBJECTIVES

5.5.1 Events subsequent to closure

ARPEGE obtained government funding of nearly €9 million to fight antibiotic resistance

On January 6, 2022, the Company announced that this multidisciplinary consortium, of which it is a member, had obtained this financing. This project aims to develop a set of solutions to strengthen the capacity of healthcare institutions to fight antibiotic resistance. The government funding was received under the "PSPC" call for projects, conducted on behalf of the French government by Bpifrance.

5.5.2 Outlook for fiscal year 2022

bioMérieux expects to continue to record a solid growth for Microbiology and Industry sales. In addition, a strong growth of BIOFIRE® non-respiratory panels, supported by the major increase of BIOFIRE® installed base in the last two years, is anticipated. It is assumed that COVID-19 pandemic will become endemic at some point in the year, and therefore that the demand for BIOFIRE® respiratory panels and some COVID-19 related immunoassay tests will slow down. As a consequence, overall Group sales are expected to evolve within a -7% to -3% range at constant exchange rates and scope of consolidation, leading to sales of €3.2 to €3.3 billion in 2022.

In light of this sales evolution, and taking into account a progressive ramp-up of commercial activities to support future growth, bioMérieux expects a 2022 contributive operating income before non-recurring items between €530 and €610 million, at current exchange rates.

6.

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6.1 CONSOLIDATED FINANCIAL STATEMENTS

6.1.1 Consolidated financial statements for the fiscal years ended December 31, 2020 and 2021

Consolidated profit & loss statement

In millions of euros	Notes	12/31/2021	12/31/2020
REVENUE		**3,376.2**	**3,118.2**
Cost of sales		-1,412.5	-1,364.5
GROSS PROFIT		**1,963.8**	**1,753.7**
OTHER OPERATING INCOME AND EXPENSES	19	**44.6**	**46.9**
Selling and marketing expenses		-575.7	-589.3
General and administrative expenses		-242.6	-200.0
Research and development expenses		-389.0	-398.8
TOTAL OPERATING EXPENSES		**-1,207.2**	**-1,188.1**
CONTRIBUTIVE OPERATING INCOME BEFORE NON-RECURRING ITEMS		**801.2**	**612.5**
Depreciation of assets from the BioFire acquisition [(a)]	23	-16.9	-17.5
OPERATING INCOME BEFORE NON-RECURRING ITEMS		**784.3**	**595.1**
Other non-recurring income (expenses)	24	0.0	-42.2
OPERATING INCOME		**784.3**	**552.8**
Cost of net financial debt	22.2	-7.1	-25.0
Other financial income and expenses	22.3	-2.7	-3.5
Income tax	25	-175.6	-121.5
Share in earnings (losses) of equity-accounted companies		-0.7	-0.2
NET INCOME OF CONSOLIDATED COMPANIES		**598.2**	**402.7**
Minority interests		-2.9	-1.7
ATTRIBUTABLE TO OWNERS OF THE PARENT		**601.1**	**404.4**
Basic earnings per share		€5.08	€3.42
Diluted earnings per share		€5.06	€3.41

(a) To make the operating statement clearer and in view of BioFire's size, the depreciation and amortization of the assets acquired and valued in the purchase price allocation are presented on a separate line of operating income before non-recurring items.

Comprehensive income

In millions of euros	Notes	12/31/2021	12/31/2020
Net income of consolidated companies		**598.2**	**402.7**
Items to be reclassified in income		**161.0**	**-155.5**
Fair value gains (losses) on financial hedging instruments	(a)	-2.3	-0.4
Tax effect		0.70	0.21
Movements in cumulative translation adjustments	(b)	162.6	-155.3
Items not to be reclassified to income		**1.8**	**4.3**
Fair value gains (losses) on financial assets	(c)	0.7	-1.0
Tax effect		0.0	0.1
Remeasurement of employee benefits	(d)	1.3	6.5
Tax effect		-0.2	-1.4
TOTAL OTHER COMPREHENSIVE INCOME		**162.8**	**-151.2**
COMPREHENSIVE INCOME		**761.0**	**251.4**
Minority interests		*1.2*	*-2.6*
ATTRIBUTABLE TO OWNERS OF THE PARENT		**759.8**	**254.0**

(a) Change in the effective share of financial hedging instruments.

(b) The change in translation differences in 2021 is mainly related to the depreciation in the euro rate against other currencies and in particular the dollar.

(c) Changes in the fair value of financial instruments concern shares in non-consolidated companies for which the Group has opted for a change in the fair value in other comprehensive income not reclassified in profit and loss (see Note 7).

(d) See Note 15.3.

Consolidated balance sheet

Assets

In millions of euros	Notes	12/31/2021	12/31/2020
Intangible assets	4	411.5	430.7
Goodwill	5	669.5	629.4
Property, plant and equipment	6.1	1,100.8	939.0
Right-of-use assets	6.2	124.0	129.6
Non-current financial assets	7	61.1	50.6
Investments in associates		0.9	0.0
Other non-current assets		12.6	14.3
Deferred tax assets	25.3	29.1	72.6
NON-CURRENT ASSETS		**2,409.6**	**2,266.3**
Inventories and works-in-progress	8	634.6	541.9
Trade receivables and assets related to contracts with customers	9	590.6	597.9
Other operating receivables	11	117.8	82.2
Current tax receivables	11	43.1	42.3
Non-operating receivables	11	9.5	8.0
Cash and cash equivalents	12	803.5	389.2
CURRENT ASSETS		**2,199.2**	**1,661.6**
ASSETS HELD FOR SALE	**13**	**8.0**	**0.0**
TOTAL ASSETS		**4,616.8**	**3,927.8**

Shareholders' equity and liabilities

In millions of euros	Notes	12/31/2021	12/31/2020
Share capital	14	12.0	12.0
Additional paid-in capital and reserves	14	2,510.0	2,014.8
Net income for the year		601.1	404.4
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		**3,123.2**	**2,431.1**
MINORITY INTERESTS		**51.4**	**50.2**
TOTAL EQUITY		**3,174.6**	**2,481.3**
Long-term borrowings and debt	16	362.8	352.4
Deferred tax liabilities	25.3	61.1	105.8
Provisions	15	62.5	64.4
NON-CURRENT LIABILITIES		**486.4**	**522.7**
Short-term borrowings and debt	16	99.7	128.9
Provisions	15	51.5	51.4
Trade payables	17	239.5	207.1
Other operating payables	17	448.4	451.7
Current tax payables	17	67.4	44.3
Non-operating payables	17	49.3	40.5
CURRENT LIABILITIES		**955.8**	**923.8**
LIABILITIES RELATED TO ASSETS HELD FOR SALE	**13**	**0.0**	**0.0**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**4,616.8**	**3,927.8**

Consolidated cash flow statement

In millions of euros	Notes	12/31/2021	12/31/2020
Net income of consolidated companies		**598.2**	**402.7**
• Investments in associates		0.7	0.2
• Cost of net financial debt		7.1	25.0
• Other net financial income and expenses		2.7	3.5
• Income tax expense		175.6	121.5
• Net additions to operational depreciation - non-current provisions		231.0	210.8
• Non-recurring income and expenses, depreciation from the BioFire acquisition		16.9	59.7
EBITDA (before non-recurring items)	**16.1**	**1,032.2**	**823.5**
Other operating non-recurring income (expenses) excluding non-recurring provisions for impairment and capital gains (losses) on disposals of fixed assets		0.0	-42.3
Other financial income and expenses (excluding provisions and disposals of non-current financial assets)		-2.7	-3.6
Net additions to operating provisions for contingencies and losses		-2.3	16.3
Fair value gains (losses) on financial instruments		0.4	0.6
Share-based payment		12.4	9.9
Elimination of other non-cash or non-operating income and expenses		**7.8**	**-19.1**
Change in inventories		-62.4	-82.9
Change in trade receivables		23.6	-80.4
Change in trade payables		24.2	4.7
Change in other operating working capital		-23.5	72.4
Change in operating working capital requirement[(a)]		**-38.1**	**-86.2**
Other non-operating working capital		-1.0	5.0
Change in non-current non-financial assets and liabilities		2.7	0.5
Change in working capital requirement		**-36.4**	**-80.7**
Income tax paid		**-185.4**	**-115.9**
Cost of net financial debt	**22.2**	**-7.1**	**-25.0**
NET CASH FROM OPERATING ACTIVITIES		**811.1**	**582.8**
Purchases of property, plant and equipment and intangible assets		-290.1	-277.5
Proceeds from disposals of property, plant and equipment and intangible assets		20.0	24.7
Proceeds from other non-current financial assets		-0.4	-2.3
FREE CASH FLOW[(B)]		**540.6**	**327.7**
Disbursement/collection related to taking non-controlling interests		-3.3	-6.3
Impact of changes in Group structure		-33.5	-3.8
NET CASH USED IN INVESTING ACTIVITIES		**-307.3**	**-265.2**
Capital increase subscribed by minority interests		0.0	1.6
Purchases and sales of treasury shares		-3.8	-18.4
Dividends paid to owners		-73.1	-22.5
Cash flow from new borrowings		18.2	292.0
Cash flows from loan repayments		-68.3	-426.5
Change in interests without gain or loss of controlling interest		0.0	-2.4
NET CASH USED IN FINANCING ACTIVITIES		**-127.0**	**-176.2**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**376.8**	**141.4**
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**371.3**	**264.0**
Impact of currency changes on net cash and cash equivalents		39.2	-34.1
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		**787.3**	**371.3**

(a) Including allocations (reversals) of short-term provisions.

(b) Free cash flow is defined as the sum of flows related to the activity and those related to investments excluding the impact of changes in the scope of consolidation. It also includes flows on treasury shares and those relative to the cost of debt.

Comments on the changes in the Group's consolidated net cash and cash equivalents are provided in Note 16.

Cash flow changes in fiscal year 2021 were not impacted by transactions related to the public health crisis, particularly transactions such as postponements of payables or rent concessions.

Change in consolidated shareholders' equity

	Attributable to owners of the parent										Minority interests
In millions of euros	Share capital	Additional paid-in capital and consolidated reserves[a]	Cumulative translation adjustments	Changes in fair value[b]	Actuarial gains and losses[c]	Treasury shares	Share-based payment	Total additional paid-in capital and reserves	Net income	Total	Total
SHAREHOLDER'S EQUITY AS AT DECEMBER 31, 2019	**12.0**	**1,933.3**	**14.5**	**30.6**	**-64.9**	**-3.9**	**9.4**	**1,919.1**	**272.8**	**2,203.9**	**50.7**
Total comprehensive income for the period			-154.4	-1.1	5.2			-150.4	404.4	254.0	-2.6
Appropriation of prior-period net income		272.8						272.8	-272.8	0.0	
Dividends paid[d]		-22.5						-22.5		-22.5	
Treasury shares		1.0				-19.2		-18.2		-18.2	
Share-based payment[e]							9.9	9.9		9.9	
Share subscription plans[i]								0.0		0.0	
Changes in ownership interests[f]		2.4						2.4		2.4	2.1
Other changes[g]		17.5		-15.6			-0.4	1.6		1.6	
SHAREHOLDER'S EQUITY AS AT DECEMBER 31, 2020	**12.0**	**2,204.5**	**-140.0**[j]	**13.9**	**-59.7**	**-23.1**	**18.9**	**2,014.7**	**404.4**	**2,431.1**[h]	**50.2**
Total comprehensive income for the period			158.5	-0.9	1.1			158.7	601.1	759.8	1.2
Appropriation of prior-period net income		404.4						404.4	-404.4	0,0	
Dividends paid[d]		-73.1						-73.1		-73.1	
Treasury shares		-13.0				12.8		-0.2		-0.2	
Share-based payment[e]							12.3	12.3		12.3	
Share subscription plans[i]		-6.2						-6.2		-6.2	
Changes in ownership interests[f]								0.0		0.0	
Other changes[g]		25.5		-16.4			-9.7	-0.6		-0.6	
SHAREHOLDER'S EQUITY AS AT DECEMBER 31, 2021	**12.0**	**2,542.2**[h]	**18.5**[j]	**-3.4**	**-58.6**	**-10.3**	**21.5**	**2,510.1**	**601.1**	**3,123.2**[h]	**51.4**

(a) Of which additional paid-in capital: €63.7 million

(b) Including changes in the fair value of Labtech, Dynavax and GNEH shares and hedging instruments. Reclassification of the impairment of Dynavax shares in reserves after their disposal

(c) Actuarial gains and losses on employee benefit obligations arising since the effective date of IAS 19R

(d) Dividends per share: €0.62 in 2021 versus €0.19 in 2020. Shares not qualifying for dividends amounted to 95,843 at December 31, 2021 compared with 214,682 at December 31, 2020

(e) The fair value of benefits related to free share grants is being recognized over the vesting period

(f) The changes in ownership interests attributable to the parent company in 2020 correspond to (i) the change in the put option on the Hybiome minority interests and (ii) the Group's -0.30% dilution on Hybiome

(g) In 2021, this change corresponds to a reclassification following free share grants, the reclassification of the 2019 Quanterix disposal from change in fair value to reserves and the impact of selling Banyan's investment
In 2020, this change corresponds to a reclassification following free share grants and the reclassification of the 2019 Quanterix disposal from change in fair value to reserves

(h) Of which bioMérieux SA distributable reserves, including the net income for the financial year: €1,211.1 million.

(i) Decrease in the fair value of shares locked up as a result of the employee share ownership plan

(j) See Note 14.2 Cumulative translation adjustments

6.1.2 Notes to the Financial Statements

bioMérieux is a leading international diagnostics group that specializes in the field of *in vitro* diagnostics for clinical and industrial applications. The Group designs, develops, manufactures and markets diagnostic systems, i.e. reagents, instruments, and software. bioMérieux is present in more than 160 countries through its locations in 44 countries and a large network of distributors.

The parent company, bioMérieux, is a French joint stock company (société anonyme) whose registered office is located in Marcy-l'Étoile (69280) and whose shares are listed on Euronext Paris, compartment A.

The conversion of bioMérieux into a European company and the terms of the proposed conversion were approved by the Annual General Meeting on May 20, 2021 on the recommendation of the Board of Directors.

The Board of Directors wishes to ensure the continuity of bioMérieux's operations and the neutrality of the change of corporate form for the Group's activities. An analysis of the formalities required in certain jurisdictions as a result of its change of corporate form is currently being carried out. As a result, the Board of Directors has decided to postpone the Company's registration as a European Company.

These consolidated financial statements were approved by the Board of Directors on March 1, 2022.

The financial statements will only be considered definitive after approval by the Annual General Meeting on May 23, 2022.

The consolidated financial statements are presented in millions of euros.

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NOTE 1 CHANGES IN THE SCOPE OF CONSOLIDATION DURING THE FISCAL YEAR AND SIGNIFICANT EVENTS

1.1 Changes in the scope of consolidation

On July 16, 2021 bioMérieux acquired all the shares of Banyan Biomarkers Inc., based in San Diego, California, USA. The company has developed a blood biomarker test for brain injury screenings.

This acquisition of all the equity in Banyan Biomarkers Inc. follows a prior collaboration between the companies that came into being in early 2017 with the signing of a partnership that granted bioMérieux the rights to develop and market Banyan's proprietary markers worldwide for use on its VIDAS® platform in the field of *in vitro* diagnostics. This agreement took form financially as an investment of €7.7 million for 22.62% of the company's equity.

Acquisition of the remaining shares was made for €19.6 million. The purchase price adjustment clauses were considered highly unlikely at the acquisition date.

The subsidiary has been fully consolidated since the date of acquisition of control, resulting in the recognition of a net deferred tax liability of €9.5 million, deferred tax assets of €4.2 million and provisional goodwill of €11.7 million. The last figure mainly reflects the specific synergies expected with the VIDAS® platform.

Since the acquisition date, the company has generated insignificant operating income. As the impact of consolidating Banyan in the financial statements of the Group is not significant, the comparative period has not been restated.

1.2 Significant events of the fiscal year

1.2.1 COVID-19

The Group's international presence and public health mission meant that it continued to be involved in the battle against COVID-19 throughout the fiscal year 2021.

The main impacts related to the COVID-19 crisis in 2021 were as follows:

- the Group recorded an increase in business in the molecular biology respiratory infection diagnostic lines compared with fiscal year 2020, thanks to sustained demand for respiratory panels during the spread of the Delta variant and the anticipated appearance of several other respiratory pathogens;
- the Group experienced additional demand for some of its immunoassay tests used to diagnose and monitor patients with COVID-19;
- the Group resumed growth in all other product lines;
- the Group continued to spend at a much slower rate on commercial activities (conferences, promotion, advertising and marketing) and travel than it did prior to the pandemic;
- as in 2020, variable compensation and certain operating expenses, particularly transport and logistics, remained at high levels.

As stated previously, in fiscal year 2020 the financial impacts of the COVID-19 crisis boosted the Group's contributive operating income before non-recurring items by approximately €174 million. This impact was due to a net increase in volumes, savings in travel expenses and other commercial costs (conventions, promotion and advertising), offset by an increase in variable compensation and certain operating expenses. For fiscal year 2021, it is not possible to estimate with any reliability the effect of these impacts on the Group's financial statements, though it is thought to be generally favorable.

Other information

Just as in fiscal year 2020, the Group experienced no business interruptions or site closures and did not call on any government support.

Likewise, the COVID-19 pandemic has not resulted in any significant deterioration in credit risk or liquidity risk: the Group has not noted any significant deterioration in customer risk, and its financial structure remains solid.

The impairment tests performed at December 31, 2021 revealed impairment losses not directly related to the COVID-19 pandemic, the results of which are detailed in Notes 4.2 and 5.3.

The impairment losses were recognized in recurring operating income.

In accordance with the recommendations of the French Financial Markets Authority (AMF) and French auditing authorities (CNCC), the Group has not shown the COVID-19 impact on specific lines in the main financial statements.

1.2.2 MyShare Global Employee Share Ownership Plan

Over the fiscal year 2021, bioMérieux employees were given the opportunity to acquire existing bioMérieux shares on preferential terms. The launch of this employee ownership plan, called "MyShare", comports with the Group's desire to involve its employees more closely in its performance.

The share offering, authorized by the Board of Directors on December 17, 2020, was proposed to all eligible employees residing in a country that permits such transactions. (See Note 18.4 for details of the plan).

The effect of MyShare corresponds to a €10 million employee costs for fiscal year 2021.

1.2.3 Signing of a distribution agreement under an enhanced partnership with Specific Diagnostics

In 2021 a co-exclusive distribution agreement was signed with Specific Diagnostics covering Europe, where the REVEAL rapid antimicrobial susceptibility testing system has obtained the CE-IVD mark.

Furthermore. bioMérieux invested €15.2 million through convertible bonds in support of commercial activities. In 2019, bioMérieux had participated in a funding round for Specific Diagnostics, along with other investors. After that transaction, bioMérieux holds approximately 7.4% of its equity. The shares remain unconsolidated.

1.3 Summary of significant events in 2020

Apart from the COVID-19 public health crisis, which began in 2020 and whose effects continued into 2021 (see Note 1.2.1), the significant events of fiscal year 2020 were as follows:

- charitable giving in support of social action resulting in €42.2 million in other non-recurring operating income and expenses from operations in fiscal year 2020. These involved (i) €22.2 million in extraordinary corporate giving related to the COVID-19 pandemic and (ii) an initial endowment of €20 million of the bioMérieux endowment fund created in December 2020;
- issuing a €200 million Euro PP bond issue on June 29, 2020, carried at amortized cost using the effective interest rate method;
- the settlement of the defined benefit plan for bioMérieux Inc. employees, which resulted in an expense of $4.9 million (€4.3 million), fully recognized in contributive operating income before non-recurring items in 2020;
- the remaining part of the obligation has been paid directly to plan participants who chose that option. The difference between the amount paid and the remaining obligation at the payment date in accordance with the plan provisions resulted in the recognition of $11.4 million (€9.9 million) of income, fully recognized in other comprehensive income;
- following a number of transactions during the fiscal year on the capital of Suzhou Hybiome Biomedical Engineering Co. Ltd in 2020, the Group's stake was diluted by 0.3%, bringing its interest in Hybiome to 66.7%;
- the minority interests included in the calculation of the debt relative to the put were also diluted, consequently reducing this debt by €5.2 million as an offset to equity attributable to the parent company at the close of fiscal year 2020;
- the consolidation of Lianjian Anhua Biomedical (China) following its acquisition by Suzhou Hybiome Biomedical Engineering Co. Ltd for €4 million, generating goodwill for the Group of €0.3 million in 2020;
- the following subsidiaries were removed from the scope of consolidation due to liquidation or merger: AES Canada Inc. (USA), Yan Set Development (China), ABG Stella Inc. (United States), Bacterial Barcodes Inc. (USA), Hyglos and Hyglos Invest (Germany).

These events had no impact on the 2021 financial statements.

1.4 Information, on a comparable basis, on changes in the scope of consolidation

No information on a comparable basis is given on the profit & loss statement, as the external growth transaction occurring in 2021 did not have any significant impact.

The impact of changes in the scope of consolidation is shown on a separate line of the cash flow statement and tables showing year-on-year changes in the Notes.

NOTE 2 GENERAL ACCOUNTING PRINCIPLES

Standards, amendments and interpretations

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), including all standards, amendments and interpretations adopted by the European Commission at December 31, 2021. The reporting standards can be viewed on the European Commission's website.

The new standards, amendments and interpretations adopted by the European Commission and applicable from January 1, 2021 are presented below:

- amendments to IFRS 4, extension of the temporary exemption from applying IFRS 9;
- amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16, Interest Rate Benchmark Reform - phase 2;
- amendments to IFRS 16 on leasehold agreements applicable to leasehold agreements obtained after June 30, 2021.

These amendments and decisions had no impact on the Group's financial statements at December 31, 2021.

In addition, the rulings issued by IFRIC IC in 2021, and in particular the one as to assigning benefits to periods of service rendered by beneficiaries of post-employment benefit plans, have no impact on the Group's financial statements.

bioMérieux did not opt for the early application of the standards, amendments and interpretations adopted or awaiting adoption by the European Union, which will become effective after December 31, 2021 but which could have been applied early, in particular:

- texts adopted and applicable in advance in 2021 - Mandatory application starting January 1, 2022:
  - Amendments to IAS 16 "Property, plant and equipment - Proceeds before intended use," IAS 37 "Onerous contracts - Cost of Fulfilling a Contract", IFRS 3 "Reference to the conceptual framework",
  - improvements to the following 2018-2020 standards: IAS 41 "Taxation in fair value measurements", IFRS 1 "Subsidiary as a first-time adopter", IFRS 9 "Derecognition of a financial liability: fees and commissions to be included in the 10% test", IFRS 16 "Lease incentives";
- texts not yet adopted, but applicable in advance in 2021 because they interpret texts already adopted - Applicable as of January 1, 2023 or deferred:
  - Amendment to IAS 1 "Presentation of financial statements: classification of liabilities as current or non-current",
  - Amendment to IAS 1 "Disclosure of accounting policies" and updated IFRS Practice Statement 2 "Making Materiality Judgements",
  - Amendment to IAS 8 "Definition of an accounting estimate",
  - Amendment to IFRS 10 and IAS 28.

The standards, amendments and interpretations adopted by the IASB that will enter into force for fiscal years beginning on or after January 1, 2023 and that are pending adoption by the EU, are as follows:

- amendment to IAS 12 "Deferred taxes on assets and liabilities arising from a single transaction";
- IFRS 14 "Regulatory deferral accounts";
- IFRS 17 "Insurance contracts", with amendments.

The Group does not expect these amendments to have a material impact on its consolidated financial statements.

There are no standards, amendments and interpretations published by the IASB, with mandatory application for the fiscal years opened on January 1, 2021, but not yet approved at the European level (and for which early application is not possible on a European level), which would have had a significant impact on the consolidated financial statements.

The financial statements of consolidated Group companies that are prepared in accordance with local accounting principles are restated to comply with the principles used for the consolidated financial statements.

General presentation methods used for the financial statements

The balance sheet is presented based on the distinction between "current" and "non-current" assets and liabilities as defined in the revised version of IAS 1. Consequently, the short-term portion of provisions, borrowings and financial assets (due within one year) is classified as "current" and the long-term portion (due beyond one year) is classified as "non-current."

The consolidated profit & loss statement is presented by function, with the exception of the presentation on a specific line, in the operating income before non-recurring items, of the net impact of the depreciation of assets related to the acquisition of BioFire.

The Group applies the indirect method of presenting cash flows.

Judgments and estimates

When preparing the consolidated financial statements, estimates and assumptions are made that affect the book value of certain assets, liabilities, and profit & loss statement items. They particularly concern the measurement and impairment of intangible assets acquired as part of business combinations and the impairment of intangible assets (including goodwill); the measurement of post-employment benefit obligations; the measurement of non-current financial assets; determination of lease periods; provisions; deferred taxes; share-based payments; as well as disclosures provided in certain notes to the financial statements. These estimates and assumptions are reviewed on a regular basis, taking into consideration past experience and other factors deemed relevant in light of prevailing economic conditions. Changes in those conditions could therefore lead to different estimates being used for the Group's future financial statements.

During the fiscal year, bioMérieux observed no significant change in the level of uncertainty related to these estimates and assumptions, except for the volatile discount rate used to measure employee benefit obligations (see Note 15.3) and assumptions related to translation differences.

The COVID-19 pandemic did not result in significant changes in estimates at December 31, 2021, nor in an increase in the uncertainties related to certain items impacting the financial statements, despite the general uncertainties related to the economic environment.

Following the completion of the "Vision 2020" program, bioMérieux renewed its commitment to environmental responsibility and impact by setting targets for reducing its environmental footprint by 2025 (as indicated in Chapter 2, Note 2.2.2.6 of the 2021 Universal Registration Document). The Group has developed an ambitious action plan to improve its environmental impact, including eco-design, greenhouse gas emissions, resource management and waste management.

At this stage, the Group has not identified any significant effect on the financial statements from current environmental regulations—such as changes in the useful life of non-current assets, changes in business plans, recognition of a provision for risks, or recognition of a credit risk.

2.1 Presentation of the profit & loss statement

The Group's key financial performance indicator is contributive operating income before non-recurring items. It corresponds to recurring income less recurring expenses. Non-current expenses and income are not included. As specified above, the depreciation of assets recognized for the BioFire purchase price allocation are presented on a specific line in current operating income, as in preceding years. Non-recurring income and expenses from operations do not include items related to COVID-19 (see Note 24 for details).

2.2 Consolidation methods

Companies over which bioMérieux has exclusive control are fully consolidated.

The Group determines whether it controls an investee based on the criteria set out in IFRS 10 (direct or indirect power over the investee to direct the financial and operating policies of the relevant activities, exposure to variability of returns and ability to use its power to affect the amount of the returns). Control is generally deemed to exist when the Group directly or indirectly owns more than one half of the voting rights of the investee. In determining whether control exists, the Group considers any currently exercisable potential voting rights, including those held by another entity.

Companies over which bioMérieux exercises significant influence are accounted for by the equity method. Significant influence is the power to participate in the financial and operating policy decisions of an entity, without exercising control. It is deemed to exist when the Group holds between 20% and 50% of the voting rights either directly or indirectly.

The analysis of partnerships made according to the criteria defined by the IFRS 11 standard did not identify any joint ventures or joint operations. Joint ventures are accounted for using the equity method.

Subsidiaries are fully consolidated from the date on which control is effectively transferred to the Group.

The list of consolidated companies is provided in Note 33.

All significant intra-group balances and transactions are eliminated in consolidation (notably dividends and internal gains on inventories and non-current assets).

2.3 Fiscal year closing dates

All Group companies have a December 31 year-end, except for the Indian subsidiaries, for which interim accounts are drawn up and audited at the Group's closing date.

2.4 Foreign currency translation

The reporting currency of bioMérieux is the euro and the consolidated financial statements are presented in millions of euros.

2.4.1 Translation of the financial statements of foreign companies

The financial statements of foreign subsidiaries whose functional currency is not the euro or the currency of a hyper-inflationary economy are converted as follows:

- balance-sheet items (except for equity) are translated using the official year-end exchange rate;
- profit & loss statement items are translated using the average exchange rate for the fiscal year;
- equity items are translated using the historical rate;
- cash flow statement items are translated using the average exchange rate for the year.

Differences resulting from the translation of subsidiaries' financial statements are recognized in a separate heading in the statement of changes in equity ("cumulative translation adjustments") and movements during the year are presented on a separate line within other comprehensive income.

Argentina has been considered as a country subject to hyperinflation since July 1, 2018 with regard to the criteria defined by the IAS 29 standard. Consequently, the Group analyzed the treatment required by the standard, namely the conversion of the 2021 balance sheet and profit & loss statement at closing prices.

As the impact was not material, the Group did not restate the figures for bioMérieux Argentina.

When a foreign subsidiary is sold and the sale leads to a loss of control, translation differences previously recognized in other comprehensive income relating to that company are recognized in net income for the year. If shares in a subsidiary are sold without any loss of control over the subsidiary, the translation differences are reclassified between minority interests and translation differences attributable to the parent company.

No disposal of foreign subsidiaries occurred over the fiscal years presented.

The main conversion rates used were the following:

AVERAGE RATES

1 EURO =	USD	JPY	GBP	CNY	BRL	CAD
2021	**1.18**	**129.87**	**0.86**	**7.63**	**6.38**	**1.48**
2020	1.14	121.83	0.89	7.87	5.89	1.53
2019	1.12	122.00	0.88	7.74	4.41	1.49

YEAR-END RATES

1 EURO =	USD	JPY	GBP	CNY	BRL	CAD
2021	**1.13**	**130.40**	**0.84**	**7.19**	**6.31**	**1.44**
2020	1.23	126.50	0.90	8.02	6.37	1.56
2019	1.12	122.00	0.85	7.82	4.52	1.46

2.4.2 Translation of transactions in foreign currencies

As prescribed by IAS 21 "The Effect of Changes in Foreign Exchange Rates," each Group entity translates foreign currency transactions into its functional currency at the exchange rate prevailing on the transaction date. Exchange rate gains or losses resulting from differences in rates between the transaction date and the payment date are recognized under the corresponding lines in the profit & loss statement (sales and purchases for commercial transactions).

Foreign currency payables and receivables are translated at the year-end exchange rate (December 31, 2021) and the resulting currency translation difference is recognized in the income statement at the end of the reporting period.

Derivatives are recognized and measured in accordance with the general principles described in Note 27.1 "Recognition and measurement of financial instruments." Foreign exchange derivatives are recognized in the balance sheet at their fair value at the end of each reporting period.

NOTE 3 OPERATING INCOME BEFORE NON-RECURRING ITEMS AND SEGMENT INFORMATION

3.1 Recurring income

Revenue is recognized in application of the IFRS 15 standard "Income from contracts with customers."

The COVID-19 crisis has had no impact on revenue recognition procedures in 2021.

3.1.1 Revenue

Revenue is composed of income from the sale of goods and services according to the meaning of IFRS 15 and income from the rental of equipment according to the meaning of IFRS 16.

The principles for revenue recognition defined by IFRS 15 are defined based on an analysis in five successive stages:

- identification of the agreement;
- identification of the different performance obligations, i.e. the list of separate goods and services that the seller has undertaken to provide to the buyer;
- determination of the overall price of the agreement;
- allocation of the overall price of each performance obligation;
- recognition of revenue when a performance obligation is satisfied.

In practice, the rules for revenue recognition according to the main performance obligations identified are presented below:

- Sales of reagents:

  Revenue from the sales of reagents is recognized when the Company has transferred control of assets which, in practice, corresponds to the date of dispatch.

- Sales of equipment:

  Revenue from sales of equipment is recognized when the Company has transferred control of the assets which, in practice, corresponds to the date of delivery or installation, depending on the complexity of the equipment.

- Equipment rental:

  Revenue composed of income from equipment rental and leasing agreements according to the meaning of IFRS 16 is recognized as revenue in a straight-line manner over the term of the agreement, for the discounted value at the date of establishment of the contract.

  The contracts have an average term between three and five years.

- Finance leases:

  When the Group leases assets to third parties on terms equivalent to a sale, the assets are recorded as though they had been sold, as prescribed by IFRS 16 "Leases" (see Note 6.3).

- Contracts for the provision of equipment:

  Contracts for the provision of equipment are related to other services (supply of reagents, maintenance services, guarantee extensions). They are considered as multiple-element contracts.

  The analysis of the criteria defined by the standard led to contracts for the provision of equipment being considered as rental agreements, not transfer contracts.

  The application of the standard led to the statement in the notes to the consolidated financial statements of a breakdown of revenue based on the various components of a multiple-element arrangement (reagent sales, implicit rent, etc.), without having to change the amount of revenue.

- Service agreements:

  The services essentially correspond to training, after-sales service and maintenance. Training and after-sales services are recognized in revenue when the services are provided. The analysis performed according to the IFRS 15 standard led to maintenance services being recognized linearly over the term of the maintenance agreement, without change in relation to the previous treatment. Deferred income is recognized when the maintenance services are invoiced in advance.

- Guarantees:

  The majority of contracts including an item of equipment always include a guarantee. The customer does not have the option to purchase the guarantee, so it is not a guarantee providing a service, but an insurance policy and not an obligation to provide a separate service. It is recognized according to IAS 37 "Provisions, contingent liabilities and contingent assets" (see Note 15.2).

  Guarantee extension contracts may be purchased by the customer, and they do provide an additional service. This service fulfills the criteria to be considered as a separate performance obligation. The performance obligation is recognized as such in accordance with the provisions of IFRS 15.

- Returns:

  There are no specific obligations in terms of returns when the products sold are not defective.

- Payment conditions:

  Operations related to sales of reagents and sales of equipment are paid for under the conditions defined in the contract, which may vary from one country to another. Payment deadlines are usually between two and three months.

  Customer contracts which have a financing component are operating leases, leasing agreements and the provision of equipment. In these cases, the payments are made according to the payment schedule defined contractually.

  Payment conditions have not been changed with the COVID-19 crisis.

The procedures for the recognition of revenue do not require significant judgments.

Also, the analysis carried out by the Group did not identify any assets in relation to marginal costs of obtaining the contract or contract performance costs, nor specific points pursuant to the distinction between agent and principal.

The Group acts as principal in its relationships with customers.

The table below presents the breakdown of revenue according to the different revenue categories, in accordance with IFRS 15.

In millions of euros	12/31/2021	12/31/2020
Sales of equipment	296.3	313.2
Sales of reagents	2,794.6	2,548.5
Sales of services	196.3	178.2
Equipment rentals[(a)]	51.1	50.5
Other revenue	37.9	27.7
REVENUE	**3,376.2**	**3,118.2**

(a) Equipment leasing includes rent and the share of revenue due to the sale of the reagents reclassified as rent for equipment provision contracts (see above).

Revenue is measured at the fair value of the consideration received or receivable, net of any discounts and rebates granted to customers. Sales taxes and value-added taxes are not included in revenue.

The segment breakdown of revenue is given in Notes 3.4 and 3.5. The breakdown by technology is given in Note 3.6. The analysis performed according to IFRS 15 did not lead to presenting other breakdowns of revenue.

3.1.2 Other operating income

Other income primarily consists of license fees and subsidies. The rules on the recognition of other income are presented below:

- other income related to customer contracts: it is composed of reassigned royalties; and the analysis of license contracts according to IFRS 15 led to them being considered as giving a right of access to intellectual property. As the obligation for performance is fulfilled gradually, the revenue is recognized over the term of the agreement;
- other income not related to customer contracts: this primarily corresponds to research subsidies received and research tax credits, considered equivalent to subsidies according to IAS 20 (see Note 19).

3.2 Recurring expenses

Cost of sales includes the following:

- the cost of raw materials consumed, including freight, direct and indirect personnel costs for production personnel, the depreciation of assets used in production, all external expenses related to manufacturing (utilities, maintenance, tools, etc.), as well as indirect expenses (the Group's share of expenses such as Purchasing, Human Resources, and Informatics). Expenses relating to areas such as Quality Control, Production Quality Assurance, Engineering, Business Processes, and Supply Chain are included in production costs;
- amortization/depreciation or impairment losses associated with sales-related intangible technology and IT assets, as well as any immaterial impairment of goodwill For the year 2021, the impact of impairment losses was €26 million;
- royalties paid in relation to marketed products;
- distribution expenses, including shipping and warehousing, as well as the cost of shipping finished products to distribution centers or end customers;
- depreciation of instruments placed with or leased to customers;
- technical Support expenses, including the cost of installing and maintaining instruments placed or sold, irrespective of whether such services are billed separately. Also included under this heading are personnel expenses, travel expenses and the cost of spare parts, as well as movements in provisions for warranties granted at the time instruments are sold.

Operating expenses

Selling and marketing expenses include expenses incurred by the Strategy, Marketing, Sales and Sales Administration Departments. They also include sales bonuses and commissions paid to employees in the Group's Sales Departments and to independent sales agents. Advertising and promotional costs are also classified as selling and marketing expenses.

General and administrative expenses comprise the cost of General Management and Support services (Human Resources, Legal, Finance), excluding the portion of costs incurred by these departments that is allocated to the other departments that directly use their services.

Research & Development expenses include all costs concerning in-house and outsourced research & development work on new products other than software (design costs) as well as expenses related to Regulatory Affairs, Intellectual Property, Technological Monitoring, and Research & Development Quality Assurance. Subsidies received in connection with research programs are shown in other operating income (see Note 3.1.2).

Royalty payments (fixed or proportional) are included in the cost of sales of the corresponding products. If no product is marketed or marketable in the short term, these payments are classified as research & development expenses.

Other information relating to recurring expenses

Variable compensation (performance-related bonuses, commissions, discretionary and non-discretionary profit-sharing) as well as share-based payments are included in the personnel expenses of the departments concerned.

In the context of long-term employee benefits, current service costs and the interest cost net of the return on plan assets are recognized within operating income before non-recurring items.

The C.V.A.E. or Corporate value-added tax (*Cotisation sur la Valeur Ajoutée des Entreprises*) and the C.F.E. (*Cotisation Foncière des Entreprises*) are classified under operating expenses given that the added value generated by the Group's French operations significantly exceeds their taxable income.

Foreign exchange gains and losses related to transactions are included in the profit & loss statement lines corresponding to the category of the transaction concerned (primarily revenue, cost of sales, and financial expenses). The presentation of foreign exchange gains and losses related to derivative instruments is given in Note 28.

3.3 Contributive operating income before non-recurring items and operating income before non-recurring items

The Group uses contributive operating income before non-recurring items as one of its key financial performance indicators. It corresponds to recurring income less recurring expenses as defined in Notes 3.1 and 3.2. It excludes non-recurring income and expense from operations (as defined in Note 24.1) as well as depreciation or amortization of the assets acquired and valued as part of the BioFire purchase price allocation.

Amortization of goodwill recognized during the acquisition of BioFire is presented on a separate line of the operating income before non-recurring items. Depreciation and amortization charges relating to other prior acquisitions have not been restated as they are not deemed to be material.

Operating income before non-recurring items was the sum of the contributive operating income before non-recurring items and costs related to the depreciation or amortization of assets related to the acquisition of BioFire (see Note 23).

3.4 Segment information

3.4.1 Information by business segment

In accordance with IFRS 8 "Operating segments," and following the changes made to the Group's organizational structure with the set-up of two main divisions, one dedicated to clinical applications and the other to industrial applications, the Group has since 2020 presented two operating segments within *in vitro* diagnostics.

DECEMBER 31, 2021

In millions of euros	Clinical applications	Industrial applications	Other	Group
Revenue	**2,883.7**	**492.5**	**0.0**	**3,376.2**
Gross profit	**1,714.0**	**245.9**	**3.8**	**1,963.8**
Other operating income and expenses	-978.4	-186.4	2.2	-1,162.6
CONTRIBUTIVE OPERATING INCOME BEFORE NON-RECURRING ITEMS	**735.6**	**59.6**	**6.0**	**801.2**
as % of revenues	*26%*	*12%*		

DECEMBER 31, 2020

In millions of euros	Clinical applications	Industrial applications	Other	Group
Revenue	**2,663.5**	**454.6**	**0.0**	**3,118.2**
Gross profit	**1,553.7**	**200.8**	**-0.8**	**1,753.7**
Other operating income and expenses	-962.0	-169.2	-10.1	-1,141.2
CONTRIBUTIVE OPERATING INCOME BEFORE NON-RECURRING ITEMS	**591.7**	**31.7**	**-10.9**	**612.5**
as % of revenues	*22%*	*7%*		

In accordance with IFRS 8, in Note 3.4.2 the Group discloses information on revenue and assets broken down by geographic area, which has been prepared using the same accounting principles as those applied to prepare the consolidated financial statements.

No balance sheet information is communicated to operational managers.

The improvement in the operating margin for clinical applications is the result of growth in sales of respiratory panels during the COVID-19 pandemic, despite quality problems on a substrate present in the immunoassay tests that have now been resolved.

3.4.2 Information by geographic area

Geographical areas have been determined by combining countries with similar economic characteristics and similar risk, profitability, strategy, and regulatory profiles. Group sales in the Middle East – Africa region are generated in a heterogeneous set of countries, mainly through distributors or agents, and in certain countries *via* local distribution subsidiaries. The distributors and agents are for the most part in direct contact with the French Company bioMérieux SA, which explains their being grouped with the Europe region.

The information by geographic area shown in the tables below has been prepared in accordance with the accounting principles used to prepare the consolidated financial statements.

DECEMBER 31, 2021

In millions of euros	Americas	EMEA[(a)]	Aspac	Corporate	Group
Revenue	**1,668.5**	**1,124.0**	**580.4**	**3.3**	**3,376.2**
Cost of sales	-510.4	-436.5	-255.8	-209.7	-1,412.5
Gross profit	**1,158.1**	**687.5**	**324.6**	**-206.4**	**1,963.8**
as % of revenues	*69%*	*61%*	*56%*		
Other operating income and expenses	-271.5	-168.1	-92.9	-630.0	-1,162.6
CONTRIBUTIVE OPERATING INCOME BEFORE NON-RECURRING ITEMS	**886.5**	**519.4**	**231.7**	**-836.4**	**801.2**
as % of revenues	*53%*	*46%*	*40%*		

(a) Of which France revenues: €222.3 million.

DECEMBER 31, 2020

In millions of euros	Americas	EMEA[(a)]	Aspac	Corporate	Group
Revenue	**1,588.2**	**1,021.9**	**504.6**	**3.5**	**3,118.2**
Cost of sales	-523.1	-426.1	-248.3	-167.0	-1,364.5
Gross profit	**1,065.1**	**595.8**	**256.3**	**-163.5**	**1,753.7**
as % of revenues	*67%*	*58%*	*51%*		
Other operating income and expenses	-312.2	-167.0	-88.7	-573.3	-1,141.2
CONTRIBUTIVE OPERATING INCOME BEFORE NON-RECURRING ITEMS	**752.9**	**428.8**	**167.6**	**-736.8**	**612.5**
as % of revenues	*47%*	*42%*	*33%*		

(a) Of which France revenues: €218.8 million.

DECEMBER 31, 2021

In millions of euros	Americas	EMEA[(a)]	Aspac	Corporate	Group
Non-current assets					
Intangible assets	11.4	23.1	2.0	375.0	411.5
Goodwill				669.5	669.5
Property, plant and equipment	513.4	357.9	35.4	194.0	1,100.8
Right-of-use assets	50.4	58.5	15.1		124.0
Working capital requirement					
Inventories and work-in-progress	292.1	206.9	135.6		634.6
Trade receivables and assets related to contracts with customers	250.3	264.0	76.4		590.6
Trade payables	-77.2	-19.2	-143.2		-239.5

(a) Of which non-current assets in France: €397.8 million.

DECEMBER 31, 2020

In millions of euros	Americas	EMEA[(a)]	Aspac	Corporate	Group
Non-current assets					
Intangible assets	13.8	18.5	3.0	395.4	430.7
Goodwill				629.4	629.4
Property, plant and equipment	424.6	222.9	47.1	244.4	939.0
Right-of-use assets	56.9	59.0	13.6		129.6
Working capital requirement					
Inventories and work-in-progress	259.8	199.9	82.2		541.9
Trade receivables and assets related to contracts with customers	254.1	273.1	70.7		597.9
Trade payables	-42.5	-64.4	-100.2		-207.1

(a) Of which non-current assets in France: €376.3 million.

Regional data includes commercial activities, corresponding mainly to revenue in each of the above geographic areas, the related cost of sales, and the operating expenses necessary for these commercial activities. The regional data also includes the non-allocated costs of the production sites in these geographical areas. The revenue is a net consolidated contribution, not including inter-company revenue with the other areas.

Corporate data mainly includes the research costs incurred by the Clinical and Industrial units, as well as the costs incurred by the Group's corporate functions and revenue from companion test research & development partnership agreements.

Intangible assets recorded in the Corporate column mainly correspond to goodwill and to technologies acquired by the Group.

3.5 Information by technology and application

The table below provides a breakdown of revenue by technology and application:

In millions of euros	12/31/2021	12/31/2020
Clinical applications	**2,883.6**	**2,663.5**
Molecular biology	1,267.9	1,207.1
Microbiology	1,062.3	950.6
Immunoassays	457.6	428.3
Other ranges	95.8	77.5
Industrial applications	**492.5**	**454.6**
TOTAL	**3,376.2**	**3,118.2**

The other ranges mainly include the activity of the subsidiary BioFire Defense, for which the revenue stood at €79.5 million in 2021 and €70.2 million in 2020.

NOTE 4 INTANGIBLE ASSETS

4.1 Accounting principles

4.1.1 Research & development expenses (excluding software development costs)

In accordance with IAS 38 "Intangible Assets," research expenses are not capitalized.

Under IAS 38, development expenses must be recognized as intangible assets whenever specific conditions are met, related to technical feasibility and marketing and profitability prospects. Given the high level of uncertainty attached to development projects carried out by the Group, these recognition criteria are not met until the regulatory procedures required for the sale of the products concerned have been finalized. As most costs are incurred before that stage, development expenses are recognized in the consolidated income statement in the period during which they are incurred.

Development costs are recognized as part of a business combination at the fair value of the projects identified in the balance sheet at acquisition, in accordance with the provisions of IFRS 3 (revised). These costs are amortized from the date of marketing of the lines affected by the projects in a linear fashion over their expected useful life.

Development expenses related to projects ongoing at the acquisition date continue to be capitalized until the date the corresponding product lines are marketed.

Development expenses incurred after the business combination date and related to new projects are recognized in accordance with IAS 38 as described previously. In practice, all subsequent costs are expensed.

4.1.2 Other intangible assets

Other intangible assets mainly include patents, licenses, elements of intellectual property, software, and customer relationships. They all have finite useful lives and are initially recognized as follows:

- if purchased: at their purchase price;
- in the case of business combinations: at fair value, generally based on the price paid (where the price of the intangible asset is identified), or based on the discounted value of estimated future cash flows;
- in the case of internal production: at their cost price for the Group.

Significant costs directly attributable to the creation or improvement of software developed in-house are capitalized if it is considered probable that they will generate future economic benefits. Other development costs are expensed as incurred. In the case of software, only in-house and outsourced development costs related to organic analyses, programming, tests, trials, and user documentation are capitalized.

Intangible assets are amortized in accordance with the expected pattern of consumption of future economic benefits embodied in the asset concerned, generally on a straight line basis over periods of:

- 5 to 20 years for patents, licenses, technologies;
- 10 years for major integrated management software (such as ERP systems);
- 3 to 6 years for other computer software;
- and 10 to 15 years for customer relationships.

Software is amortized when it comes into operational effect in each subsidiary, on a phased basis where applicable.

Intangible assets are carried at their initial cost less accumulated amortization and any accumulated impairment losses. Depreciation and amortization are recognized in the consolidated income statement based on the assets' function. Impairment losses are recognized under "Other non-recurring income and expenses from operations" if they meet the applicable definition (see Note 24.1). For ERP-type management software, any termination of a project or batch constitutes an indication that the asset is impaired.

4.2 Change

Gross value *In millions of euros*	Patents Technology	Software	Other	Total
DECEMBER 31, 2019	**671.7**	**220.2**	**58.8**	**950.8**
Translation differences	-37.9	-7.5	-4.5	-49.9
Acquisitions/Increases	0.2	5.6	10.7	16.5
Changes in the scope of consolidation	0.0	0.0	2.3	2.3
Disposals/Decreases	-1.8	-8.3	-3.5	-13.6
Reclassifications	0.2	-2.8	5.2	2.6
DECEMBER 31, 2020	**632.5**	**207.3**	**68.9**	**908.6**
Translation differences	43.3	5.0	2.7	51.0
Acquisitions/Increases	0.1	8.1	6.7	14.9
Change in the scope of consolidation[(a)]	12.3	0.0	0.0	12.3
Disposals/Decreases	0.0	-1.6	-0.5	-2.1
Reclassifications	36.7	9.1	-45.1	0.7
DECEMBER 31, 2021	**724.8**	**227.9**	**32.7**	**985.3**

(a) Linked to the acquisition of Banyan Biomarkers (see Note 1.1).

Depreciation and impairments *In millions of euros*	Patents Technology	Software	Other	Total
DECEMBER 31, 2019	**270.3**	**165.9**	**6.2**	**442.3**
Translation differences	-15.2	-5.3	-0.2	-20.7
Additions	46.5	19.6	1.9	67.9
Changes in the scope of consolidation	0.0	0.0	0.0	0.0
Reversals/Disposals	-1.6	-8.3	-3.2	-13.1
Reclassifications	0.2	0.0	1.2	1.4
DECEMBER 31, 2020	**300.2**	**171.9**	**5.8**	**477.9**
Translation differences	17.4	4.3	0.2	22.0
Additions	57.8	16.9	1.6	76.2
Changes in the scope of consolidation	0.0	0.0	0.0	0.0
Reversals/Disposals	0.0	-1.7	-0.4	-2.1
Reclassifications	0.0	0.0	-0.1	-0.1
DECEMBER 31, 2021	**375.3**	**191.4**	**7.1**	**573.9**

Net values *In millions of euros*	Patents Technology	Software	Other	Total
DECEMBER 31, 2020	**332.3**	**35.4**	**63.1**	**430.7**
DECEMBER 31, 2021	**349.5**	**36.5**	**25.5**	**411.5**

Reclassifications mainly corresponds to assets under construction put into service during the fiscal year. The gross value of intangible assets under construction represented €5.7 million at December 31, 2021 against €42.7 million in 2020. This change is mainly due to the introduction of technology in marketing the new VITEK® MS PRIME system.

The review of impairment loss indices on assets with defined useful lives as defined in Note 5.2 led the Group to recognize impairment on a technology asset of €24 million in 2021. Impairment recognized in 2020 totaled €13 million.

NOTE 5 GOODWILL

5.1 Accounting principles

In application of the revised version of IFRS 3, goodwill represents the excess of the cost of a business combination (excluding acquisition-related costs) and the fair value of the Group's share of the acquiree's identifiable assets, liabilities and contingent liabilities on the acquisition date. Goodwill is measured in the acquiree's functional currency. Provisional values may be assigned to fair values and goodwill during a "measurement period" which may not exceed one year from the acquisition date. Any changes made to provisional values after the end of the measurement period are recognized in income, including those concerning deferred tax assets.

The purchase price of a business combination includes the estimated impact of any contingent consideration. This consideration is measured by applying the criteria included in the acquisition agreement, such as revenue or earnings targets, to forecasts that are deemed to be the most probable. It is then remeasured at the end of each reporting period, and any changes are recorded in income after the acquisition date (including during the measurement period). They are discounted if the impact is material. Any discounting adjustments to the book value of the liability are recognized in "Cost of net debt."

Minority interests are measured at the time of the acquisition either at fair value (full goodwill method) or at the minority interest's proportionate share of the acquired Company's net assets (partial goodwill method). The option is taken for each acquisition.

When the Group purchases an additional interest in an acquired entity after the acquisition date, the difference between the consideration paid and the Group's share in the acquiree's net assets is recognized directly in consolidated reserves. Similarly, if the Group sells an interest in an acquired entity without losing control, the resulting impact is also recognized directly in consolidated reserves.

In the case of a put option on minority interests, without those interests waiving their rights and associated benefits, borrowing is recognized for its present value against reserves, with no change in goodwill. At each closure, changes in the fair value of debt, determined according to contractual provisions, are recognized against shareholders' equity attributable to the parent company. The impact of accretion is recorded in the section "Cost of net financial debt."

Goodwill is recognized on a separate line of the balance sheet at cost less any accumulated impairment losses. Any negative goodwill is recognized directly in income during the year in which the controlling interest was acquired.

In compliance with IFRS 3 "Business Combinations," goodwill is not amortized. On the acquisition date, they are attached to a cash-generating unit depending on the synergies expected for the Group (see Note 5.2). They are tested at least once a year for impairment losses and whenever there is an indication that they may be impaired. The methods used for performing the tests and recognizing any identified impairment losses are described in Note 5.2 "Impairment of non-current assets."

5.2 Impairment of non-current assets

The Group systematically carries out annual impairment tests on goodwill and other intangible assets with an indefinite useful life (the Group did not have any such assets in the years presented in these consolidated financial statements).

Property, plant and equipment and intangible assets with a finite useful life are tested for impairment whenever there is an indication that they may be impaired.

A CGU corresponds either to a legal entity or to a product line (a group of property, plant and equipment, mainly production plants, and intangible assets, essentially technologies, which generate cash flows as a result of products based on the same technology). Detailed information on CGUs is provided in Note 5.3.

No changes in CGUs were made during the fiscal years presented.

Impairment testing is used to determine the recoverable amount of a CGU or group of CGUs, representing the higher of their value in use and fair value less costs to sell.

In practice, the value in use of a CGU or group of CGUs is determined primarily on the basis of discounted operating cash flow projections covering a period of five years and based on the most recent business plan, and a terminal value.

The growth assumptions used to calculate the value in use for the business plan projection time horizon are consistent with available market information and conservative assumptions have been used for determining the terminal value, including a perpetuity growth rate of 2.0%.

Cash flow projections do not include any expansion investments or restructurings that have not already commenced.

The discount rate applied to cash flows corresponds to the Weighted Average Cost of Capital (WACC), calculated using a risk-free rate (French government OAT bond rate), the equity market risk premium and the beta ratio (which adjusts the overall equity market risk in relation to the specific industry risk). In certain cases, a specific risk premium is included, chiefly to reflect technology risk and the individual market risk, like a country risk premium to take account of the exposure of each CGU to macroeconomic risks. The WACC determined by the Group is compared with the figure calculated by analysts who track the Company's stock. The discount rates calculated for the main CGUs (technological product lines) were between 7.2% and 13.0% in 2021, and between 7.7% and 14.0% in 2020. The upper range used in 2021 was for the CLIA CGU. These rates are understood after tax. The application of a pre-tax WACC to pre-tax cash flows would give an identical result.

Tests were performed to assess the sensitivity of the recoverable amounts to changes in certain actuarial and operating assumptions (see Note 5.3).

The COVID-19 crisis has not led to any changes in the methods used to calculate impairment tests, nor to the recognition of significant additional impairment losses related to the pandemic. As in the past, risk is reflected first and foremost in forecasts. The Group did not introduce any new sensitivity criteria or change the ranges of the sensitivity tests as a result of the analysis.

The Group recognizes an impairment loss where the value in use of these CGUs falls below the net value. The impairment loss is allocated first to reduce the book value of any goodwill, with the residual amount allocated to the other assets of the unit, except if this reduces the net book value of those assets below their fair value.

Impairment losses are recognized under "Other non-recurring income and expenses from operations" if they meet the applicable definition (see Note 24.1). Impairment losses against goodwill in respect of fully consolidated entities may not be reversed unless the asset is sold.

Impacts of the application of IFRS 16

The analysis did not lead to the identification of assets associated with rental agreements to be tested independently from a cash-generating unit (CGU).

While awaiting the expected clarifications regarding the practical methods for performing impairment tests incorporating IFRS 16 restatement, and in view of the numerous practical issues identified, the impairment tests were carried out, by incorporating, as in 2020, the right-of-use asset and the debt linked to the lease liability into the book value of the CGU, without any modification being made to the calculation of the discount rate and projected cash flows.

As stated in the notes to the 2020 consolidated financial statements, the application of IFRS 16 should not, in principle, have any material impact in the event that the recoverable value is determined in relation to provisional cash flows.

5.3 Change

Changes in this item can be analyzed as follows:

CGU *In millions of euros*	12/31/2021	12/31/2020
Industrial applications	**188.6**	**184.9**
AES	117.1	117.1
Invisible Sentinel	45.4	41.9
PML (US)	11.8	11.8
bioMérieux Germany (Hyglos)	5.7	5.7
BTF (Australia)	5.1	5.1
Advencis	2.9	2.9
CEERAM	0.5	0.5
Molecular biology	**158.3**	**147.5**
BioFire	138.6	127.9
Argène	19.3	19.3
RAS Lifesciences	0.4	0.4
Bacteriology	**143.6**	**141.5**
AB bioMérieux (Sweden)	60.2	61.5
Organon Teknika	52.3	51.0
bioMérieux Inc. (Vitek+ Bacterial Barcodes)	14.6	12.4
Applied Maths	11.4	11.4
Bacterial Barcodes (US)	0.0	0.0
MDI (US)	1.9	1.9
bioMérieux Spain	1.8	1.8
bioMérieux Biological products	1.4	1.4
CLIA	**129.5**	**120.5**
Hybiome	129.3	120.3
Lianjian Anhua Biomedical	0.3	0.3
Immunoassays	**45.2**	**30.5**
Astute Medical Inc.	33.0	30.5
Banyan Biomarkers*	12.2	
Entities	**4.3**	**4.4**
bioMérieux Greece	1.7	1.7
bioMérieux Poland	1.6	1.6
bioMérieux South Africa	1.1	1.1
NET VALUE	**669.5**	**629.4**

* *Provisional goodwill at December 31, 2021*

Changes in this item can be analyzed as follows:

In millions of euros	Net value
DECEMBER 31, 2019	**652.5**
Translation differences	-23.4
Change in the scope of consolidation[(a)]	0.3
DECEMBER 31, 2020	**629.4**
Translation differences	33.0
Changes in the scope of consolidation[(b)]	11.7
Impairment losses[(c)]	-4.6
DECEMBER 31, 2021	**669.5**

(a) Linked to the acquisition of Lianjian Anhua Biomedical.
(b) Linked to the acquisition of Banyan Biomarkers (see Note 1.1).
(c) Related to the impairment loss of the CLIA CGU.

There was no provisional goodwill at December 31, 2020. The provisional goodwill at December 31, 2021 refers to the goodwill of Banyan Biomarkers (see Note 1.1).

The impairment tests carried out in accordance with the rules defined in Note 5.1 led to the recognition of an impairment loss on the goodwill of the CLIA CGU for a total of €4.6 million in 2021, plus an impairment loss on an isolated asset (see Notes 4.2 and 6.1.2).

The inputs used in the impairment tests carried out on the Group's main CGUs are set out below:

	2021			2020		
CGU	Net value[(a)]	Discount rate	Perpetual growth rate	Net value[(a)]	Discount rate	Perpetual growth rate
Industrial applications	188.6	7.2%	2.0%	184.9	7.7%	1.5%
Molecular biology	158.3	7.7%	2.0%	147.5	8.9%	2.0%
Bacteriology	143.6	7.4%	2.0%	141.5	7.8%	1.5%
CLIA	129.5	13.0%	2.0%	120.5	14.0%	2.0%
Immunoassays	45.2	8.4%	2.0%	30.5	8.3%	1.5%

(a) Net value of goodwill assigned to the CGU.

Revenue and operating margin growth assumptions are set for each CGU in accordance with the best estimates at the test date. They take into account the level of maturity of our products and target markets, and also forecast development and innovation for our ranges.

A cumulative analysis was carried out to assess the sensitivity of the impairment tests to changes in discount rates (adverse change of 50 basis points), terminal growth rates (adverse change of 50 basis points) and the operating margin (fall of 100 basis points in the ratio of operating income before non-recurring items to terminal value). This analysis would not lead to the recognition of any additional impairment loss for any of the cash-generating units, with the exception of the CLIA cash-generating unit, for which an additional impairment loss of €23 million would be recognized.

As stated above, the pandemic has not resulted in any changes to the sensitivity analyses.

NOTE 6 PROPERTY, PLANT AND EQUIPMENT, ASSETS RELATED TO RIGHT-OF-USE AND OTHER FINANCE LEASE RECEIVABLES

6.1 Property, plant and equipment

6.1.1 Accounting principles

As prescribed by IAS 16 "Property, Plant and Equipment," items of property, plant and equipment are initially recognized at their purchase or production cost or at their acquisition-date fair value if acquired as part of a business combination. They are not revalued. Any revaluations carried out by Group companies in their individual accounts are eliminated when preparing the consolidated financial statements.

Property, plant and equipment are recorded using the component approach. Under this approach, each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has a different useful life to that of the asset as a whole is recognized and depreciated separately. The only Group assets to which this method is applied are buildings.

IAS 23 "Borrowing Costs" does not call for the capitalization of material borrowing costs, as the Group has little debt resulting from purchases of property, plant and equipment.

Routine maintenance and repair costs of property, plant and equipment is expensed as incurred. Other subsequent expenses are capitalized only if they satisfy the applicable recognition criteria, such as the replacement of an identified component.

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

The depreciable value of property, plant and equipment corresponds to their acquisition cost as they are not considered to have any material residual value. The straight-line method of depreciation is used for these assets.

The assets are depreciated over their estimated useful lives as follows:

- machinery and equipment: 3-10 years;
- instruments: 5-10 years;
- shell: 30-40 years;
- Finishing work, fixtures and fittings: 10-20 years.

Depreciation periods in respect of buildings are calculated separately for each component.

The useful lives of items of property, plant and equipment are reviewed periodically. The impact of any adjustments is accounted for prospectively as a change in accounting estimates.

Impairment tests are carried out for property, plant and equipment whenever events or market developments indicate that an asset may have declined in value. If an asset's recoverable amount (see Note 5.2) is less than its net book value, either its useful life is adjusted or an impairment loss is recorded in "Other non-recurring income and expenses from operations," if the applicable definition is met (see Note 24.1).

Rental agreements

As lessor: when the Group leases assets to third parties on terms equivalent to a sale, the assets are recorded as though they had been sold, as prescribed by IFRS 16 "Leases." The long-term portion of the lease payments due is recorded under "Other non-current assets" and the short-term portion are recognized under "Trade receivables." The corresponding financial income is recognized in the income statement during the period in which it is received, under "Other financial income and expenses."

6.1.2 Analysis of movements in property, plant and equipment

Gross value *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other assets	Assets under construction	Total
DECEMBER 31, 2019	**38.9**	**553.9**	**524.2**	**404.9**	**178.9**	**185.3**	**1,886.2**
Translation differences	-2.0	-30.5	-26.1	-19.6	-8.5	-6.8	-93.5
Changes in the scope of consolidation				0.0		2.2	2.2
Acquisitions/Increases		6.5	23.7	81.7	13.0	126.9	251.8
Disposals/Decreases	0.0	-2.6	-19.8	-54.7	-14.5		-91.5
Reclassifications	14.4	118.7	34.1	0.1	9.2	-177.7	-1.2
DECEMBER 31, 2020	**51.3**	**646.0**	**536.2**	**412.5**	**178.1**	**130.0**	**1,954.0**
Translation differences	2.3	30.8	25.4	7.5	7.5	9.0	82.6
Acquisitions/Increases		32.2	35.1	79.5	20.6	110.7	278.1
Disposals/Decreases		-2.6	-12.6	-47.9	-11.2		-74.2
Reclassifications	0.9	36.4	42.3	3.6	8.3	-92.6	-1.2
DECEMBER 31, 2021	**54.5**	**742.7**	**626.4**	**455.2**	**203.4**	**157.1**	**2,239.3**

Depreciation and impairments *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other assets	Assets under construction	Total
DECEMBER 31, 2019	**2.3**	**282.0**	**329.3**	**249.9**	**127.9**		**991.4**
Translation differences	-0.1	-11.3	-13.9	-11.3	-5.6		-42.1
Additions	0.3	43.8	39.0	36.6	16.5		136.2
Disposals/Decreases	0.0	-2.5	-19.8	-30.8	-14.4		-67.6
Reclassifications		-2.9	-0.6	-0.1	0.7		-3.0
DECEMBER 31, 2020	**2.5**	**309.0**	**334.0**	**244.3**	**125.2**		**1,015.0**
Translation differences	0.1	11.1	13.0	4.6	4.7		33.6
Additions	0.3	38.4	41.3	42.8	16.5		139.3
Disposals/Decreases		-2.6	-12.8	-28.2	-10.9		-54.5
Reclassifications		3.3	-1.1	0.8	2.1		5.2
DECEMBER 31, 2021	**2.9**	**359.3**	**374.3**	**264.3**	**137.6**		**1,138.5**

Net values *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other assets	Assets under construction	Total
DECEMBER 31, 2019	**36.6**	**271.9**	**194.9**	**155.0**	**51.0**	**185.3**	**894.8**
DECEMBER 31, 2020	**48.8**	**337.0**	**202.2**	**168.2**	**52.9**	**130.0**	**939.0**
DECEMBER 31, 2021	**51.6**	**383.4**	**252.1**	**190.9**	**65.8**	**157.1**	**1,100.8**

Assets under construction mainly concern the construction of a new campus in Suzhou, the second part of a new administrative building in Salt Lake City and the expansion of a storage building in France.

A part of the new administration building in Salt Lake City was put in service in September 2021 for approximately €65 million.

As of December 31, 2021, administrative sites in the United States and Belgium were reclassified as assets held for sale in the amount of €8.0 million.

6.2 Right-of-use assets (lessee side)

6.2.1 Accounting principles

Restatement on the lessee side

IFRS 16 makes no distinction, from the lessee perspective, between leasing agreements and operating leases.

Leases are rental agreements (or agreements that contain a rental component) that convey the right to receive the near totality of the economic benefits associated with the use of the asset resulting from the right to manage the use of the identified asset during the period of use.

Leases which meet this definition are recognized according to the procedures defined below. As specified by the standard, the Group has adopted certain simplification measures, notably those enabling exclusion of leases with a residual term of less than twelve months and leases covering assets of low value, and the identical application of leasing agreements according to IAS 17.

In practice, the analysis predominantly resulted in the restatement of real estate and vehicle leases.

For agreements not restated as leases, the lease payments are recognized as expenses on a straight line basis over the term of the agreement.

The accounting rules for agreements that fall within the scope of IFRS 16 are presented below.

As of the commencement date of the agreement, the Group recognizes a right-of-use asset and a financial liability for the lease liability. The asset is recorded as a separate line item on the balance sheet; the liability is presented under borrowings.

The lease liability is measured at the discounted value of the lease payments not yet paid over the term of the agreement.

The discounted value is determined by using the implicit borrowing rate for leases formerly qualified as leasing agreements and the marginal borrowing rate for other leases. The incremental borrowing rate is calculated for each country according to the term of the agreement. The incremental borrowing rate corresponds to a duration rate taking into account the rent payment profile, and not a maturity rate, in accordance with the recommendations of the IFRS IC of September 2019.

The term of a lease is the enforceable period, which corresponds to the non-cancellable period, plus:

- any option to extend the lease if the Group is reasonably certain it will exercise the option;
- any lease termination option if the Group is reasonably certain it will not exercise the option.

In accordance with the IFRS IC's interpretation of November 2019, the Group takes into account the date up until which the lessee is reasonably certain to continue the lease beyond the contractual term.

In practice:

- the various leases do not contain an early termination clause and there is no clause likely to result in the lessor paying compensation to the Group that would be more than insignificant in the event of the non-renewal of the lease at the end of the non-cancelable period, and there are no other economic incentives to renewing the rental agreements;
- the terms used for the main leases are:
  - in France: an enforceable period of nine years (3/6/9 commercial leases): a non-cancelable period of three years and certainty of using the extension options after three and six years,
  - in other countries, the term is that indicated in the lease unless the renewal decision is solely at the discretion of the lessee. In this case, the term used is 20 years from the date of the first lease for real estate rentals;
- the Group did not receive any rent relief related to the health crisis in the fiscal years presented;
- lease payments represent fixed payments, variable payments based on an index or a rate, and the exercise price of the purchasing options that the lessee has the reasonable certainty of exercising. In practice, most of the rents are fixed. Purchase options exist for leasing agreements;
- right-of-use assets are measured as follows: the cost is reduced by the accumulated depreciation and impairment losses, and adjusted to take into account, where applicable, re-measurements of the lease liability. No impairment losses or re-measurements of the lease liability were recorded during 2021;
- right-of-use assets are depreciated over the expected duration of use of the property (including the portion linked to the use of land), in the case of a purchase option at a favorable price. In other cases, these assets are depreciated over the term of the agreement as defined above;
- lease-related fixtures and fittings are amortized over a period that in practice is close to the term of the agreement. For information, the net book value is not material;
- the Group has opted to recognize a deferred tax on the restatements of rental agreements.

6.2.2 Change

Gross value *In millions of euros*	Land	Buildings	Machinery and equipment	Other assets	Total
DECEMBER 31, 2019	**36.1**	**143.4**	**29.4**	**6.1**	**214.9**
Translation differences	-2.9	-4.6	-1.6		-9.0
Acquisitions/Increases	0.2	28.2	8.6		36.9
Disposals/Decreases	-0.6	-14.5	-7.9	-0.2	-23.2
Reclassifications		-0.4			-0.4
DECEMBER 31, 2020	**32.8**	**152.1**	**28.4**	**5.9**	**219.2**
Translation differences	2.1	3.4	0.6	0.0	6.1
Changes in the scope of consolidation					
Acquisitions/Increases		18.0	11.2	0.8	30.0
Disposals/Decreases	-9.1	-14.6	-7.8	-0.2	-31.6
Reclassifications	-0.4	-12.4	-0.8	-1.9	-15.5
DECEMBER 31, 2021	**25.5**	**146.5**	**31.7**	**4.6**	**208.2**

Depreciation *In millions of euros*	Land	Buildings	Machinery and equipment	Other assets	Total
DECEMBER 31, 2019	**4.4**	**59.5**	**14.5**	**5.9**	**84.4**
Translation differences	-0.5	-2.2	-0.7	0.0	-3.4
Additions	0.8	16.0	7.8	0.2	24.8
Disposals/Decreases	-0.5	-10.9	-7.0	-0.2	-18.6
Reclassifications		2.5			2.5
DECEMBER 31, 2020	**4.2**	**64.9**	**14.6**	**5.9**	**89.6**
Translation differences	0.3	1.7	0.3	0.0	2.2
Changes in the scope of consolidation					
Additions	0.7	18.5	8.6	0.1	27.9
Disposals/Decreases	-1.7	-14.1	-6.1	-0.2	-22.0
Reclassifications		-10.8	-0.8	-1.9	-13.5
DECEMBER 31, 2021	**3.5**	**60.1**	**16.6**	**4.0**	**84.3**

Net values *In millions of euros*	Land	Buildings	Machinery and equipment	Other assets	Total
DECEMBER 31, 2019	**31.6**	**83.8**	**14.9**	**0.2**	**130.5**
DECEMBER 31, 2020	**28.6**	**87.2**	**13.8**	**0.0**	**129.6**
DECEMBER 31, 2021	**22.0**	**86.4**	**15.1**	**0.6**	**124.0**

The increases are primarily linked to new leases. The decreases are primarily linked to leases having reached the end of their terms. In accordance with the provisions of IFRS 16, and given the nature of the movements, increases and reductions related to rental agreements are not reported in the investment flows of the cash flow statement.

The following table shows assets under leasing agreements:

Net values *In millions of euros*	Land	Buildings	Machinery and equipment	Other assets	Total
DECEMBER 31, 2019	**2.7**	**39.4**			**42.1**
DECEMBER 31, 2020	**2.7**	**36.5**			**39.2**
DECEMBER 31, 2021	**2.7**	**32.3**			**35.0**

The rental expense related to non-restated agreements is not material for the years presented.

6.3 Finance lease receivables

6.3.1 Accounting principles

Finance leases

As lessee: leases are classified as finance leases whenever they transfer to the lessee substantially all of the risks and rewards incidental to ownership. Leases qualify as finance leases based on the substance of each contract, and notably when:

- ownership of the leased asset is transferred to the lessee at the end of the lease term;
- the lessee has the option to purchase the asset at a preferential price;
- the lease term covers the major part of the leased asset's economic life;
- the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset;
- the leased assets are of such a specialized nature that only the lessee can use them without making major modifications.

Whenever the Group leases property under an agreement classified as a finance lease, the fair value of the asset concerned or, if lower, the present value of the minimum lease payments is capitalized and depreciated over the asset's useful life. A corresponding liability is recognized in the balance sheet. Lease payments are apportioned between the financial expenses and the reduction of the outstanding liability.

Other rental agreements are classified as operating leases and the lease payments are expensed on a straight-line basis over the term of the agreement.

Certain instruments are sold *via* finance lease arrangements (see Note 6.1). The usual lease term is five years.

6.3.2 Change

Financial leases receivables totaled €20.2 million at December 31, 2021, against €21.6 million at December 31, 2020.

In millions of euros	Due within 1 year	From 1 to 5 years	In over 5 years	Total
Gross value of financial leases receivables	8.6	13.3	0.0	21.9
Accrued interest	-0.6	-0.7	0.0	-1.3
Present value of minimum future lease payments	7.9	12.6	0.0	20.6
Impairment losses	-0.4			-0.4
NET PRESENT VALUE OF MINIMUM FUTURE LEASE PAYMENTS	**7.5**	**12.6**	**0.0**	**20.2**

The current portion of financial leases receivables is shown in trade receivables (see Note 9), while the non-current portion is carried in other non-current assets for €12.6 million.

The depreciation rules applied are presented in Note 9.

NOTE 7 NON-CURRENT FINANCIAL ASSETS

7.1 Accounting principles

Non-current financial assets include investments in non-consolidated companies, loans and receivables maturing in more than one year – including pension plan assets whenever these have not been definitively allocated to cover corresponding obligations – and deposits and guarantees. They are recognized and measured in compliance with the rules described in Note 27.

In application of the IFRS 9 standard, non-current financial assets are broken down into 3 categories:

- financial assets assessed at amortized cost:

  These are financial assets for which the objective of the economic model is to receive contractual flows, and for which the contractual conditions specify, at particular dates, flows corresponding only to repayments of capital and interest. They correspond to loans, deposits and guarantees;
- financial assets valued at fair value, with recognition in other comprehensive income:
  - changes in fair value to be reclassified to income: these are financial assets for which the objective of the economic model is both to receive contractual flows and the sale of assets, and for which the contractual conditions specify, at particular dates, flows corresponding only to repayments of capital and interest. The Group has no significant assets within this category,
  - changes in fair value not to be reclassified to income (irreversible option taken on the acquisition date): these are assets that are strategic for the Group. They correspond to non-consolidated equity investments;
- financial assets measured at fair value through profit or loss: these are securities held by the Group for trading purposes. This category is not used over the fiscal years presented, as the Group has so far decided to opt for recognition in other comprehensive income not to be reclassified.

Assets valued at amortized cost

The amortized cost is determined according to the effective interest rate method, as defined by the IFRS 9 standard. This rate is determined when putting in place the related contract.

Financial assets valued at fair value

Fair value is determined according to the methodology defined by the standard IFRS 13, according to the three levels of fair value defined in Note 27.1.

In exceptional cases where the fair value of financial assets cannot be determined reliably (lack of recent information, wide range of valuations, etc.), the cost will be considered as the best estimate of the fair value.

No reclassification between the various categories occurred over the fiscal years presented.

The breakdown of other financial assets for which the Group has opted for this presentation is presented separately in the table below.

7.2 Change

In millions of euros	12/31/2021	12/31/2020
Loans and receivables	27.5	10.7
Non-consolidated financial assets assessed at fair value against other comprehensive income	33.6	39.9
TOTAL	**61.1**	**50.6**

The loans and receivables include the offer of convertible debt to Specific Diagnostics for €15.2 million (see Note 1.2.3), a surety intended to cover the post-employment benefit obligations in Germany for €2.8 million and the granting of a loan from bioMérieux Inc. to ABL Inc. for €1.2 million.

In millions of euros	Gross value	Changes in fair value recorded in other comprehensive income	Impairment losses	Net value
DECEMBER 31, 2019	**35.2**	**6.9**	**-0.2**	**41.9**
Translation differences	-1.5		0.0	-1.5
Acquisitions/Increases	12.8		-0.1	12.7
Disposals/Decreases	-1.5		0.1	-1.4
Changes in fair value		-1.0		-1.0
DECEMBER 31, 2020	**45.0**	**5.9**	**-0.2**	**50.6**
Translation differences	2.0		0.0	2.0
Acquisitions/Increases	18.7		0.0	18.6
Disposals/Decreases	-18.8		8.0	-10.8
Changes in fair value		0.7		0.7
DECEMBER 31, 2021	**46.7**	**6.6**	**7.8**	**61.1**

The increases correspond mainly to the granting of convertible loans to Specific Diagnostics in the amount of €15.2 million (see Note 1.2.3).

The decreases relate to Banyan Biomarkers, all of whose shares were purchased (see Note 1.1), as well as to the sale of Dynavax shares and the liquidation of a company whose shares were fully impaired.

The change in fair value recorded in other comprehensive income concerns GNEH (Geneuro holding) and Labtech securities.

The summary table below shows the change in fair value of the shares in non-consolidated companies at December 31, 2021 compared to December 31, 2020:

	12/31/2020			12/31/2021			
In millions of euros	NBV	Of which change in fair value through profit and loss	Of which change in fair value through other comprehensive income	NBV	Of which change in fair value through profit and loss	Of which change in fair value through other comprehensive income	Of which change in fair value through profit and loss
Banyan Biomarkers	7.7			0.0			
Qvella	7.0			7.0			
Sino French Innovations	5.0			5.0			
Accellix	4.1			4.4			
Pertinence Invest	4.0			4.0			
Specific Diagnostics	4.1			4.4			
GNEH	2.6		-0.8	3.3		0.7	
Labtech/LBT Innovations	0.8		-0.2	0.7		0.0	
Other securities	4.7		0.0	4.8	0.0	0.0	0.0
TOTAL	**39.9**		**-1.0**	**33.6**	**0.0**	**0.7**	**0.0**

The changes in fair value of securities classified as level 3 are presented in Note 27.1.

The change in fair value recognized in through profit or loss in 2021 concerns securities that were liquidated during the fiscal year and were fully impaired.

NOTE 8 INVENTORIES AND WORK-IN-PROGRESS

8.1 Accounting principles

As required under IAS 2 "Inventories," inventories are measured at the lower of cost and net realizable value.

Inventories of raw materials, goods held for resale and consumables are measured at their purchase price plus related expenses using the FIFO method. Work-in-progress and finished products are measured at their actual production cost, including direct and indirect costs.

Inventories are written down where necessary, taking into account selling prices, obsolescence, residual shelf life, product condition, sale prospects and, in the case of spare parts, changes in the corresponding instruments' installed base.

8.2 Change

In millions of euros	12/31/2021	12/31/2020
Raw materials	263.8	216.3
Work-in-progress	51.7	56.3
Finished products and goods held for resale	361.7	312.3
GROSS VALUE	**677.2**	**584.9**
Raw materials	-18.9	-15.2
Work-in-progress	-4.5	-3.6
Finished products and goods held for resale	-19.2	-24.2
PROVISIONS FOR IMPAIRMENTS	**-42.6**	**-43.0**
Raw materials	244.9	201.1
Work-in-progress	47.2	52.7
Finished products and goods held for resale	342.5	288.1
NET VALUES	**634.6**	**541.9**

Inventories relating to instruments account for 18.8% of gross value.

No pledges of inventories had been granted at December 31, 2021.

Without a work stoppage or significant reduction in its production centers, the Group experienced no major slowdowns over the manufacturing period.

The analysis carried out did not result in any change in the methods used to write down inventories, as in 2020. In particular, the COVID-19 pandemic did not generate significant risks in terms of obsolescence, rotation or net realizable value of inventories.

NOTE 9 TRADE RECEIVABLES AND ASSETS RELATED TO CONTRACTS WITH CUSTOMERS

Trade receivables and finance leasing receivables

In millions of euros	12/31/2021	12/31/2020
Gross trade receivables	633.7	632.1
Impairment losses	-43.1	-34.2
NET VALUE	**590.6**	**597.9**

In total, 18.6% of the Group's trade receivables are due from government agencies and may be paid later than the date shown on the invoice.

Trade receivables are recognized at amortized cost, which in practice corresponds to cost. There are no other financial assets including a financially significant component.

The Group has not set up any deconsolidating factoring contracts.

The due dates are mainly below six months except for rental agreements, financial lease contracts and contracts for the provision of equipment.

Net receivables overdue by more than 60 days relative to private companies and public organizations represent 11.7% of outstanding trade receivables in 2021, against 12.2% in 2020.

The weight of net additions to doubtful debts and bad debts represents €9.7 million, i.e. 0.29% of revenue.

Trade receivables include the current portion of leasing agreement receivables (see Section 6.3).

Receivables and assets related to contracts with customers	12/31/2020	Changes in the scope of consolidation	Change in gross values	Change in provision	Change in method	Currency impact	12/31/2021
Long-term finance lease receivables	14.3		-2.7			1.1	12.8
NON-CURRENT ASSETS	**14.3**		**-2.7**	**0.0**	**0.0**	**1.1**	**12.8**
Finance Lease receivables	7.3		-0.2	-0.1	0.0	0.6	7.5
Gross trade receivables	590.6	0.2	-15.4	-7.8	0.0	15.4	583.1
Other assets related to contracts with customers	0.0						0.0
CURRENT ASSETS	**597.9**	**0.2**	**-15.7**	**-7.9**	**0.0**	**16.0**	**590.6**

The share of provisions on financial leasing receivables is not material (see Note 6.3).

Depreciation of trade receivables

Provisions for depreciation of trade receivables are recognized to take into account expected losses and are recognized according to the following model:

- doubtful trade receivables: provisioned case-by-case;
- customers for whom impairment loss indices have been identified (late payment, claims and litigation, etc.): individual and statistical provision;
- customers with no impairment loss index at the closing date: a provision for expected losses is recognized case-by-case, taking into account qualitative and quantitative information (e.g., information on the customer, rating of the customer, etc.) in the context of the customer credit risk monthly review process, according to information obtained on the customer.

The credit risk is assessed at each closure, taking into account guarantees received, where applicable.

The crisis related to the COVID-19 pandemic did not result in a significant increase in customer risk observed or expected in the coming months. In particular, customer payment deadlines and defaults remained stable.

The analysis carried out did not result in any change to the trade receivables provisioning model, nor to the way it is implemented, as in 2020.

Netting agreements

N/A.

Other assets related to contracts with customers

There are no assets related to the costs of obtaining or implementing contracts.

NOTE 10 LIABILITIES RELATED TO CONTRACTS WITH CUSTOMERS

Liabilities related to contracts with customers correspond essentially to advances of payment received and maintenance services invoiced in advance on service contracts (see Note 17). The associated revenue is recognized in income over the period that the service is rendered.

Liabilities related to contracts with customers	Notes	12/31/2020	Changes in the scope of consolidation	Change in gross values	Change in provision	Reclassification	Changes in translation differences	12/31/2021
Provisions for long-term guarantee	15	1.5	0.0		0.0	-0.1	0.0	1.3
NON-CURRENT LIABILITIES		**1.5**	**0.0**	**0.0**	**0.0**	**-0.1**	**0.0**	**1.3**
Provisions for short-term guarantee	15	11.4			-4.8	0.1	0.6	7.4
Advances received on trade receivables	17	13.9		9.6			1.8	25.3
Credit note to be issued	17	16.1		-4.5			0.7	12.4
Income invoiced in advance	17	68.7	0.0	10.6		0.0	4.7	84.0
CURRENT LIABILITIES		**110.1**	**0.0**	**15.7**	**-4.8**	**0.0**	**7.9**	**129.1**

NOTE 11 OTHER RECEIVABLES

In millions of euros	12/31/2021	12/31/2020
Advances and deposits	28.2	20.3
Prepaid expenses	23.9	20.7
Other operating receivables	65.7	41.3
NET VALUE OF OPERATING RECEIVABLES	**117.8**	**82.2**
CURRENT TAX RECEIVABLES	**43.1**	**42.3**
Non-operating receivables	9.5	8.0
NET VALUE OF NON-OPERATING RECEIVABLES	**9.5**	**8.0**

Advances and deposits rose by €7.9 million, of which €4.3 million related to the payment of the second of two parts of an advance under a license agreement signed in 2020.

The other receivables related to customer contracts are not material.

Other operating receivables are mainly composed of research tax credit receivables (€24.5 million at December 31, 2021 versus €12.6 million at end-2020), and other tax-related receivables.

Non-operating receivables relate primarily to the fair value of derivative instruments carried in assets (€7.5 million in 2021 versus €7.3 million in 2020, see Note 27.2).

NOTE 12 CASH AND CASH EQUIVALENTS

12.1 Accounting principles

Cash and cash equivalents include cash and short-term highly liquid investments denominated in euros and subject to an insignificant risk of impairment loss and counterparty default.

Investments meeting these criteria are measured at the end of the reporting period at their fair value, with fair value gains or losses recognized in income (see Note 27).

None of the Group's investments are pledged or subject to major restrictions.

Investment securities and other cash equivalents are valued at their fair value at each closing, according to the definition given in Note 7.

There are no other current financial assets.

12.2 Change

In millions of euros	12/31/2021	12/31/2020
Cash	547.1	313.5
Cash investment with Institut Mérieux[(a)]	170.4	51.4
Cash investment with GNEH	1.4	1.4
Cash investments	84.6	23.0
CASH AND CASH EQUIVALENTS	**803.5**	**389.2**

(a) These investments are liquid and may be redeemed within a maximum of four business days.

Some cash investments are in term accounts as well as in SICAV money-market funds (€13.0 million at December 31, 2021, just as in 2020).

Investments are placed with leading credit institutions. No adjustments were recognized in respect of the risk of non-collection associated with these financial assets following the analysis carried out pursuant to IFRS 13 (see Note 28.5).

Cash investments in SICAV money-market funds are as follows:

	12/31/2021	12/31/2020
Investment	BNP PARIBAS SIGNATURE PART CLASSIC money-market fund	BNP PARIBAS SIGNATURE PART CLASSIC money-market fund
Amount	€13 million	€13 million
Classification	Short-term money-market fund	Short-term money-market fund
ISIN Code	FR0011046085	FR0011046085

The Group regularly reviews the investments made by each SICAV euro money-market fund as well as their past performance in order to ensure that they qualify as cash and cash equivalents in accordance with the recognition criteria in IAS 7.

NOTE 13 ASSETS AND LIABILITIES HELD FOR SALE

13.1 Accounting principles

In accordance with IFRS 5, net assets and liabilities whose recovery is expected through a sale transaction rather than by continuous usage are reclassified as assets held for sale or as liabilities held for sale.

Impairment tests were carried out by comparing the value of the net assets to their fair value less costs to sell (see Note 5.2).

13.2 Change

As of December 31, 2021, the Group is considering the possibility of selling administrative sites in the United States (€7.6 million) and Belgium (€0.4 million), the net book value of which has been reclassified as assets held for sale. These assets are not subject to any impairment risk, as their potential sale value covers their net book value.

In January 2022, a building in the United States was sold at a price higher than the net book value (see Note 31).

NOTE 14 SHAREHOLDERS' EQUITY AND EARNINGS PER SHARE

14.1 Share capital

The Company's share capital amounted to €12,029,370 at December 31, 2021 and was divided into 118,361,220 shares, of which 72,559,499 carried double voting rights. Following a decision taken by the Annual General Meeting of March 19, 2001, the Company's bylaws no longer refer to a par value for its shares.

Other than the free shares (see Note 18.2), there were no valid dilutive rights or securities on December 31, 2021.

There were no changes in the number of outstanding shares during the period.

The Company is not subject to any specific regulatory or contractual obligations in terms of its share capital.

The Group does not have any specific policy concerning equity financing. Decisions on whether to use debt or equity financing are made on a case-by-case basis for each proposed transaction. The equity used by the Group for its own operations corresponds to its consolidated equity.

14.2 Cumulative translation adjustments

In millions of euros	12/31/2021	12/31/2020
Dollars[(a)]	61.9	-81.7
Latin America	-23.1	-21.6
Europe – Middle East – Africa	-41.0	-36.4
Other countries	23.8	-1.3
TOTAL	**21.6**	**-141.1**

(a) US and Hong Kong dollars.

Cumulative translation adjustments attributable to the parent amounted to €18.5 million at December 31, 2021, versus -€140.0 million a year earlier.

14.3 Treasury shares

The Company has entered into an agreement with an investment services provider for market-making purposes. It therefore sometimes has to buy, hold and resell a small number of its own shares in connection with this agreement. It also purchases shares to cover the obligations it assumes in connection with the free share grant plans mentioned in Note 18.

Treasury shares held under the liquidity agreement or for the purpose of allocation under free share grant plans are recorded as a deduction from equity, and the impacts of all corresponding transactions recorded in the individual financial statements are also recognized directly in equity (disposal gains and losses, impairment, etc.).

Treasury shares held under the liquidity contract

At December 31, 2021, the parent company held 16,734 treasury shares as part of this contract. During the fiscal year, it purchased 339,932 and sold 336,347 treasury shares.

Other treasury shares

At January 1, 2021, the Company held 201,533 treasury shares. During the fiscal year, the Company bought 350,000 shares and definitively allocated 472,424 shares intended to provide free shares to employees and shares related to the stock option plan (see Note 18.2 and 18.4).

At December 31, 2021, the Company held a total of 79,109 treasury shares intended for free share grants authorized by the Annual General Meeting.

14.4 Minority interests

The minority interests essentially cover the company Suzhou Hybiome Biomedical Engineering for €51.3 million, representing 33.3%. The impact of the share of minorities on the key aggregates of the Group is not material over the fiscal year.

14.5 Other comprehensive income (expense)

The main elements making up comprehensive income are the changes in the fair value of financial instruments for which changes in fair value are recognized in this section (see Note 7), actuarial gains and losses on defined benefit pension plans, changes in fair value of cash flow hedges, changes in translation differences coming from subsidiaries whose accounts are denominated in foreign currencies and changes in the value of tangible or intangible assets (if the option has been exercised for fair value).

The Group presents other comprehensive income showing the components of other comprehensive income that may be subsequently reclassified to income separately from components not subsequently declassifiable.

14.6 Earnings per share

Basic earnings per share is calculated by dividing net income attributable to owners of the parent by the weighted average number of shares outstanding during the period (excluding shares intended for allocation under free share grants and treasury shares held for market-making purposes). The weighted average number of shares was 118,265,377 at December 31, 2021, against 118,146,538 at December 31, 2020.

Diluted (net) earnings per share are calculated from the number of shares defined in the basic earnings increased by the weighted average number of potential shares to be issued and which would have a dilutive effect on net income. The number of the latter was 118,893,289 at December 31, 2021, against 118,652,069 at December 31, 2020.

NOTE 15 PROVISIONS – CONTINGENT ASSETS AND LIABILITIES

15.1 Accounting principles

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets," provisions are recognized when the Group has a legal or constructive obligation toward a third party, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and no inflow of resources of an equivalent amount is expected in return, and when the amount of the obligation can be reliably estimated.

Provisions for restructuring costs are recognized only when the restructuring has been announced and the Group has drawn up or has started to implement a detailed formal plan. Restructuring provisions notably cover the cost of severance payments.

Long-term provisions are discounted to present value when the impact of discounting is material and the date the underlying event is expected to materialize is known.

Material contingent liabilities are disclosed in Note 15.5, unless the probability of an outflow of resources embodying economic benefits is remote.

Material contingent assets are disclosed in Note 15.5 where an inflow of economic benefits is probable.

15.2 Change in provisions

In millions of euros	Retirement benefits and other benefits	Guarantees given	Restructuring	Claims and litigation	Other contingencies and losses	Total
DECEMBER 31, 2019	**57.8**	**7.1**	**0.4**	**7.0**	**36.9**	**109.3**
Additions	8.5	22.2	6.6	2.4	13.5	53.2
Reversals (utilizations)	-6.4	-14.6	-0.4	-2.7	-5.2	-29.3
Reversals (surplus)	-0.1	-1.0	0.0	-0.3	-6.2	-7.6
Net additions (reversals)	2.0	6.6	6.2	-0.6	2.1	16.3
Actuarial (gains) losses	-6.7	0.0	0.0	0.0	0.0	-6.7
Other changes	0.0	0.0	0.0	-0.1	0.0	-0.1
Translation differences	-0.6	-0.9	-0.4	-0.2	-0.8	-2.9
DECEMBER 31, 2020	**52.4**	**12.9**	**6.2**	**6.1**	**38.2**	**115.8**
Additions	2.9	16.3	2.2	3.6	10.6	35.5
Reversals (utilizations)	-1.7	-19.5	-1.6	-2.5	-8.3	-33.6
Reversals (surplus)	-0.3	-1.5	-1.7	-0.1	-0.5	-4.1
Net additions (reversals)	0.9	-4.8	-1.2	1.0	1.7	-2.3
Actuarial (gains) losses	-1.2	0.0	0.0	0.0	0.0	-1.2
Changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	0.0
Other changes	0.0	0.0	0.1	0.0	-0.2	0.0
Translation differences	0.2	0.6	0.5	0.2	0.3	1.7
DECEMBER 31, 2021	**52.3**	**8.8**	**5.6[a]**	**7.3[b]**	**40.0[b]**	**114.1**

(a) Corresponds mainly to the planned bioMérieux Inc. and BioFire transition and the transfer of the North American registered office to Salt Lake City.
(b) See Note 15.4.

Provisions for product warranties are recognized based on an estimate of the costs relating to the contractual warranty for instruments sold over the remaining period under warranty (see Note 3.1.1).

The COVID-19 pandemic did not lead to the implementation of restructuring plans.

15.3 Post-employment and other long-term benefit obligations

15.3.1 Accounting principles

15.3.1.1 Short-term employee benefits

Short-term employee benefits include wages, salaries and payroll taxes as well as paid vacation and performance-related bonuses. They are expensed during the fiscal year in which employees perform the corresponding services. Outstanding payments at the end of the reporting period are included in "Other operating payables."

15.3.1.2 Post-employment benefits

These benefits notably correspond to pensions, contractual retirement payments, and post-employment health insurance. They are covered either by defined contribution plans or defined benefit plans.

Defined contribution plans: where required under local laws and practices, the Group pays salary-based contributions to pension and social security organizations. The Group's obligation is limited to the payment of contributions. The contributions are expensed during the fiscal year in which employees perform the corresponding services. Outstanding payments at the end of the reporting period are included in "Other operating payables."

Defined-benefit plans: all plans other than defined-contribution plans:

- they concern regular or supplementary post-employment benefit obligations paid in the form of annuities (primarily in France and Germany) and contractual retirement payments (primarily in France and Japan);
- health insurance for retired employees.

The Group's defined benefit pension obligation is estimated by actuaries, in accordance with the amended IAS 19, as presented hereafter:

Post-employment benefit obligations are calculated in accordance with the projected unit credit method. They take into consideration actuarial assumptions such as discount rates, the rate of future salary increases, employee turnover and mortality rates. The main assumptions used are set out below in Note 15.3.2.

For the purpose of determining the discount rate, the Group analyzed various market rates and, as prescribed by the amended IAS 19R, chose an estimated average of the Iboxx Corporate AA and Bloomberg indices (euro, US dollar and pound sterling) at December 31, 2021, taking into account the average durations of the Group's plans where these differ from the observable maturities of the bonds used for those indices.

Post-employment benefit obligations are presented in the balance sheet for their total amount less the fair value of plan assets.

The impact on the service cost for the year and on the interest cost net of the return on plan assets is recognized in operating income before non-recurring items.

The impacts of changes in actuarial gains and losses related to benefit obligations and plan assets (actuarial assumptions and experience adjustments) are immediately recognized under other comprehensive income at their net-of-tax amount. They are not reclassified to income.

The impacts resulting from amendments to and settlements of pension plans are immediately recognized in income.

The expected return on plan assets recognized in income is calculated using the discount rate used to estimate the total benefit obligation.

Tests are performed to measure the sensitivity of the Group's post-employment benefit obligation to changes in certain actuarial assumptions (see Note 15.3.8).

IFRIC 14 "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" is not relevant to the Group.

Similarly, the ruling issued by IFRIC IC in April 2021 as to assigning benefits to periods of service rendered by beneficiaries of post-employment benefit plans had no effect on the Group's financial statements. The collective bargaining agreements applicable within the Group, which meet the three criteria defined by IFRS IC, do not provide for ceilings or vesting tranches.

15.3.1.3 Other long-term benefits

Other long-term benefits include long-service awards and bonuses. The corresponding liabilities are recognized on an actuarial basis whenever they have a material impact. Actuarial gains and losses and past service cost are recognized immediately in income.

15.3.2 Assumptions used

Post-employment benefits and other obligations are covered by provisions and essentially concern France. These obligations are calculated using actuarial methods based on a certain number of assumptions.

The main assumptions used are as follows:

	France	
	12/31/2021	12/31/2020
Expected salary increase rate	2.50%	2.00%
Discount rate	1.00%	0.90%
Average duration of plans	12.6	12.6

The expected return on plan assets corresponds to the discount rate applied to the post-employment benefit obligations, in accordance with the amended IAS 19, according to the calculated duration.

15.3.3 Breakdown of provisions for employee benefits

In millions of euros	12/31/2021	12/31/2020
Post-employment benefits	35.7	36.7
Long-service awards	16.6	15.7
TOTAL PROVISIONS FOR LONG-TERM EMPLOYEE BENEFITS	**52.3**	**52.4**

15.3.4 Change in provisions for employee benefits post employment

In millions of euros	Present value of obligation	Fair value of funds[a]	Provisions for pensions	Post-employment health insurance	Total provisions for post-employment benefits
DECEMBER 31, 2020	**74.9**	**-39.6**	**35.3**	**1.4**	**36.7**
Current service cost	4.8		4.8	0.0	4.8
Interest cost	0.7	-0.4	0.3	0.1	0.4
Retirements	-2.7	0.8	-1.8	-0.1	-1.9
Plan liquidation	0.0	0.0	0.0		0.0
Contributions	0.0	-3.4	-3.4		-3.4
Impact on operating income	**2.8**	**-2.9**	**-0.1**	**0.0**	**-0.1**
Actuarial gains and losses (Other comprehensive income)	**1.0**	**-1.9**	**-0.9**	**-0.3**	**-1.2**
Other movements (incl. currency impact)	0.8	-0.6	0.2	0.1	0.3
DECEMBER 31, 2021	**79.5**	**-45.0**	**34.5**	**1.2**	**35.7**

(a) Plan assets or scheduled payments.

In millions of euros	Present value of obligation	Fair value of funds[a]	Provisions for pensions	Post-employment health insurance	Total provisions for post-employment benefits
DECEMBER 31, 2020	**268.1**	**-226.6**	**41.5**	**1.5**	**43.0**
Current service cost	3.8		3.8	0.0	3.8
Interest cost	3.7	-3.3	0.5	0.1	0.5
Retirements[b]	-99.9	98.4	-1.5	0.0	-1.5
Plan liquidation[b]	-103.6	107.2	3.6		3.6
Contributions	0.0	-5.8	-5.8		-5.8
Impact on operating income	**-196.0**	**196.5**	**0.6**	**0.1**	**0.6**
Actuarial gains and losses (Other comprehensive income)	**6.3**	**-13.0**	**-6.7**	**0.0**	**-6.7**
Other movements (incl. currency impact)	-3.3	3.4	0.1	-0.1	-0.1
DECEMBER 31, 2021	**74.9**	**-39.6**	**35.3**	**1.4**	**36.7**

(a) Plan assets or scheduled payments.
(b) Including the impact of the liquidation of the defined-benefit pension plan for bioMérieux Inc. employees for -€98.0 million on retirements and -€103.0 million on the change of plan. See Note 1.3.

15.3.5 Net post-employment benefit expense for the fiscal year

In millions of euros	12/31/2021	12/31/2020
Current service cost	4.8	3.8
Return on plan assets	-0.4	-3.3
Interest cost	0.7	3.7
TOTAL	**5.1**	**4.3**

15.3.6 Breakdown of net obligation by country

	12/31/2021		
In millions of euros	France	Other countries	Total
Present value of obligation	46.2	33.4	79.6
Fair value of funds[(a)]	-30.8	-14.2	-45.0
Provisions for pensions	**15.4**	**19.2**	**34.6**
Post-employment health insurance	0.0	1.1	1.1
Other long-term benefits			0.0
TOTAL POST-EMPLOYMENT BENEFITS	**15.4**	**20.3**	**35.7**
Long-service awards	16.6	0.1	16.6
TOTAL PROVISIONS FOR PENSIONS AND OTHER LONG-TERM BENEFITS	**32.0**	**20.4**	**52.3**

(a) Plan assets and scheduled payments.

15.3.7 Information on plan assets

Plan assets mainly concern France.

15.3.7.1 Allocation of funds

	12/31/2021	12/31/2020
In millions of euros	France	France
Equities	2.6	1.4
Bonds	25.0	23.6
Other	3.2	2.0
TOTAL	**30.8**	**27.0**

15.3.7.2 Actual return on plan assets

	Return 2021	Return 2020
France	2.7%	2.1%

15.3.8 Other information

The timing of future benefit payments at December 31, 2021 is as follows:

in %	Future service payments *(as % of net obligation)*
< 1 year	6%
1-5 years	30%
> 5 years	64%

This payment schedule is close to that calculated in 2020.

A portion of these payments will be funded by the plan assets. Contributions will be decided on a yearly basis.

A 0.5-point increase in the discount rate would have a favorable impact of around 6.9% on the amount of commitments (namely €5.3 million).

15.4 Other provisions

15.4.1 Provisions for claims and litigation

The Company is involved in a certain number of claims and litigation arising from the normal course of its business, the most significant of which are described below. Based on available information, the Group does not believe that these claims will have a materially unfavorable impact on the continuity of its operation. When a risk is identified, a provision is recognized as soon as it can be reliably estimated. The provision for claims and litigation covers all disputes in which the Group is involved and amounted to €7.3 million at December 31, 2021, against €6.1 million at December 31, 2020 (excluding tax claims and litigation detailed in Note 15.4.2).

Other than the tax disputes explained below, the claims and litigation mainly included disputes with distributors following the termination of their distribution contracts. A provision has been set aside for the probable amounts that the Group will have to pay based on the plaintiff's claims.

15.4.2 Tax disputes and risks

Liabilities related to tax disputes and risks concerning income taxes are recorded on the line "Current tax payables" (see Note 17). Late-payment interest is recorded on the line "Other payables" (see Note 17).

Penalties relating to these claims and litigation and to risks are recorded in "Provisions, contingent liabilities and contingent assets."

At December 31, 2021, tax risks (comprising the various items listed above) stood at €10.9 million. They mainly relate to the Italian tax dispute.

Tax dispute and mutual agreement procedure (MAP) in Italy

Further to two tax audits in Italy in respect of fiscal years 2004 to 2007 and 2009 to 2010, bioMérieux Italy has received tax re-assessment notices relating to transfer prices and the portion of shared costs allocated to this subsidiary.

In the context of this dispute, the Group has requested two mutual agreement procedures to be initiated between the relevant French and Italian authorities, one related to the period 2004 to 2007, and the other to the period 2009 to 2010.

These procedures were initiated based on the European Arbitration Convention of July 23, 1990, as amended by the protocol of May 25, 1999. The aim of these proceedings is to prevent the double taxation of companies by different Member States owing to an upward adjustment of profits of one of the companies in a Member State (as regards transfer pricing). The neutralization does not apply to penalties or late-payment interest.

During the 2016 fiscal year, the competent French and Italian authorities reached an amicable agreement for the period 2004 to 2007. This agreement, which was accepted by the Group, eliminates the tax adjustment for 2004 and limits the basis for subsequent adjustments. As of December 31, 2021 the Italian tax authorities had not issued tax assessments for the adjustments maintained in respect of 2005, 2006 and 2007 following the 2016 mutual agreement procedure. The assessment notifications were received in February 2022 (see Note 31).

For the period 2009 to 2010, an agreement was reached between France and Italy in September 2020. Under this agreement, the Italian authorities shelved all initial adjustments.

In parallel, adjustments made to the sales flows between Italy and the Group's US subsidiary (as well as to other items such as the quota of shared expenses) continued to be subject to a local Italian law dispute for the periods 2004 to 2007 and 2009 to 2010. With regard to the period 2004 to 2007, the Group filed an appeal with the Supreme Court in May 2020 after an appeal to the lower court resulted in an unfavorable ruling. The duration of this proceeding cannot be estimated at this stage. With regard to the period 2009 to 2010, no ruling has yet been made in the lower court.

At December 31, 2021, a liability corresponding to the best estimate of the consequences of ongoing proceedings is booked to the Group's financial statements.

On February 9, 2022, bioMérieux Italia received notices of assessment relating to the period 2004-2007, including those from the MAP, for €12 million (see Note 31).

15.4.3 Other provisions for contingencies and losses

US Medical Networks, LLC

In 2019 action was brought against BioFire Diagnostics by US Medical Networks, LLC demanding that it cease using software and customer files deemed to be the property of US Medical Networks, LLC. The dispute was finally resolved during 2021.

Manovra Sanità

This bill, which was passed in Italy in August 2015, requires healthcare providers to cover 40% of the difference between the health budget of each province and the actual expenditure incurred. No implementing decree has yet been adopted. Nevertheless, in accordance with market practice, the provision for risk recognized as of 2016 was updated at December 31, 2021.

Other provisions for risks

These relate to miscellaneous risks identified and to costs related to the discontinuation of certain product ranges.

15.5 Contingent assets and liabilities

Diagnostic tests for Lyme disease

On October 14, 2016, bioMérieux, like other manufacturers, was summoned before the Tribunal de Grande Instance de Paris (Paris District Court) in view of obtaining compensation for anxiety allegedly "caused by the lack of reliability of serodiagnostic tests" for Lyme disease. The civil proceeding, initiated by 45 plaintiffs, increased to 93 following the joinder of two identical new summonses. In December 2021, the Paris court dismissed all opposing claims. As of February 28, 2022, this decision has not been appealed.

NOTE 16 NET DEBT – CASH

16.1 Consolidated cash flow statement

The consolidated cash flow statement is presented according to the recommendation of the French accounting standards authority (Autorité des normes comptables – ANC) No. 2013-03 dated November 7, 2013.

It lists separately:

- cash flows from operating activities;
- cash flows from investing activities;
- cash flows from financing activities.

Cash flows from investing activities include the amount of net cash of companies acquired or sold on the date of their first-time consolidation or their derecognition, as well as amounts due to suppliers of non-current assets and amounts receivable on disposals of non-current assets.

Net cash and cash equivalents correspond to the Group's net debit and credit cash positions.

The consolidated cash flow statement shows the Group's EBITDA. EBITDA is not defined under IFRS and may be calculated differently by different companies. EBITDA or gross operating income as presented by bioMérieux is equal to the sum of operating income before non-recurring items and net additions to operating depreciation and amortization.

In millions of euros	12/31/2021	12/31/2020
Additive method		
• Net income	598.2	402.7
• Non-recurring income and expenses, depreciation from the acquisition of BioFire	16.9	59.7
• Cost of net financial debt[(a)]	7.1	25.0
• Other financial income and expenses	2.7	3.6
• Income tax expense	175.6	121.5
• Investments in associates	0.7	0.2
• Net additions to operational depreciation – non-current provisions	231.0	210.8
EBITDA (BEFORE NON-RECURRING ITEMS)	**1,032.2**	**823.5**
Simplified additive method		
• Contributive operating income before non-recurring items[(b)]	800.5	612.5
• Investments in associates	0.7	0.2
• Depreciation and amortization	231.0	210.8
EBITDA (BEFORE NON-RECURRING ITEMS)	**1,032.2**	**823.5**

(a) The change between the two years is due to the unwinding of the former bond issue, which was repaid in the second half of 2020, and to the recognition of an additional debt to the BPI in 2020 (a debt which has not changed significantly in 2021).

(b) The contributive operating income before non-recurring items corresponds to the operating income before non-recurring items excluding the charge for the amortization of the intangible assets of BioFire recognized when assigning the acquisition price.

The available free cash flow is a key indicator for the Group. It is defined as cash flow from operating activities as well as cash flow from investing activities, excluding net cash and cash equivalents from acquisitions and disposals of subsidiaries.

16.2 Comments on the consolidated cash flow statement

Net cash from operating activities

EBITDA reached €1,032 million in 2021, representing 30.6% of sales, up by 25.4% compared to €824 million for 2020. The increase reflected growth in contributive operating income before non-recurring items and net additions to depreciation and amortization of operating items and operating provisions.

Tax payments amounted to €185 million, up from €116 million the previous year, largely due to higher earnings.

In 2021, the operating working capital requirement increased by €38 million. The change was primarily a result of the following factors:

- inventories rose by €62 million in 2021, in line with volume;
- trade receivables fell €24 million, in line with the improvement in collection times, despite the increase in sales;
- in step with volume, trade payables rose slightly by €24 million;
- other working capital items worsened by €24 million because of a sharp fall in tax and social security liabilities due primarily to the payment of variable compensation indexed to the share price*(phantom share plans)* in the amount of €36 million, offset by the increase in variable compensation.

At the end of the 2021 fiscal year, cash generated from operating activities reached €811 million, up by 39% compared to the €583 million recorded during the previous fiscal year.

Net cash used in investing activities

As expected, disbursements related to capital expenditure amounted to about 9% of revenues, namely €290 million at the end of 2021, against €278 million during the previous fiscal year. Major investments worth mentioning include the expansion of BioFire's production capacity in Salt Lake City, the construction of a production facility in Suzhou and the construction of a new facility for Hybiome.

In this context, free cash flow reached €541 million in 2021, against about €328 million in 2020.

Acquisitions of non-controlling interests and takeovers amounted to €34 million in 2021, relating to the acquisition of Banyan for €19 million (see Note 1.1) and the granting of two convertible loans to Specific Diagnostics for €15 million (see Note 1.2.3).

Net cash used in financing activities

The Company paid a dividend of €73.1 million, a sharp increase over last year. Due to the exceptional circumstances of COVID-19, the Annual General Meeting had decided in 2020 to exceptionally reduce the dividend in order to support social action.

As stated previously, in June 2020 bioMérieux issued a new €200 million Euro PP bond placed with a leading European investor.

IFRS 16

In accordance with the provisions of the standard, financing flows include only reimbursements of the debt related to lease liabilities, and stood at €30.0 million on December 31, 2021, against €30.5 million on December 31, 2020.

The interest paid on borrowings for lease liabilities is presented as operating cash flows, in the same manner as other interest paid on borrowings.

16.3 Change in net debt

No borrowings are recognized or re-estimated at fair value, with the exception of debts related to price supplements, recognized and re-valued at each closure at their fair value as defined contractually (see Note 27) and to a debt with BPI as part of a research program.

No debt restructuring occurred over the presented fiscal years. Likewise, current debts at December 31, 2020 were not restructured in the past.

At December 31, 2021, after the €73.1 million dividend payout to bioMérieux SA shareholders, the Group's net cash surplus was €341.1 million, largely consisting of net cash of €787 million offset by the bond issue described below and the debt on lease liabilities related to IFRS 16 (€96 million).

In June 2020, bioMérieux had issued a new private placement bond of €200 million, comprising €145 million repayable in seven years with an annual coupon of 1.5% and €55 million repayable in 10 years with an annual coupon of 1.9% (see Note 1.3).

The bond issue is shown on the balance sheet at amortized cost calculated using the effective interest rate method, in the amount of €199.6 million.

On December 31, 2021, bioMérieux SA also had a non-drawn syndicated credit facility of €500 million, put in place in 2017 and for which the maturity was brought to January 2024 following the exercise of two options for extension.

Furthermore, in order to meet the general financing needs of bioMérieux SA and its subsidiaries, the Company can use two programs for the issuance of marketable securities. One is a short-term program with the following key features:

Maximum ceiling of the program	€500,000,000.00
Duration	< 1 year
Minimum amount per issue	€150,000 or the equivalent value of this amount in foreign currency determined at the time of issue
Issue currency	Euros or any other currency authorized by the French regulations applicable at the time of the issue
Domiciliary agent	CACEIS Corporate Trust
Arranger	Crédit Agricole Corporate and Investment Bank
Dealers	Aurel BGC
	BNP Paribas
	BRED Banque Populaire
	Crédit Agricole Corporate and Investment Bank
	Crédit Mutuel – CIC
	Natixis
	Société Générale
	ING Belgium Succursale France

The other is a medium-term program with the following key features:

Maximum ceiling of the program	€500,000,000.00
Duration	> 1 year
Minimum amount per issue	€150,000 or the equivalent value of this amount in foreign currency determined at the time of issue
Issue currency	Euros or any other currency authorized by the French regulations applicable at the time of the issue
Domiciliary agent	CACEIS Corporate Trust
Arranger	Crédit Industriel et Commercial
Dealers	Aurel BGC
	BNP Paribas
	BRED Banque Populaire
	Crédit Agricole Corporate and Investment Bank
	Credit Industriel et Commercial
	Natixis
	Société Générale

The information memorandum pertaining to the marketable securities issuance programs can be found on the Bank of France website (*www.banque-france.fr/en*).

16.4 Maturities of net debt

The payment schedule indicates the net debt or net cash. This non-standardized schedule corresponds to the sum of cash and cash equivalents with a maturity of less than three months, less committed debt and bank overdrafts and other uncommitted borrowings.

The payment schedule below refers to balance sheet amounts.

In millions of euros	12/31/2020	Changes in the scope of consolidation	Non-current to current reclassifications	Increase	Decrease	Change to the consolidated cash flow statement	Other movements[d]	Translation adjustments	12/31/2021
BORROWINGS – NON-CURRENT PORTION									
Borrowings – non current portion	49.6		-1.0	12.9	0.0	11.9	0.0	4.0	65.6
Non-current lease liabilities	103.2		-22.2		0.0	-22.2	12.9	3.6	97.6
Bond issues	199.6			0.0		0.0			199.6
IFRS 16 right-of-use assets	0.0					0.0			0.0
Non-current liabilities on acquisition of securities									0.0
TOTAL BORROWINGS – NON-CURRENT	**352.4**	**0.0**	**-23.2**	**13.0**	**0.0**	**-10.3**	**12.9**	**7.6**	**362.8**
BORROWINGS – CURRENT PORTION									
Current bond issue	0.0				0.0	0.0			0.0
Borrowings due within one year	51.6		1.0	5.2	-13.3	-7.1	0.1	4.0	48.6
Current lease liabilities	24.4		22.2		-30.0	-7.8	7.4	0.7	24.8
Commercial paper	35.0				-25.0	-25.0			10.0
Liabilities on acquisition of securities - portion due in less than one year	0.0								0.0
BORROWINGS – CURRENT PORTION	**111.0**	**0.0**	**23.2**	**5.2**	**-68.3**	**-39.9**	**7.6**	**4.7**	**83.4**
TOTAL BORROWINGS (B)	**463.5**	**0.0**	**0.0**	**18.2**	**-68.3**	**-50.1**	**20.5**	**12.3**	**446.1**
NET CASH AND CASH EQUIVALENTS									
Cash	313.5	0.6		225.2		225.8		7.8	547.1
Cash investments	23.0			61.3		61.3		0.3	84.6
Current accounts	52.8			162.3	-43.3	119.1		0.0	171.8
Cash and cash equivalents[a]	389.2	0.6	0.0	448.8	-43.3	406.2	0.0	8.1	803.5
Bank overdrafts[b]	-17.9			-29.4		-29.4		31.1[c]	-16.3
NET CASH AND CASH EQUIVALENTS (A)	**371.3**	**0.6**	**0.0**	**419.4**	**-43.3**	**376.8**	**0.0**	**39.2**	**787.3**
NET DEBT (B) – (A)	**92.1**	**-0.6**	**0.0**	**-401.3**	**-25.1**	**-426.9**	**20.5**	**-26.9**	**-341.1**

(a) See Note 12.2.
(b) Cash and bank overdrafts comply with the principles of the standard IAS 7, meaning that they are repayable on demand.
(c) This amount includes cash pool-related effects.
(d) Other changes are related to new rental agreements not presented in the financing flows in accordance with the standard.

At December 31, 2021, non-current borrowings mainly comprised debt related to lease liabilities (see Note 16.5), the bond issue contracted in 2020 for €199.6 million, and the put option on the Hybiome minority interests for €29.1 million.

Current borrowings mainly comprised:

- short-term marketable securities for €10 million;
- the loan contracted by Shanghai, corresponding to a revolving credit for €29.0 million;
- the portion of at least one year of the debt relative to lease liabilities that is due within one year (see Note 16.5 below).

At the end of the fiscal year, the Group had not breached any of its repayment schedules.

No loan agreement was signed prior to December 31, 2021 concerning loans to be set up in 2022.

16.5 Impact of liabilities related to rental agreements on borrowings and financial debt

In millions of euros	12/31/2021	12/31/2020
Debt related to leases	**122.3**	**127.7**
Of which leases with purchase option	*26.8*	*30.3*
Due beyond 5 years	**47.9**	**57.6**
Of which leases with purchase option	*7.2*	*11.1*
Due in 1 to 5 years	**49.7**	**45.6**
Of which leases with purchase option	*15.9*	*15.4*
Due within 1 year	**24.8**	**24.5**
Of which leases with purchase option	*3.8*	*3.8*

Only reductions in loans are presented in the consolidated cash flow statement.

The amount of financial interest recorded pursuant to rental agreements according to IFRS 16 stood at €2.5 million at December 31, 2021, against €2.8 million at December 31, 2020.

As stated in Note 6.2.1, there were no significant rental agreement adjustments during the fiscal year. Moreover, rent components that were not included in the lease liability calculation, pursuant to IFRS 16 (e.g. variable rents), were not material.

16.6 Debt covenants

In the event of a change of control of the Company as defined in the issue notice, bondholders may ask for their bonds to be redeemed.

The syndicated credit facility and the new private placement bond subscribed in June 2020 are subject to a single ratio: "net debt to operating income before non-recurring items before depreciation and amortization," calculated outside the application of IFRS 16. The ratio, which may not exceed 3.5, was complied with at December 31, 2021.

Also, in January 2017, bioMérieux SA renegotiated this syndicated credit facility to bring its amount to €500 million at maturity in 2024.

The other term borrowings at December 31, 2021 primarily correspond to commercial paper, short-term local financing, share allocation plans delivered under cash and cash equivalents, and leasing agreement liabilities related to assets. None of these borrowings is subject to a covenant.

16.7 Interest rates

Before hedging, 66% of the Group's borrowings are at fixed rates (€295.6 million), and the remainder is at floating rates (€150.5 million).

At December 31, 2021 the fixed-rate debt consisted of:

- debts on lease liabilities (€96.0 million) at a rate that mostly corresponds to incremental borrowing rates (see Note 6.3.1);
- and the €199.6 million bond issue, of which €145 million redeemable in six years with an annual coupon of 1.5%, and €55 million redeemable in nine years with an annual coupon of 1.902%.

Floating-rate borrowings are essentially based on the currency's interest rate plus a margin.

16.8 Breakdown of net debt (net cash) by currency

In millions of euros	12/31/2021	12/31/2020
Euro	346.0	317.5
Chinese yuan	49.4	5.1
Japanese yen	4.0	1.0
Brazilian real	3.3	3.4
Mexican peso	2.1	7.5
Indian rupee	0.6	6.1
South Korean won	0.6	3.8
South African rand	0.3	3.8
Polish zloty	0.1	-1.2
Turkish lira	-0.4	-2.7
Czech koruna	-0.8	-1.2
Chilean peso	-0.9	1.8
Argentinian peso	-1.3	-1.8
Danish krone	-1.5	-1.9
Norwegian krone	-1.7	-2.2
New Taiwan dollar	-1.8	-1.7
Swiss franc	-2.1	-2.0
Hong Kong dollar	-3.4	-1.2
Pound sterling	-3.7	-8.8
Swedish krona	-4.3	-3.1
Canadian dollar	-5.7	-0.3
Russian ruble	-15.9	-5.7
Australian dollar	-18.2	-7.0
Singapore dollar	-27.0	0.7
US dollar	-657.8	-218.3
Other currencies	-1.0	0.8
TOTAL	**-341.1**	**92.2**

16.9 Loan guarantees

None of the Group's assets have been pledged as collateral to a bank.

For subsidiaries using external funding, bioMérieux SA may be required to issue a first call guarantee to banks granting these facilities.

Hedging agreements are discussed in Note 27.

NOTE 17 TRADE AND OTHER PAYABLES

In millions of euros	12/31/2021	12/31/2020
Trade payables	**239.5**	**207.1**
Advances and deposits	25.3	13.9
Tax and social-security debts	317.9	327.4
Deferred income	84.0	68.7
Other payables	21.2	41.7
Other operating payables	**448.5**	**451.7**
Current tax payables[(a)]	**67.4**	**44.3**
Debt to suppliers of non-current assets	32.5	21.9
Other	16.9	18.7
NON-OPERATING PAYABLES	**49.3**	**40.5**

(a) Current tax payables include the valuation of tax risks according to IFRIC 23. In accordance with this interpretation, the liabilities related to tax disputes and risks (excluding penalties and late-payment interest) are recorded in "Current tax payables" (see Note 15.4.2).

The details of the other liabilities related to customer contracts are presented in Note 10.

Operating and non-operating payables generally fall due within one year, except for certain deferred income. Other non-operating payables relate mainly to the fair value of derivative instruments carried in liabilities (€10.9 million in 2021 versus €10.5 million in 2020, see Note 27.2).

NOTE 18 SHARE-BASED PAYMENTS

18.1 Share-based payment and share grant plans

The transactions paid in shares concern the bioMérieux SA free share grant plans approved by the Ordinary and/or Extaordinary Shareholders' Meetings of May 30, 2017; May 17, 2018; May 23, 2019; June 30, 2020; and May 23, 2021.

A summary of these plans is presented below.

In accordance with IFRS 2 "Share-based Payment", the fair value of the benefits granted is expensed over the vesting period, with a corresponding increase in equity. The expense is based on the value of the underlying shares or options at the grant date, i.e. the date on which the list of beneficiaries was approved by the Board of Directors. The probability that the rights will vest is reviewed at the end of each reporting period and until the vesting date, to take into account whether the continuous employment and performance conditions have been met. Any changes are taken to income. At the end of the vesting period, the amount of the cumulative expense is adjusted on the amount effectively vested and held in a specific reserve account.

This account is liquidated if the rights are exercised or lapse.

When the share-based payment plan is settled in cash and cash equivalents, the fair value of the plan is updated at each balance sheet date during the vesting period. The counterparty of the expense recognized during the vesting period is recorded as a debt.

In accordance with IFRS 2 "Share-based Payment", the corresponding tax savings recognized in the parent company financial statements is allocated in the consolidated financial statements to the fiscal year during which the share-based payment expense is recognized.

18.2 Free share grant plans

	Date on which plans opened				
Number of shares	**2017**	**2018**	**2019**	**2020**	**2021**
Initial number of options granted	32,016	169,685	266,189	126,103	175,315
Options canceled	2,153	23,941	75,861	15,390	24,082
Number of shares remitted in FY 2021	29,863	110,744	0	0	0
Number of shares to be remitted as of December 31, 2021	0	35,000	190,328	110,713	151,233

Between 2017 and 2021, the Board of Directors granted restricted stock (out of existing shares) to certain employees and corporate officers.

These plans specify that shares will only be definitively assigned after a vesting period of between three and four years. The conditions for the acquisition of rights are related to presence conditions, and, for certain plans, the definitive acquisition of performance shares is subject to achieving objectives based on revenue and operating income or the achievement of specific objectives. The performance shares are no longer subject to a lock-up period if the vesting period is at least two years. The lock-up period may be waived for shares granted to non-French tax residents provided that the shares concerned are subject to a four-year vesting period.

In 2021, a net expense of €14.2 million was recognized in personnel costs due to compensation in shares, including the expenses related to employers' contributions (against a net expense of €11.8 million in 2020).

At December 31, 2021:

- regarding 441,921 free shares, the Company considered that the performance criteria were achieved;
- regarding 45,354 free shares, the Company considered that the performance criteria were not achieved.

At December 31, 2021, bioMérieux SA held 79,109 of its own shares for allocation under the above-described share grant plans. The Company would have to purchase a maximum of 362,812 additional shares at a cost of €45.3 million based on the share price at December 31, 2021.

The fair value of shares corresponds to the market price on the date of assignment of the plans.

18.3 Share-based payments delivered under cash and cash equivalents

In 2015, 2016 and 2017, the Group set up variable compensation plans in the United States indexed on the price of the bioMérieux share (phantom shares). This additional paid-in capital is comparable to allocation plans for share grants delivered under cash and cash equivalents. The impact on cash at December 31, 2021 was a disbursement of €35.6 million.

The impact on the profit & loss statement was an expense of €2 million in 2021 compared, versus €44 million in 2020.

As these plans expired in 2021, there was no liability left at December 31, 2021, versus a liability of €32.1 million at December 31, 2020.

18.4 Stock options plan

Description of the "MyShare" stock options plan

In 2021, eligible Group employees were able to participate in a restricted offering within an employee share ownership plan called "MyShare." The offering was made in the form of a sale of treasury shares. The Group offered employees the opportunity to acquire shares at a discount and with a matching contribution, either directly or through a mutual fund. The sums invested are blocked for four or five years, except for early release provided by law, and may present a risk of capital loss. The main features of the plan are:

- a 30% discount on the reference price of the share, equal to the average opening price of bioMérieux shares over the twenty (20) trading days preceding May 3, 2021;
- a matching contribution by bioMérieux of 100% of the subscription up to €750 per employee;
- in return, the funds are blocked for a period of five years for French employees and four years for international employees.

Accounting effects

The subscription price of the MyShare plan is defined as the average opening price of bioMérieux shares over the twenty (20) trading days preceding May 3, 2021. The reference price, set at €108.58, is reduced by 30% to €76.01.

The accounting expense of the plan equals the difference between the fair value of the share subscribed and the subscription price. Fair value takes into account the non-transferability of the shares, i.e. Four years for international employees and five years for French employees.

The expense recognized under the plan of approximately €10 million reflects:

- €4.0 million for the cost of the bioMérieux matching contribution;
- €4.7 million of difference between the value of a non-transferable share and the subscription price and;
- payroll charges and miscellaneous expenses.

The value of a non-transferable share is calculated using the following assumptions. Risk-free interest rate: 0.1%, Refinancing rate per employee: 4.0%, and Share borrowing rate: 0.5%.

NOTE 19 OTHER OPERATING INCOME AND EXPENSES

In millions of euros	12/31/2021	12/31/2020
Net royalties received	2.7	3.5
Research tax credits	26.2	30.0
Research grants	5.5	3.1
Other	10.2	10.3
TOTAL	**44.6**	**46.9**

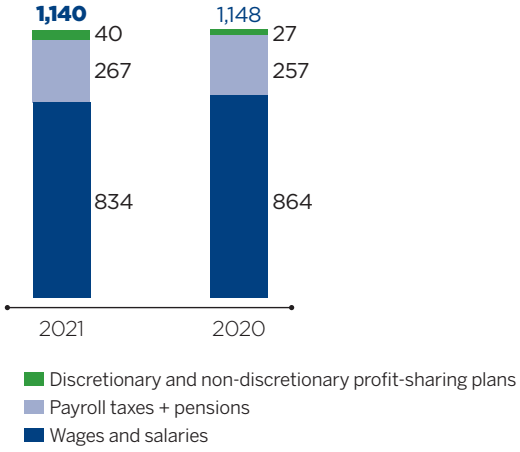
The other income related to customer contracts mainly corresponds to license fees received.

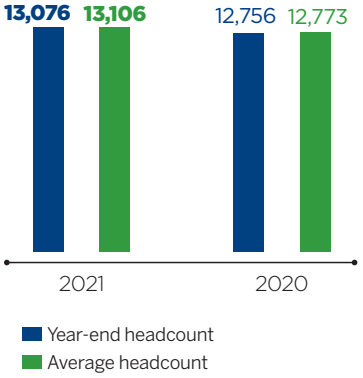
Research grants increased and included a €4.2 million subsidy received by Astute Medical Inc.

Other income mainly includes €5.6 million in rental income in the United States in Durham and €1.5 million in tax refunds in Brazil.

In accordance with IAS 20, bioMérieux presents research tax credits as a subsidy within other operating income.

NOTE 20 EMPLOYEE COSTS





At constant exchange rates, personnel costs were up compared to fiscal 2020. In addition, personnel costs in 2020 included the share of the fair value of the share-based compensation (phantom shares). These plans expired in 2021 (see Note 18.3).

Payroll taxes include amounts paid into defined contribution plans for €4.9 million.

The profit sharing only concerns bioMérieux SA.

NOTE 21 DEPRECIATION, AMORTIZATION AND PROVISIONS, NET

In millions of euros	12/31/2021	12/31/2020
Depreciation and amortization of non-current assets	247.8	228.4
Provisions	-1.7	15.7
Impairment of current assets	12.3	15.9
Impairment of non-current financial assets	-0.6	0.7
TOTAL	**257.8**	**260.7**

Depreciation and amortization expense includes €241.6 million shown within contributive operating income before non-recurring items and €16.9 million relating to the amortization of the fair value of assets recognized in relation to the acquisition of BioFire.

NOTE 22 NET FINANCIAL EXPENSE

22.1 Accounting principles

Financial income and expenses are shown on two separate lines:

- "**Cost of net financial debt**," which includes interest expense, fees and foreign exchange gains and losses arising on borrowings, as well as income generated by cash and cash equivalents.
- "**Other financial income and expenses**," net, which includes interest income on instruments sold under leasing agreement arrangements, the impact of disposals and writedowns of investments in non-consolidated companies, late-payment interest charged to customers, discounting gains and losses, and the ineffective portion of currency hedges on commercial transactions.

22.2 Cost of net financial debt

In millions of euros	12/31/2021	12/31/2020
Financial expenses[(a)]	-6.6	-22.3
Currency hedging derivatives	3.1	0.8
Foreign exchange gains (losses)	-1.1	-0.7
Interest on leasing debt	-2.5	-2.6
TOTAL	**-7.1**	**-25.0**

(a) The change between the two years is due to the unwinding of the former bond issue, which was repaid in the second half of 2020, and to the recognition of an additional debt to the BPI in 2020 (a debt which did not change significantly in 2021).

Financial expenses mainly include interest on the bond issue.

22.3 Other financial income and expenses

In millions of euros	12/31/2021	12/31/2020
Interest income on leased assets	1.7	1.5
Disposals and writedowns of non-consolidated companies	0.6	-0.6
Currency hedging derivatives[(a)]	-6.3	-5.8
Other	1.3	1.4
TOTAL	**-2.7**	**-3.5**

(a) Corresponds to the swap point effect of forward sales and the effect of the time value of currency options, for which the Group has not left itself the option to treat them as hedging cost.

The currency hedging derivatives mainly correspond to the ineffective portion on commercial transactions.

22.4 Foreign exchange gains (losses)

Foreign exchange gains and losses result from differences between the transaction exchange rate and the settlement rate (or the year-end rate if the payment has not yet been made). These differences only partially reflect the impact of currency fluctuations.

The transaction exchange rate is the rate prevailing on the date the transaction takes place. The settlement exchange rate is either the rate in effect on the date of payment or the hedging rate (excluding time value) if a currency hedge was set up for the transaction.

Foreign exchange gains and losses on commercial transactions are recognized under the relevant headings in the profit & loss statement. The foreign exchange gains and losses impacted the profit & loss statement in the following manner:

In millions of euros	12/31/2021	12/31/2020
Revenue	-0.2	-0.3
Cost of sales	-11.4	0.9
Financial items	-1.1	-0.7
TOTAL	**-12.6**	**-0.2**

NOTE 23 DEPRECIATION AND AMORTIZATION OF ASSETS FROM THE BIOFIRE ACQUISITION

In order to improve the understanding of operating income and due to the transaction's scale, costs relating to the acquisition of BioFire Diagnostics and BioFire Defense – consolidated for the first time at June 30, 2014 – are shown on a separate line of operating income before non-recurring items.

This line now comprises the depreciation and amortization of the assets acquired and valued during the purchase price allocation (technologies) for €16.9 million at the end of December 2021.

Over the 2020 fiscal year, the amount of depreciation of acquired assets stood at €17.5 million.

The difference between the two years is attributable to the currency impact.

NOTE 24 OTHER NON-RECURRING INCOME AND EXPENSES FROM OPERATING ACTIVITIES

24.1 Accounting principles

Other non-recurring income and expenses from operations, net are items that are "material, extraordinary and non-recurring." They are presented on a separate line of the income statement in order to give a clearer picture of the Group's routine business performance. They chiefly include material amounts of net proceeds from disposals of non-current assets (other than instruments), restructuring costs and impairment losses (see Note 5).

Restructuring costs (which include the cost of severance payments) correspond to the expenses recognized when the Group officially announces the closure of a facility or a scaling down of operations in the ordinary course of business, as well as subsequent adjustments made to reflect the actual costs incurred.

24.2 Change

As of December 31, 2021, non-recurring operating income and expenses from operations were not material.

As reported before, for the year ended December 31, 2020, other non-recurring operating income and expenses were €42.2 million and reflected extraordinary corporate giving related to the COVID-19 pandemic as well as the initial endowment to the bioMérieux endowment fund created in December 2020 to support social action.

NOTE 25 CURRENT AND DEFERRED INCOME TAX

25.1 Accounting principles

The income tax expense for the period comprises current and deferred tax.

Tax credits (excluding research tax credits (see Note 3.2)) are presented as a reduction from income tax expense.

Deferred taxes are recognized using the liability method for all temporary differences arising between the tax bases of assets and liabilities. These differences arise in particular from:

- temporary differences between the recognition of certain income and expense items for financial reporting and tax purposes (*e.g.*, non-deductible provisions, employee profit-sharing, etc.);
- consolidation adjustments (e.g., accelerated depreciation, provisions, elimination of internal gains included in inventories and non-current assets, etc.);
- forecast withholding tax on dividend payments planned for the following year;
- calculation of the fair value of assets and liabilities relating to companies acquired.

Changes in deferred tax are recognized in profit/loss or in other comprehensive income, according to the recognition of the underlying restatement.

Deferred taxes are calculated using the liability method based on the probable dates of payment. They are recognized at the enacted tax rate (or nearly enacted rate) for their nominal value without discounting.

Deferred tax assets arising from temporary differences are only recognized to the extent that they can be utilized against future deductible temporary differences, or where there is a reasonable probability of their utilization or recovery against future taxable income. In practice, and notably in the case of tax loss carryforwards, this rule is applied based on budget forecasts approved by management using a maximum time horizon of two years. The calculation of deferred taxes takes account of tax provisions applicable for tax loss carryforwards (utilization ceilings, etc.).

Deferred taxes on the balance sheet are presented as a net position by tax entity, on both sides of the consolidated balance sheet. Deferred tax assets and liabilities are offset only to the extent that bioMérieux has a legally enforceable right to offset current tax assets and liabilities, and to the extent that the deferred tax assets and liabilities relate to taxes in the same tax jurisdiction.

25.2 Analysis of income tax expense

	12/31/2021		12/31/2020	
In millions of euros	Tax	Rate	Tax	Rate
Theoretical tax at standard French tax rate	**220.0**	**28.4%**	**167.9**	**32.0%**
• Impact of income tax at reduced tax rates and foreign tax rates	-27.3	-3.5%	-38.9	-7.4%
• Impact of permanent differences	-10.3	-1.3%	-0.2	0.0%
• Impact of tax on the payment of dividends	2.4	0.3%	0.7	0.1%
• Deferred tax assets not recognized on tax losses carried forward	0.8	0.1%	1.6	0.3%
• Impact of research tax credits presented in operating income	-6.9	-0.9%	-8.6	-1.6%
• Tax credits (other than research tax credits)	-2.7	-0.4%	-1.0	-0.2%
• Use of previously unrecognized tax assets	-0.4	-0.1%	0.0	0.0%
ACTUAL INCOME TAX EXPENSE	**175.6**	**22.7%**	**121.5**	**23.2%**

The basic corporate income tax rate in France is 28.41%, lower than in 2020 (32.02%).

The Group's effective tax rate at December 31, 2021 stood at 22.7%, as against 23.2% at end-2020.

In 2021, the Group's effective tax rate continued to benefit from the Foreign-Derived Intangible Income (FDII) deduction in the United States which amounted to €12.5 million. The increase in this benefit was due to the sharp rise in export revenue in the United States. The effective tax rate was also impacted in 2021 by:

- the positive effects of a discount for non-transferability on the employee share ownership plan of €1.8 million and adjustments to prior years of €1 million and;
- the negative impact of provisions for tax risks of €2.3 million.

These non-recurring effects had no impact on the Group's effective tax rate, since they offset each other.

As previously reported, the Group's effective tax rate in 2020 benefited from the Foreign-Derived Intangible Income (FDII) deduction in the United States, which represented a tax saving of €7.5 million.

The rate was also significantly impacted by:

- the favorable outcome of the tax dispute in Italy: an amicable agreement was reached in September 2020 between the competent Italian and French authorities under the MAP (Mutual Agreement Procedure), initiated by the Group in respect of fiscal years 2009 and 2010. Accordingly, some provisions were reversed, generating a positive impact on the effective tax rate of €3.7 million;
- the negative impact of the exceptional charitable contributions and initial endowment to the bioMérieux endowment fund in France (negative impact on the effective tax rate of €8.9 million). Extraordinary corporate giving (in France, €15.9 million euros of extraordinary giving, in addition to the €7.3 million budgeted for the usual sponsorship activities) and the initial endowment to the endowment fund (€20 million) did not in fact make it possible to benefit from a tax income since:
  - donations are not tax deductible,
  - the tax deduction for charitable contributions is capped at a percentage of revenue and is therefore limited to a portion of donations.

Restated for these two non-recurring effects, the effective tax rate of the Group was 22.3% in 2020.

The income tax expense breaks down as follows:

In millions of euros	12/31/2021	12/31/2020
Current tax	181.4	129.1
Deferred tax	-5.8	-7.6
TOTAL	**175.6**	**121.5**

25.3 Change in deferred tax

In millions of euros	12/31/2021	12/31/2020
TOTAL NET DEFERRED TAX ASSETS/(LIABILITIES) AT BEGINNING OF YEAR	**-33.2**	**-42.2**
Translation differences	-3.9	2.8
Changes in the scope of consolidation[(a)]	1.4	0.0
Movements recognized in income	4.0	7.7
Other comprehensive income	-0.3	-1.0
Other movements	-0.1	-0.5
TOTAL NET DEFERRED TAX ASSETS / (LIABILITIES) AT YEAR END	**-32.0**	**-33.2**

(a) Related to the acquisition of Banyan Biomarkers – see Note 1.1

On the asset side, deferred taxes result mainly from:

- temporary differences due in particular to the non-deductibility of certain provisions and the elimination of internal margins on inventories;
- other comprehensive income items corresponds to fair value adjustments to financial instruments (€0.7 million in 2021) and deferred taxes on actuarial gains and losses relating to post-employment benefit obligations (-€1.0 million in 2021).

As of December 31, 2021, unrecognized deferred tax assets, largely for tax losses, amounted to €25.8 million. They represent a potential tax saving of €7.0 million.

As of December 31, 2020, unrecognized deferred tax assets, largely for tax losses, amounted to €26.3 million. They represented a potential tax saving of €7.5 million.

On the liabilities side, deferred taxes arise mainly from the recognition at fair value of fixed assets, mainly from the US tax consolidation group (€48.2 million) and Hybiome (€6.8 million).

NOTE 26 FEES OF STATUTORY AUDITORS

	12/31/2021							12/31/2020						
In thousands of euros		Ernst &Young		Grant Thornton		Other	Total		Ernst & Young		Grant Thornton		Other	Total
Statutory audit	**1,163**	**93%**	**604**	**100%**	**228**	**60%**	**1,996**	**1,152**	**90%**	**603**	**98%**	**207**	**100%**	**1,962**
• bioMérieux SA	169	13%	165	27%			334	161	13%	158	26%		0%	318
• fully consolidated subsidiaries	994	79%	439	73%	228	60%	1,661	991	77%	446	73%	207	100%	1,644
Services other than statutory audit	**93**	**7%**	**1**	**0%**	**132**	**35%**	**226**	**130**	**10%**	**11**	**0%**			**130**
Audit	**1,256**	**100%**	**605**	**100%**	**361**	**95%**	**2,222**	**1,282**	**100%**	**614**	**100%**	**207**	**100%**	**2,103**
Legal, tax, labor-related services	0	0%	0	0%	21	5%	21	0	0%	0	0%	0		0
Other	0	0%	0	0%	0	0%	0	0	0%	0	0%	0		0
Other services	**0**	**0%**	**0**	**0%**	**21**	**5%**	**21**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**
TOTAL	**1,256**	**100%**	**605**	**100%**	**381**	**100%**	**2,243**	**1,282**	**100%**	**614**	**100%**	**207**	**100%**	**2,103**

NOTE 27 FINANCIAL INSTRUMENTS: FINANCIAL ASSETS AND LIABILITIES

27.1 Recognition and measurement of financial instruments

Financial instruments include financial assets, financial liabilities and derivatives (swaps, forward contracts, etc.).

Financial instruments appear under several headings in the balance sheet: non-current financial assets, other non-current assets, trade receivables, other receivables and other payables (*e.g.* changes in the fair value of derivatives), short-term and long-term borrowings, trade payables, cash and cash equivalents.

Financial assets

The IFRS 9 standard breaks down the financial assets into three categories. These categories are described in Note 7 "Non-current financial assets."

Current financial assets (excluding assets related to derivatives) are only assets valued at amortized cost.

Financial liabilities

Borrowings are recognized at amortized cost, with the exception of debts on price supplements, revalued at each closure at their fair value as defined contractually.

Other financial liabilities included in the other sections of current and non-current liabilities mainly concern trade payables, and are recognized at amortized cost, which in practice corresponds to their cost.

For information, the only liabilities having a material financing component are the commitments for retirement benefits and liabilities related to termination benefits in Italy.

Reclassifications of financial assets and liabilities

There were no reclassifications of financial assets and liabilities over the fiscal years presented between the various categories presented above.

Derivative instruments

The Group has set up interest-rate and foreign exchange hedging instruments that meet the definition of hedges as specified in IFRS 9 and coherent with its general policy on risk management (hedging relationship clearly defined and documented at the date of establishment of the hedge, demonstrated efficiency, eligible hedging instrument, and no dominant credit risks).

In practice, the hedging instruments mainly correspond to simple products covering a single risk (swaps, forward sales, and options), for which the main characteristics (reference rates and interest payment dates) back the items covered.

The hedging instruments are recognized originally at their fair value. They are subsequently remeasured to fair value at year-end and are recorded in the balance sheet under "Non-operating receivables" and "Non-operating payables." Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (IFRS 13). The fair value of currency derivatives is determined using standard market valuation techniques based on observable market data (interest rates, exchange rates, observable implied volatility). Fair value generally corresponds to a level 2 of fair value.

Accounting for changes in their fair value depends on the type of derivative concerned and whether there is a hedging relationship, and if so what type of hedge is involved:

- fair value gains and losses on derivatives not qualifying as hedging instruments are recognized in the consolidated income statement. Fair value gains and losses on derivatives qualifying and used as cash flow hedges (i.e. hedges of foreign currency receivables and payables) are recognized in full in the consolidated income statement on a symmetrical basis with the loss or gain on the hedged item;
- fair value gains and losses on derivatives qualifying and used as cash flow hedges (i.e. hedges of future commercial transactions in foreign currencies, mainly in the form of forward transactions) are recognized directly in other comprehensive income for the effective portion, and in the income statement for the non-effective portion (mainly the time value of money in the case of currency forward transactions). Amounts recognized under other comprehensive income are reclassified to income in the same period(s) during which the hedged forecast cash flows affect income.

Presentation of financial assets and liabilities at fair value through income

In accordance with IFRS 13, financial instruments are presented in one of the three levels (see Note 27.2) of the fair value hierarchy:

- level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- level 2: market inputs for the asset or liability that are observable either directly (e.g., adjusted level 1 quoted prices), or indirectly (e.g., inputs derived from quoted prices);
- level 3: non-market inputs for the asset or liability that are not observable (e.g. price on an inactive market or valuation based on multiples for unlisted securities).

27.2 Change

The breakdown of financial assets and liabilities according to the categories specified by the IFRS 9 standard "non-accounted" categories (see Note appendix 27.1), and the comparison between the accounting values and fair values, are given in the table below (excluding tax and social-security debts or receivables):

	December 31, 2021						
In millions of euros	Financial assets at fair value through profit or loss (excl. derivatives)	Shares in non-consolidated companies with change in fair value by other components of comprehensive income	Receivables and borrowings at amortized cost	Derivative instruments	Book value	Fair value	Level
Financial assets							
Shares in non-consolidated companies		33.6			33.6	33.6	1 – 3
Other non-current financial assets			27.5		27.5	27.5	-
Other non-current assets			12.6		12.6	12.6	
Derivative instruments (positive fair value)				7.5	7.5	7.5	2
Trade receivables			590.6		590.6	590.6	-
Other receivables			28.2		28.2	28.2	-
Cash and cash investments	803.5				803.5	803.5	1
TOTAL FINANCIAL ASSETS	**803.5**	**33.6**	**658.9**	**7.5**	**1,503.5**	**1,503.5**	
Financial liabilities							
Bond issue[(a)]			199.6		199.6	199.6	1
Other financing facilities			163.2		163.2	163.2	2
Derivative instruments (negative fair value)				10.9	10.9	10.9	2
Borrowings – current portion			99.7		99.7	99.7	2
Trade payables			239.5		239.5	239.5	-
Other current liabilities			163.0		163.0	163.0	-
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**865.0**	**10.9**	**875.9**	**875.9**	

(a) The book value of the bond issue is shown net of issue fees and premiums.

Levels 1 to 3 correspond to the fair value hierarchy as defined by IFRS 13 (see Note 27.1).

In practice, financial assets and liabilities at fair value essentially concern certain securities, cash investments and derivative instruments. In other cases, fair value is shown in the table above for information purposes only.

No level in the fair value hierarchy is shown when the net book value approximates fair value.

No reclassification among the different categories was done in 2021 except for the reclassification from category 2 to 1 of the bond issue in the absence of an exchange listing.

None of the Group's financial assets has been pledged as collateral.

Impairment losses recorded against financial assets primarily relate to write-offs of trade receivables (see Note 9) and non-current financial assets (see Note 7).

	December 31, 2020						
In millions of euros	Financial assets at fair value through income (excl. derivatives)	Shares in non-consolidated companies with change in fair value by other components of comprehensive income	Receivables and borrowings at amortized cost	Derivative instruments	Book value	Fair value	Level
Financial assets							
Shares in non-consolidated companies		39.9			39.9	39.9	1 – 3
Other non-current financial assets			10.7		10.7	10.7	-
Other non-current assets			14.3		14.3	14.3	
Derivative instruments (positive fair value)				7.3	7.3	7.3	2
Trade receivables			597.9		597.9	597.9	-
Other receivables			20.3		20.3	20.3	-
Cash and cash investments	389.2				389.2	389.2	1
TOTAL FINANCIAL ASSETS	**389.2**	**39.9**	**643.2**	**7.3**	**1,079.6**	**1,079.6**	
Financial liabilities							
Bond issue[(a)]			199.6		199.6	206.5	2
Other financing facilities			152.8		152.8	152.8	2
Derivative instruments (negative fair value)				10.5	10.5	10.5	2
Borrowings – current portion			128.9		128.9	128.9	2
Trade payables			207.1		207.1	207.1	-
Other current liabilities			146.2		146.2	146.2	-
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**834.6**	**10.5**	**845.1**	**852.0**	

(a) The book value of the bond issue is shown net of issue fees and premiums.

Movements in financial instruments whose fair value was determined using level 3 inputs under IFRS 13 (see Note 27.1) at December 31, 2021 were as follows:

In millions of euros	Shares in non-consolidated companies
DECEMBER 31, 2019	**27.1**
Change from level 3 to 2	
Gains and losses recognized in income	
Gains and losses recognized in other comprehensive income	
Acquisitions	9.3
Disposals	
Changes in Group structure, translation adjustments	
DECEMBER 31, 2020	**36.5**
Change from level 3 to 2	
Gains and losses recognized in income	
Gains and losses recognized in other comprehensive income	
Acquisitions	0.0
Disposals	-0.2
Changes in the scope of consolidation, translation adjustments[(a)]	-6.8
DECEMBER 31, 2021	**29.5**

(a) Refers mainly to Banyan (see Note 1.1).

NOTE 28 RISK MANAGEMENT

28.1 Exchange rate risk

28.1.1 Group policy

Since more than two-thirds of the Group's operations are conducted outside the eurozone, its revenue, results and balance sheet may be affected by fluctuations in exchange rates between the euro and other currencies. Revenue is particularly affected by movements in exchange rates between the euro and the US dollar (about 46% of revenue in 2021) and, more occasionally, other currencies.

However, given the Group's significant presence in the United States, certain operating expenses are settled in dollars, thereby mitigating the impact of fluctuations in the dollar on operating income.

Currencies other than the euro and the dollar represent 31% of the Group's revenue. However, as costs incurred in these other occurrences are limited, the Group's operating income is greatly exposed to fluctuations in these currencies. This exposure is spread over approximately 20 currencies, none of which accounts for more than 7% of the Group's revenue. This exposure thus becomes significant only if several of the currencies concerned fluctuate against the euro in the same direction, without any set-off.

The Group's current policy is to seek to hedge the impact of exchange rate fluctuations on budgeted net income. According to their availability and cost, the Group may make use of hedging instruments to limit the risks related to the fluctuation of exchange rates. Its current practice is to set up global hedges covering similar risks. Hedging contracts are purchased to cover transactions included in the budget and not for speculative purposes.

Distribution subsidiaries are currently mainly billed in their local currencies by manufacturing entities (except where prohibited by law), so that currency risks can be managed at Corporate level for these latter.

Whenever possible, the Group hedges currency risks arising on debt denominated in currencies other than those of the country in which operations are located, so as to offset any foreign currency translation risks. However, when these hedges are extended during the loan transaction, the Group recognizes foreign exchange gains or losses when the hedges are unwound and simultaneously re-contracted. These gains and losses cancel each other out over the term of the loan, but may be material in a given fiscal year.

In addition to having an impact on the Group's net income, exchange rate fluctuations can affect its equity: due to its worldwide presence, many of its assets and liabilities are recorded in US dollars or in other foreign currencies. To date, the Group does not hedge these exchange rate risks on its net assets.

Hedges consist mainly of forward currency sales and purchases and options (maturing within 12 months at December 31, 2021). Detailed information on hedging transactions is provided in Note 28.1.3.

The Group has not identified any material increase in risks related to the COVID-19 pandemic (liquidity risk, credit risk, etc.).

28.1.2 Exposure of revenue to exchange rate risk

In millions of euros	12/31/2021		12/31/2020	
Eurozone	**806**	**24%**	**760**	**24%**
Other currencies				
Dollars[(a)]	1,555	46%	1,506	48%
Renminbi	233	7%	207	7%
Indian rupee	78	2%	67	2%
Pound sterling	82	2%	65	2%
Japanese yen	86	3%	64	2%
Canadian dollar	64	2%	58	2%
South Korean won	42	1%	39	1%
Australian dollar	35	1%	31	1%
Brazilian real	32	1%	28	1%
Other currencies	363	11%	311	10%
SUB-TOTAL	**2,570**	**76%**	**2,377**	**76%**
TOTAL	**3,376**	**100%**	**3,118**	**100%**
Sensitivity	**-26**		**-24**	

(a) U.S. and Hong Kong dollars.

The sensitivity analyzed above shows the impact on revenue of a 1% increase in the euro exchange rate against all currencies.

Consolidated equity

A 10% increase in the euro exchange rate against all currencies would have had the following effect:

	12/31/2021	12/31/2020
Net income	-80.7	-54.0
Equity[(a)]	-230.2	-176.0

(a) Translated at the year-end (closing) exchange rate.

Exposure of assets and liabilities

The table below shows the US dollar and the four main currencies to which the Group is exposed at December 31, 2021:

In millions of currency units	USD	CNY	CAD	JPY	GBP
Assets denominated in foreign currencies	49	388	25	2,156	14
Liabilities denominated in foreign currencies	-8	-12	0	-1	-3
Net exchange exposure before hedging	**40**	**376**	**25**	**2,156**	**11**
Impact of hedging	7	85	3	1,020	4
Net exchange exposure after hedging	**33**	**290**	**22**	**1,136**	**7**
In millions of euros					
Net exchange exposure after hedging	**29**	**40**	**16**	**9**	**9**
SENSITIVITY	**-2.6**	**-3.7**	**-1.4**	**-0.8**	**-0.8**

The sensitivity analyzed above shows the impact of a 10% increase in the exchange rate on the net foreign exchange exposure at December 31, 2021, taking into account hedging transactions.

Exposure of borrowings

The Group's borrowings vis-à-vis third parties are mostly denominated in euros.

The Group's policy is to prefer inter-company financing in the currency of the subsidiary; these loans are generally hedged by currency swap contracts. When it is difficult for the Group to grant loans to its foreign subsidiaries, the subsidiaries borrow from leading banks in their local currency.

28.1.3 Hedging instruments

As part of the currency hedging policy, the following currency hedging instruments were in effect at December 31, 2021:

Currency hedge at December 31, 2021 *In millions of euros*	Maturities		2021 Market value[(a)]
	< 1 year	1-5 years	
Hedges of existing commercial transactions			
• Currency forward contracts	142.3	0.0	-0.4
• options	0.0	0.0	0.0
TOTAL	**142.3**	**0.0**	**-0.4**
Hedges of future commercial transactions			
• Currency forward contracts	527.6	0.0	-4.4
• options	13.5	0.0	-0.2
TOTAL	**541.1**	**0.0**	**-4.6**
Derivatives not qualifying as hedges	20.4	0.0	0.0
TOTAL	**20.4**	**0.0**	**0.0**

(a) Difference between the hedging price and the market price at December 31, 2021.

Currency hedges in effect at December 31, 2020 were as follows:

Currency hedge at December 31, 2020 *In millions of euros*	Maturities		2020 Market value[(a)]
	< 1 year	1-5 years	
Hedges of existing commercial transactions			
• Currency forward contracts	63.8	0.0	-0.6
• options	0.0	0.0	0.0
TOTAL	**63.8**	**0.0**	**-0.6**
Hedges of future commercial transactions			
• Currency forward contracts	458.9	0.0	-1.4
• options	2.2	0.0	0.0
TOTAL	**461.1**	**0.0**	**-1.4**

(a) Difference between the hedging price and the market price at December 31, 2020.

There were no net investment hedges of foreign operations at December 31, 2021.

All of the currency forward contracts and options outstanding at December 31, 2021 had maturities of less than 12 months.

The table below gives the summary of hedging instruments held by the Group, and their variation in fair value:

In millions of euros	Category of the hedge	Notional hedge amount at closing	Fair value of the hedging instrument at closing		Change in the fair value of the hedging instrument over the fiscal year	
			assets	shareholders' equity and liabilities	of which portion recognized as net income	of which portion recognized in other comprehensive income
FAIR VALUE HEDGE						
EUR interest rate risk						
Debt in EUR	interest rate swap rate					
Debt in EUR	Rate options					
Exchange rate risk					0.9	-2.3
Trade receivables in currencies	forward sales	142.3		-0.4		
Trade debts in currencies	forward purchases					
Trade receivables in currencies	options					
Financial receivables in currencies	forward sales	47.1		-0.2		
Borrowings in currencies	forward purchases	422.5	1.5			
CASH FLOW HEDGING						
EUR interest rate risk						
Debt in EUR	interest rate swap rate					
USD interest rate risk						
Loan in $	cross currency swap					
Exchange rate risk						
Future commercial sales in currencies	forward sales	527.6		-4.4		
Future commercial purchases in currencies	forward purchases					
Future commercial sales in currencies	options	13.5	-0.2			
DERIVATIVES NOT QUALIFYING AS HEDGES						
	forward sales	20.4		-0.0		

The Group does not hold any instruments that fall under the category of net investment hedges.

28.2 Credit risk

With revenue in more than 160 countries from government organizations and private customers, bioMérieux is exposed to a risk of non-payment of debts.

The management of credit risk includes the prior examination of the financial position to determine a credit limit, the establishment of specific guarantees or insurance, and monitoring of the payment deadline and late payments.

The impact of the COVID-19 pandemic on credit risk in 2021 was not material.

The policy of the Group in terms of writing down trade receivables is described in Note 9.

28.3 Liquidity risk

Financial liabilities due in less than one year and in more than one year are classified in the balance sheet as current and non-current liabilities, respectively.

The Group is not exposed to liquidity risk on its current financial assets and liabilities since its total current financial assets far exceed its total current financial liabilities.

Accordingly, the only maturity schedule disclosed pertains to net debt (see Note 16.4).

The impact of the COVID-19 pandemic on liquidity risk in 2021 was not material.

The table below shows the projected cash flows from the new private placement (divided into two tranches), the property lease agreement and contractual interest payments at December 31, 2021:

In millions of euros	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
EuroPP 7 years[(a)]	-2.2	-8.7	-147.2
EuroPP 10 years[(a)]	-1.0	-4.2	-59.2
CBI (including VAT)	-4.6	-18.6	-8.1

(a) Contractual flows of principal and interest.

28.4 Interest rate risk

28.4.1 Exposure to interest rate risks

As part of its interest rate risk management policy aimed primarily at managing the risk of an increase in interest rates, the Group splits its debt between fixed and floating interest rates.

A fixed-rate bond issue was set up in 2020 for €199.6 million, of which €145 million redeemable in seven years with an annual coupon of 1.5%, and €55 million redeemable in 10 years with an annual coupon of 1.902%. This financing is therefore not backed by any hedging mechanism.

An indexed variable-rate property lease financing agreement for an original notional amount of €44.4 million was put in place in 2016 to finance Campus de l'Etoile. This financing is not backed by any hedging mechanism. The principal outstanding at December 31, 2021 was €25.4 million.

28.4.2 Hedging instruments and sensitivity

Sensitivity of net income to changes in the cost of net debt attributable to fluctuations in short-term interest rates

The impact on the cost of debt (calculated on a full-year basis) resulting from changes in net debt at year-end attributable to fluctuations in short-term interest rates, including the impact of interest rate hedging, was not significant.

28.5 Counterparty risk

At present, the Group is not exposed to any material credit risk. As indicated above, the public health crisis has had no material impact on credit risk. At December 31, 2021 as also at December 31, 2020, investments were solely in short-term instruments, with a net asset value calculated daily.

The Group's financial transactions (credit facilities, financial market transactions, financial investments, etc.) are with leading banks and are spread among all of its banking partners in order to limit counterparty risk.

No IFRS 13 adjustments were therefore applied to financial assets in respect of the risk of non-collection.

Also in the context of IFRS 13, an analysis was carried out to assess the credit risk related to the fair value of financial instruments. Counterparty risk was not considered material, given the short-term maturity (less than one year) of the Group's currency hedges at December 31, 2021, and the rating of bioMérieux's banking counterparties.

NOTE 29 OFF-BALANCE SHEET COMMITMENTS

Off-balance sheet commitments have not changed significantly since December 31, 2020 (see Note 29 to the consolidated financial statements for the year ended December 31, 2020), with the exception of those made to Specific Diagnostics. In view of the recent distribution agreement (see Note 1.2.3), bioMérieux made a minimum purchase commitment of approximately €16 million over the term of the agreement.

Outstanding commitments given or received at December 31, 2021 are described below:

29.1 Off-balance sheet commitments relating to Group companies

The Group is subject to a number of earn-out clauses relating to acquisitions and disposals. At the closing date, it was not deemed probable that these clauses would be triggered, or that the amount involved could be reliably estimated.

29.2 Off-balance sheet commitments relating to the Company's financing

- Commitments related to borrowings are described in Note 16.3.
- Commitments related to derivative instruments are described in Note 27.

29.2.1 Commitments given

- Bank guarantees given by the Group in connection with bids submitted totaled €150 million at December 31, 2021.

29.2.2 Commitments received

- At December 31, 2021, bioMérieux SA had an undrawn syndicated credit facility of €500 million, which was amended in 2018, bringing its maturity to January 2024 (five years with an option for two one-year extensions, one of which has not been exercised – see Note 16.2).

29.3 Off-balance sheet commitments relating to the Group's operating activities

29.3.1 Commitments given

- bioMérieux Inc. and bioMérieux SA are parties to various agreements that provide for payments based on progress in corresponding research projects or a minimum volume of sales (€1.2 million).
- Under the free share grant plans approved by the Board of Directors of bioMérieux SA, which holds 79,109 shares as coverage, would need to purchase 362,812 additional shares if all promised shares were allocated. This commitment represents an amount of €45.3 million based on the share price at December 31, 2021.
- In China, bioMérieux Suzhou Biotech has committed €22.9 million to suppliers in connection with the construction of its new plant.
- In China, Hybiome has committed €40.3 million to banking institutions.
- Other commitments given (endorsements, sureties and guarantees excluding firm rental commitments) amounted to €3.2 million. bioMérieux SA committed to invest €0.1 million in a round of equity funding by ATI.

29.3.2 Commitments received

- Other commitments received amount to €5.9 million.

NOTE 30 TRANSACTIONS WITH RELATED PARTIES

30.1 Compensation of members of administrative, management and supervisory bodies

Members of the Company's administrative, management and supervisory bodies (the Board of Directors and the Executive Committee) were paid an aggregate €10.6 million in compensation during the 2021 fiscal year.

Executive compensation *In millions of euros*	**2021**	**2020**
Fixed compensation	3.4	3.3
Variable compensation	3.9	2.1
Pensions	0.0	0.0
Benefits-in-kind	0.2	0.2
Free shares	3.1	2.0
Compensation allocated to directors	0.1	0.0
Termination benefits	0.0	2.3
TOTAL	**10.6**	**9.9**

30.2 Other transactions with non-consolidated affiliates

- The Institut Mérieux, which held 58.9% of bioMérieux SA at December 31, 2021, provided €11.8 million in services and research for the bioMérieux Group over the fiscal year, of which €3.3 million was reinvoiced to bioMérieux Inc., and €4.2 million to BioFire. bioMérieux Group companies re-invoiced €1.8 million to the Institut Mérieux for expenses incurred on its behalf (bioMérieux SA for €1.3 million and bioMérieux India for €0.5 million).
- During 2021, the Group supplied €14.1 million worth of reagents and instruments to entities of the Mérieux NutriSciences Corp. Group, in which Institut Mérieux holds a majority interest.
- Théra Conseil, 99.2% owned by Institut Mérieux, billed bioMérieux SA €1.3 million for services in 2021.
- bioMérieux SA contributed €2.0 million to the Fondation Christophe et Rodolphe Mérieux for humanitarian projects.
- ABL, 99.5% owned by Institut Mérieux, invoiced bioMérieux SA for €1.9 million of raw materials in fiscal year 2021. Conversely, bioMérieux Inc. re-invoiced ABL Inc. for €2.6 million. In addition, ABL received a $1.4 million loan from bioMérieux Inc.
- During financial 2021, bioMérieux SA invoiced €2.4 million of services to Mérieux Université, in which it held 40% ownership, the remaining 60% held by the Institut Mérieux (40%) and Mérieux NutriSciences (20%). Conversely, it paid €4.9 million to Mérieux Université for training fees.

NOTE 31 SUBSEQUENT EVENTS

ARPEGE

On January 6, 2022, bioMérieux announced its participation in the French multidisciplinary consortium ARPEGE (AppRoche théraPeutique Économique & diaGnostique de l'antibiorésistancE), whose goal is to develop a set of solutions strengthening the ability of healthcare facilities to fight antibiotic resistance.

Tax dispute and mutual agreement procedure (MAP) in Italy

On February 9, 2022, bioMérieux Italy received notices of assessment relating to the period 2004-2007, including those from the MAP, for €12 million.

Sale of a building in the United States

In January 2022, a building in the United States was sold for $10 million (see Note 13).

Russia's military offensive against Ukraine

Given bioMérieux's limited activities in Russia, Belarus and Ukraine (around 1% of revenue and around 2% of contributive operating income before non-recurring items), the Group does not expect any significant negative consequences linked to the war or as a result of the sanctions imposed on Russia by various countries (export restrictions, airspace ban and potential closure of interbank communication systems).

NOTE 32 CONSOLIDATION

bioMérieux is a fully consolidated entity of Compagnie Mérieux Alliance (17 rue Bourgelat, 69002-Lyon, France).

NOTE 33 LIST OF CONSOLIDATED COMPANIES AT DECEMBER 31, 2021

Changes in the scope of consolidation during the 2021 fiscal year are described in Note 1.1.

		2021[a]	2020	2019
bioMérieux SA	69280 Marcy l'Étoile – France R.C.S. Lyon B 673 620 399			
AB bioMérieux	Dalvägen 10 169 56 Solna, Stockholm – Sweden	100%	100%	100%
ABG STELLA	1105 N Market St Suite 1300 Wilmington, Delaware 19801 – USA			100%
AES Canada Inc.	500 boul. Cartier Ouest, suite 262 H7V 5B7 Laval, QC – Canada			100%
Applied Maths Inc.	11940 Jollyville Road, Suite 115N Austin, Texas 78759 – USA	100%	100%	100%
Applied Maths NV	Keistraat 120 9830 Sint-Martens-Latem Belgium	100%	100%	100%
Astute Medical Inc.	3550 General Atomics Court Building 02/620 San Diego, CA 92121 – United States	100%	100%	100%
Bacterial Barcodes Inc.	425 River Road – Athens – GA 30602 – USA			100%
Banyan Biomarkers Inc.	16470 West Bernardo Drive, Suite 100 San Diego, California 92127	100%		
BioFire Defense Inc.	1209 Orange Street Wilmington, DE 19801 – USA	100%	100%	100%
BioFire Diagnostics LLC	1209 Orange Street Wilmington, DE 19801 – USA	100%	100%	100%
bioMérieux South Africa	1st Floor, 44 on Grand Central, 1 Bond Street, cnr Grand Central Boulevard, Midrand 1682 – South Africa	100%	100%	100%
bioMérieux West Africa	Avenue Joseph Blohorn – 08 BP 2634 Abidjan 08 – Côte d'Ivoire	100%	100%	100%
bioMérieux Algeria	Bois des cars 2 – Lot 11 1st floor – 16302 Dely Ibrahim Algiers – Algeria	100%	100%	100%
bioMérieux Germany	Weberstrasse 8 – D 72622 Nürtingen – Germany	100%	100%	100%
bioMérieux Argentina	Edificio Intecons – Arias 3751 3rd floor – C1430CRG Buenos Aires – Argentina	100%	100%	100%
bioMérieux Asia Pacific Pte Ltd.	11 –Biopolis Way, Helios, Unit #10-05 138667 – Singapore	100%	100%	100%
bioMérieux Australia	Unit 25B, Parkview Business Centre – 1 Maitland Place Baulkham Hills NSW 2153 – Australia	100%	100%	100%
bioMérieux Austria	Eduard-Kittenberger-Gasse 95-B, A-1230 Vienna – Austria	100%	100%	100%
bioMérieux Belgium	Media Square - 18-19 Place des Carabiniers 1030 Brussels - Belgium	100%	100%	100%
bioMérieux Benelux BV	Regus - Amersfoort A1, Databankweg 26, 3821 AL Amersfoort – Netherlands	100%	100%	100%
bioMérieux Brazil	Estrada Do Mapuá, 491 Jacarepaguá – CEP 22713 320 Rio de Janeiro – RJ – Brazil	100%	100%	100%
bioMérieux Canada	7815 boulevard Henri Bourassa – West – H4S 1P7 Saint Laurent (Quebec) – Canada	100%	100%	100%
bioMérieux Chile	Seminario 131 – Providencia – Santiago – Chile	100%	100%	100%
bioMérieux China	19/Floor Billion Plaza 8 Cheung Yue Street – Kowloon – Hong Kong	100%	100%	100%
bioMérieux Colombia	Carrera 7N° 127-48 – Oficina 806 – Bogota DC – Colombia	100%	100%	100%
bioMérieux Korea	1st & 2nd floor Yoo Sung Building #830-67, Yeoksam-dong, Kangnam ku – Seoul – South Korea	100%	100%	100%

		2021[a]	2020	2019
bioMérieux CZ	Hvezdova 1716/2b – Praha 4 – 140 78 – Czech Republic	100%	100%	100%
bioMérieux Denmark	Lautruphøj 1-3, DK– 2750, Ballerup – Denmark	100%	100%	100%
bioMérieux Egypt	Room 2, Unit 23, 2nd Floor, Star Capital Tower A2, Citystars, Heliopolis, Cairo, Egypt	100%	100%	100%
bioMérieux Egypt Distribution Co. LLC	Room No. 2, Unit No. 23, 2nd Floor, Tower 2A, Star Capital, City Stars, Heliopolis, Cairo, EGYPT	100%	100%	
bioMérieux Spain	Manuel Tovar 45 – 47 – 28034 Madrid – Spain	100%	100%	100%
bioMérieux Finland	Tekniikantie 14 FI-02150 Espoo - Finland	100%	100%	100%
bioMérieux Greece	Papanikoli 70 – 15232 Halandri – Athens – Greece	100%	100%	100%
bioMérieux Hong Kong Investment	19/Floor Billion Plaza 8 Cheung Yue Street – Kowloon – Hong Kong	100%	100%	100%
bioMérieux Hungary	Vaci ut 175 – 1138 Budapest – Hungary	100%	100%	100%
bioMérieux Inc.	100 Rodolphe Street – Durham NC 27712 – USA	100%	100%	100%
bioMérieux India	A-32, Mohan Cooperative Ind. Estate – New Delhi 110 044 – India	100%	100%	100%
bioMérieux Italy	Bagno a Ripoli, Via di Campigliano, 58 – 50012 Ponte a Ema – Firenze – Italy	100%	100%	100%
bioMérieux Japan Ltd	Akasaka Tameike Tower 2F, 2-17-7, Akasaka, Minato-ku, Tokyo	100%	100%	100%
bioMérieux Kenya	Delta Office Suites, Land Reference No. 4393/27, Waiyaki Way, P. O. Box 30333 – 00100 – G.P.O Nairobi – Kenya	100%	100%	100%
bioMérieux Malaysia	Dataran Prima 47301 Petaling Jaya, Selangor darul Ehsan – Malaysia	100%	100%	100%
bioMérieux Mexico	Chihuahua 88, col. Progreso – Mexico 01080, DF – Mexico	100%	100%	100%
bioMérieux Middle East	DHCC Al Baker Building 26 – Office 107 – P.O. Box 505 201 Dubaï – United Arab Emirates	100%	100%	100%
bioMérieux Norway	Nydalsveien 28 P.B. 4814 Nydalen – N-0484 Oslo – Norway	100%	100%	100%
bioMérieux Philippines	1004, 20th Drive Corporate Center, McKinley Business Park, Bonifacio Global City, Taguig City Philippines ZIP CODE 1634	100%	100%	100%
bioMérieux Poland	ul. Gen. J. Zajączka 9 – 01-518 Warsawa – Poland	100%	100%	100%
bioMérieux Portugal	Av. 25 de Abril de 1974, N°23-3° – 2795-197 LINDA A VELHA Portugal	100%	100%	100%
bioMérieux United Kingdom	Grafton Way, Basingstoke Hampshire RG 22 6HY – United Kingdom	100%	100%	100%
bioMérieux Russia	1st Nagatinskiy proezd, 10, str.1, business center "Newton Plaza" – Moscow 115 533 – Russia	100%	100%	100%
bioMérieux (Shanghai) Biotech Co. Ltd	N° 4633 Pusan Road, Kangqiao Industrial Park – Pudong New District – Shanghaï – 201315 – China	100%	100%	100%
bioMérieux Shanghaï Company Ltd.	N° 4633 Pusan Road, Kangqiao Industrial Park – Pudong New District – Shanghaï – 201315 – China	100%	100%	100%
bioMérieux Singapore	11 – Biopolis Way – Helios – Unit # 10-04 – 138667 – Singapore	100%	100%	100%
bioMérieux Sweden	Hantverksvagen 15 – 43633 Askim – Sweden	100%	100%	100%
bioMérieux Suzhou Biotech Co. Ltd.	Jiangsu Suzhou New District County Township Hong Xi Rd Village No.148.	100%	100%	100%
bioMérieux SRB doo	Belgrade Office Park, Djordja Stanojevica 12/III, Nouveau Belgrade, 11070 Belgrade – Serbia	100%	100%	100%
bioMérieux Switzerland	51 Avenue Blanc – Case Postale 2150 – 1202 Genève – Switzerland	100%	100%	100%
bioMérieux Thailand	3195/9 Vibulthani Tower, 4th floor – Rama IV Road – Klongton – Klongtoey – Bangkok 10110 – Thailand	100%	100%	100%
bioMérieux Turkey	Isiklar Cad. N0 29, Atasehir – 34750 Istanbul – Turkey	100%	100%	100%
bioMérieux Vietnam	Floor 10, Vinaconex Tower, 34 Lang Ha, Lang Ha ward, Dong Da District, Hanoi -Vietnam	100%	100%	100%

		2021[(a)]	2020	2019
BTF Pty Limited	PO Box 599 – North Ryde BC – NSW Australia 1670 – Australia	100%	100%	100%
Cambridge Biotech	365 Plantation Street One Biotech Park Worcester, MA 01605 – USA	100%	100%	100%
Huilai	Room 8738, Building 1, No. 1758, Luchaogang Road, Nanhui New Town, Pudong New District – China	100%	100%	100%
Hyglos Invest GmbH	Am Neuland 3 – 82347 Bernried am Starnberger See Germany			100%
Hyglos GmbH	Am Neuland 3 – 82347 Bernried am Starnberger See Germany			100%
Invisible Sentinel	3711 Market St., Ste. 910 Philadelphia, PA 19104 USA	100%	100%	100%
Mérieux Université	113 Route de Paris – 69160 Tassin-La-Demi-Lune – France	40%	40%	40%
Quercus Scientific NV	Keistraat 120 9830 Sint-Martens-Latem Belgium	100%	100%	100%
RAS Lifesciences	Plot No. 13, 4-7-18/13/2, Raghavendra Nagar, Nacharam, Hyderabad – 500 076 – India	100%	100%	100%
SSC Europe	ul. Gen. J. Zajączka 9 – 01-518 Warsawa – Poland	100%	100%	100%
Suzhou Hybiome Biomedical Engineering Co Ltd	Building 4, No. 8, Jinfeng Road, Suzhou High-tech Zone – China	67%	67%	67%
Suzhou Lianjian Anhua Biomedical Co. Ltd	Room 120, Building 1, No. 18 Madun Road, Suzhou New District, China	67%	67%	
Yan Set Invest Development	19/F Billion Plaza, 8 Cheung Yue Street Cheung Sha Wan Kowloon – Hong Kong			100%

(a) Percentage control is identical to percentage interest, except in the case of Suzhou Lianjian Anhua Biomedical Co. Ltd where it is 100%.

6.1.3 Statutory Auditors' report on the consolidated financial statements

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the Auditors'assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

At the bioMérieux Annual General Meeting,

Opinion

In performing the duty assigned to us by your Annual General Meetings, we conducted an audit of the consolidated financial statements of bioMérieux for the fiscal year ended December 31, 2021, as appended to this report.

We certify that the consolidated financial statements are in accordance with International Financial Reporting Standards as adopted by the European Union, are reliable and give a true and fair view of the results of the operations for the year under review as well as of the financial position and assets, at the end of the year, of the parties and entities included in the consolidation scope.

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

Basis for opinion

▸Audit Standard

We conducted our audit according to generally accepted professional standards in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under these standards are stated in the section "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" of this report.

▸Independence

We have conducted our audit in accordance with the rules of independence as set out in the French Commercial Code and in the French Code of Ethics for Statutory Auditors, over the period between January 1, 2021 to the date of issue of our report, and in particular we have not provided any services prohibited by Article 5(1) of EU Regulation No. 537/2014.

Justification for our assessments – Key points of the audit

The global crisis related to the COVID-19 pandemic creates special conditions for the preparation and audit of this fiscal year's accounts. Indeed, this crisis and the exceptional measures taken due to the health emergency have several consequences for businesses, in particular for their activity and financing, and create greater uncertainties about their future prospects. Some of these measures, such as travel restrictions and remote working, also had an impact on the internal organization of companies and on the way audits are performed.

In this complex and evolving situation, pursuant to the provisions of Articles L. 8239 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we draw your attention to the key points of the audit relating to risks of material misstatements which, according to our professional judgment, were the most significant for the audit of the consolidated financial statements for the fiscal year, plus the answers we have provided to control these risks.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on the elements of these consolidated financial statements taken separately.

▸Evaluation of goodwill

Risk identified	Our response
At December 31, 2021, goodwill amounted to €669.5 million and represented 15% of the Group's balance sheet. As described in Note 5 of the notes to the consolidated financial statements, on the date of acquisition, goodwill is attached to a cash-generating unit depending on the synergies expected for your Group. At each closure, the Group systematically tests cash-generating units (CGUs) for impairment and also determines whether there are any indications of impairment losses. Impairment testing is used to determine the recoverable amount of a CGU or group of CGUs, representing the higher of their value in use and fair value less costs to sell. In practice, the value in use of a CGU or group of CGUs is determined primarily on the basis of discounted operating cash flow projections covering a period of five years and	We included assessment specialists in the audit team in order to examine the impairment tests performed by senior management. Our work consisted mainly in: ● assessing the principles and methods for determining evidence of impairment losses and the recoverable amount of goodwill; ● analyzing, most notably through interviews with senior management, the main data and assumptions on which the estimates are based (such as the discount rate and the perpetuity growth rate); ● reviewing business forecasts and prospects of legal entities or ranges through interviews with senior management and comparing the accounting estimates of cash flow projections of previous periods with the corresponding actual figures;

Risk identified	Our response
based on the most recent business plan, and a terminal value. We consider this to be a key audit issue, given the uncertainties inherent in the likelihood of achieving forecasts in the current environment and the fact that the recoverable amount of goodwill relies heavily on management's judgment, particularly with regard to operating margin rates, growth rates used for cash flow projections and the discount rates applied to them.	• comparing, through random sampling, the accounts of the data used in carrying out impairment tests and testing the accuracy of the arithmetic calculations of the valuations used by your Group.

Specific verification

As required by the legal and regulatory provisions, and in accordance with the professional standards applicable in France, we have also verified the information presented in the Board of Directors' management report for the Group.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We hereby certify that the consolidated statement of non-financial performance set forth in Article L. 225-102-1 of the French Commercial Code appears in the Group's management report, it being specified that, in accordance with the provisions of Article L. 823-10 of that Code, we have not verified the fairness of the information contained in this statement, nor its consistency with the consolidated financial statements, which must be the subject of a report by an independent third party.

Other verifications or information required by laws and regulations

▸Format of the consolidated financial statements to be included in the annual financial report

In accordance with the professional standard on the due diligence of statutory auditors in relation to the annual and consolidated financial statements presented in accordance with the single European electronic reporting format, we have also verified compliance with this format, as defined by European Delegated Regulation No. 2019/815 of December 17, 2018, as presented in the consolidated financial statements to be included in the annual financial report referred to in Article L. 451-1-2, I of the French Monetary and Financial Code. These have been prepared under the responsibility of the chairman and chief executive officer. Our work with consolidated financial statements includes verifying that the markup of these financial statements complies with the format defined by the above-mentioned regulation.

Based on our work, we conclude that the presentation of the consolidated financial statements for inclusion in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the consolidated financial statements that your entity will include in the annual financial report filed with the AMF correspond to those we have audited.

▸Appointment of Statutory Auditors

We were appointed Statutory Auditors of bioMérieux by your Annual General Meeting of May 30, 2017 for GRANT THORNTON and May 30, 2012 for ERNST & YOUNG et Autres.

At December 31, 2021, GRANT THORNTON was in the fifth continuous year of its audit engagement, while ERNST & YOUNG et Autres was in the tenth year.

Responsibilities of senior management and the persons constituting corporate governance for the consolidated financial statements

Senior management is responsible for the preparation of consolidated financial statements that present a true view in accordance with the IFRS standard adopted by the European Union, together with the implementation of the internal control it deems relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the consolidated financial statements, senior management is responsible for assessing the Company's ability to continue as a going concern, to present in these financial statements, if necessary, information concerning the continuity of the Company's operations and to apply the accounting policy of going concern, unless there are plans to unwind the Company or discontinue the business.

The Audit Committee is responsible for monitoring the financial reporting preparation process and the effectiveness of internal control and risk management systems and, if necessary, the Internal Audit Department with respect to procedures relating to preparation and treatment of financial and accounting information.

These consolidated financial statements have been approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

▸Audit objective and procedure

It is our duty to draw up a report on the consolidated financial statements. Our objective is to obtain reasonable assurance that the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance corresponds to a high level of assurance, without however guaranteeing that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may arise from fraud or result from errors and are considered as material when it can be reasonably expected that, taken singly or together, they can influence the economic decisions that users of the financial statements take based thereon.

As stated in Article L. 823-10-1 of the French Commercial Code, our engagement to certify the financial statements does not consist in guaranteeing the viability or quality of management of your Company.

Within the framework of an audit conducted in compliance with professional standards applicable in France, the statutory Auditor exercises his professional judgment throughout the audit. Furthermore:

- the statutory auditor identifies and assesses the risks whereby the consolidated financial statements may contain material misstatements, whether from fraud or errors; defines and implements audit procedures in view of those risks; and collects the elements they consider sufficient and appropriate on which to base their opinion. The risk of not detecting a material misstatement arising from fraud is higher than the risk of a material misstatement resulting from error, because fraud may imply collusion, falsification, voluntary omissions, false declarations or the circumvention of internal control;
- the statutory auditor reviews the relevant internal control for the audit in order to define the appropriate audit procedures for the circumstances and not to express an opinion on the effectiveness of internal control;
- he assesses the appropriateness of the accounting methods used and the reasonable nature of the accounting estimates made by senior management, as well as information concerning these methods provided in the consolidated financial statements;
- he assesses the appropriateness of the application by the management of the going concern concept and, according to the elements collected, whether or not there is a material uncertainty linked to events or circumstances likely to compromise the Company's ability to continue as a going concern. This assessment is based on the information collected until the date of his report. It is however pointed out that subsequent circumstances or events could jeopardize continuity as a going concern. If he concludes that there is a material uncertainty, the statutory auditor draws the attention of the readers of the report to the information provided in the consolidated financial statements about such uncertainty, or if this information is not provided or is not relevant, he issues a certification with reservations or a refusal to certify;
- they assess the overall presentation of the consolidated financial statements and whether these reflect underlying operations and events, so as to give a true view;-
- concerning the financial information of the persons or entities included in the consolidation scope, he collects the information considered sufficient and appropriate to express an opinion on the consolidated financial statements. He is responsible for the management, supervision and performance of the audit of the consolidated financial statements as well as the opinion expressed thereafter.

►Report to the Audit Committee

We submit a report to the Audit Committee that presents, in particular, the scope of the audit and the work schedule implemented as well as the conclusions of our audit. Our audit also informs the Audit Committee of any material weaknesses of internal control that we have identified with respect to the procedures relating to the preparation and treatment of accounting and financial information.

The points mentioned in the report to the Audit Committee include the risks of material misstatements that we consider to have been the most important for the audit of the consolidated financial statements of the fiscal year, which therefore constitute the key points of the audit, which it is our duty to describe in this report.

We also submit to the Audit Committee the declaration provided in Article 6 of EU Regulation No. 537-2014 confirming our independence, as defined in the rules applicable in France, as set out in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the Statutory Auditors' Professional Code of Ethics. If necessary, we will meet the Audit Committee to discuss the risks that threaten our independence and the safeguard measures applied.

Lyon, March 15, 2022

The Statutory Auditors

GRANT THORNTON	ERNST & YOUNG et Autres
French member of Grant Thornton International	
Françoise Mechin	Sylvain Lauria

6.2 PARENT COMPANY FINANCIAL STATEMENTS

6.2.1 Parent company financial statements of bioMérieux SA for the fiscal years ended December 31, 2020 and 2021

Balance sheet

Assets

In millions of euros	Note	Net 12/31/2021	Net 12/31/2020
Non-current assets			
• Intangible assets	3.1	174.5	178.0
• Property, plant and equipment	3.2	298.8	273.6
• Investments and related receivables	3.3	779.2	741.2
• Other non-current financial assets	3.3	15.2	13.3
TOTAL		**1,267.8**	**1,206.1**
Current assets:			
• Inventories and work-in-progress	4	183.8	170.9
• Trade receivables	5	480.2	405.7
• Other operating receivables	5	52.8	44.0
• Non-operating receivables		18.7	31.7
• Cash and cash pooling	6	727.0	342.6
TOTAL		**1,462.5**	**994.8**
• Deferred charges spread over several years		0.6	0.7
• Bond redemption premiums		0.0	0.0
• Unrealized foreign exchange losses	7	3.4	5.1
TOTAL ASSETS		**2,734.3**	**2,206.7**

Shareholders' equity and liabilities

In millions of euros		12/31/2021	12/31/2020
Shareholders' equity			
• Share capital		12.0	12.0
• Additional paid-in capital		63.5	63.5
• Reserves		925.5	974.8
• Statutory provisions and grants		72.1	64.3
• Net income for the year		205.6	23.8
TOTAL	**8**	**1,278.8**	**1,138.5**
Provisions	**9**	**82.0**	**76.8**
Liabilities			
• Borrowings and financial debt	10	886.1	611.7
• Trade payables	11	227.4	185.8
• Other operating payables	11	196.8	167.6
• Non-operating payables		62.0	25.7
TOTAL		**1,372.3**	**990.8**
• Translation differences - gains	7	1.3	0.7
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**2,734.3**	**2,206.7**

Consolidated income statement

In millions of euros	2021	2020
Sales of goods and finished products	1,199.2	1,097.7
Other income	257.5	203.4
REVENUE	**1,456.8**	**1,301.1**
Production included in inventories (work-in-progress and finished products)	-28.5	12.5
Capitalized production	14.2	4.7
TOTAL PRODUCTION	**1,442.4**	**1,318.3**
Purchases	-562.5	-513.2
Change in raw material and instrument inventories	41.1	15.2
External expenses	-370.5	-328.1
ADDED VALUE	**550.5**	**492.2**
Taxes other than income tax	-17.0	-23.5
Payroll and benefits	-357.7	-328.0
GROSS OPERATING INCOME	**175.8**	**140.7**
Depreciation, amortization and provisions	-77.5	-87.8
Other operating income (expense)	-24.8	-39.1
OPERATING INCOME	**73.6**	**13.8**
Net financial expense	0.7	-9.5
Net investment income	154.5	41.2
NET INCOME BEFORE NON-RECURRING ITEMS AND TAX	**228.8**	**45.5**
Non-recurring income	-8.0	-40.1
Employee profit-sharing	-2.0	
Income tax	-13.1	18.4
NET INCOME	**205.6**	**23.8**

6.2.2 Notes to the Financial Statements

bioMérieux is a French joint stock company (société anonyme) with a Board of Directors, governed by the French Commercial Code (Code de commerce) and all other applicable laws and regulations, registered with the Lyon Trade and Companies Register under number 673 620 399. The Company has been established in France since its incorporation.

The Company's registered office is located in Marcy l'Étoile (69280), France.

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NOTE 1 GENERAL ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with Regulations 2015-06 and 2016-07 of the French accounting standards authority (Autorité des normes comptables – ANC).

The Company prepares consolidated financial statements which include the annual financial statements of its subsidiaries based on the full consolidation method whenever bioMérieux has effective control over those subsidiaries, or based on the equity method when the Company exercises significant influence over the entities concerned.

The Company's financial statements are fully consolidated in the financial statements of Compagnie Mérieux Alliance (17 rue Bourgelat, 69002 – Lyon, France).

NOTE 2 SIGNIFICANT EVENTS OF THE FISCAL YEAR

2.1 Impact of the economic and public health crisis related to COVID-19

For the second year in a row, the Company recorded a significant increase in sales of its molecular biology respiratory infection diagnostic lines, with no significant impact on gross profit.

Stay-at-home measures resulted in significant decreases in travel expenses and a reduction in other marketing expenses (conferences, promotion, advertising) in 2020. In 2021, these expenses remained in line with the previous year.

The Company incurred no interruptions to its business nor any site closures in 2021 and 2020. It also did not make use of any government support and therefore was not affected by the ban on paying dividends in 2020.

2.2 Quality problem with immunoassay substrates

The immunoassay segment was affected by quality problems with substrates, which have now been resolved. All costs have been charged to operating income for the year 2021.

2.3 Conversion into a European company

The parent company, bioMérieux, is a French joint stock company (société anonyme) whose registered office is located in Marcyl'Étoile (69280) and whose shares are admitted for trading on NYSE Euronext Paris, compartment A. A project to convert the company into a European entity is in progress. This change of corporate form was approved by the Annual General Meeting of May 20, 2021 on the proposal of the Board, after consultation with the employee representative bodies in France. This transformation will be effective once it is registered with the court, after a vote by the Board of Directors officially ending the negotiations of the Special Negotiation Group.

2.4 Change in the securities portfolio

In 2021, bioMérieux SA subscribed to several equity investments and capital increases in portfolio securities, in a total amount of €56.6 million. Among these were the capital increases of its subsidiaries of €31.2 million, including bioMérieux Suzhou Biotech €27.4 million, and the acquisition through a share distribution of bioMérieux Australia for €23.8 million.

bioMérieux SA also sold its interests in Banyan Biomarkers and Dynavax, generating capital losses of €0.6 million, carried to non-recurring income.

These events are detailed in Note 3.3.

2.5 Employee share ownership plan

In 2021, eligible Group employees were able to participate in a restricted offering within an employee share ownership plan called "MyShare." The employees were entitled to a share subscription price of €76.01, at a 30% discount off the reference price (€108.58), and a matching contribution of 100% of the amount subscribed up to €750 per employee. Group employees subscribed for 279,825 shares (including 163,466 shares by French employees); and the Company delivered 331,818 shares (including 191,825 shares for French employees), applying the discount and the matching. The cost of the plan recognized in operating income amounted to €8.9 million. The cost of the plan for employees of other Group companies was completely charged back to the subsidiaries and has no impact on operating income.

2.6 Significant subsequent events

There were no significant subsequent events.

NOTE 3 NON-CURRENT ASSETS

3.1 Intangible assets

3.1.1 Accounting principles

Pursuant to ANC Regulation 2015-06, technical merger losses were allocated in January 2016 to specific intangible asset accounts relating to acquired goodwill, such as commercial goodwill, technology and customer relations.

Historical goodwill and assets originating from the allocation of technical merger losses are not stand-alone items able to generate cash flow on their own. They are intrinsically attached to production plants, to the R&D supporting the acquired product line, to technology and to the sales forces that help move products through all the Group's distribution channels.

Acquired goodwill is therefore grouped together with the other assets of the technological range to which they are linked in order to constitute a homogeneous and stand-alone range. In practice, tests are performed to group together assets that serve the same client typology (industrial microbiology laboratories) or health issue (pathology/detection of pathogens: microbiology, molecular biology or immunoassays). An impairment test is carried out systematically based on asset groups close to the groups identified at Group level (CGU) when analysis shows them to be fungible (monitoring and pooled management of acquired goodwill by technological product line and customer type).

At each year-end, the net value of the asset groups thus identified is compared with the current value of assets as determined from the discounted net cash generated by these assets (including acquired goodwill). An impairment is recorded if a loss of value is observed.

Intangible assets also include software applications acquired or developed in-house, amortized over periods of three to ten years based on their estimated useful lives, and patents and licenses amortized over the contractual or statutory term of use. In practice, a period of five years is usually applied. These assets are measured at cost (purchase price and incidental costs) or at their production cost.

Lastly, intangible assets acquired in exchange for the payment of indexed royalties are measured at the time of acquisition on the basis of estimated future royalties to be paid over the term of the contract. These estimates are subsequently adjusted based on royalties effectively paid.

3.1.2 Change

Breakdown *In millions of euros*	**Gross value**	**Depreciation, amortization and impairment losses**	**Net value 12/31/2021**	**Net value 12/31/2020**
Research & development expenses	14.2	14.2	0.0	0.1
Software	111.0	86.5	24.5	18.2
Goodwill and intangible business assets	142.0	9.5	132.5[(a)]	138.1
Patents & Technology	43.8	36.0	7.8[(b)]	9.5
Customer relationships	5.4	3.3	2.1	2.5
Other intangible assets	8.2	5.6	2.6[(c)]	3.3
Assets under construction	5.0		5.0	6.3
TOTAL	**329.5**	**155.0**	**174.5**	**178.0**

(a) Including acquired goodwill from allocated merger losses: €130.4 million.
(b) Including acquired goodwill from allocated merger losses: €7.4 million.
(c) Distribution rights for Suzhou Hybiome Biomedical Engineering Co. Ltd.: €2.6 million.

Change *In millions of euros*	Gross value	Depreciation, amortization and impairment losses	Net value
DECEMBER 31, 2020	**316.5**	**138.5**	**178.0**
Acquisitions/Increases	14.6	17.3	-2.8
Disposals/Decreases	-1.6	-0.9	-0.7
DECEMBER 31, 2021	**329.5**	**155.0**	**174.5**

The increase in the gross value of intangible assets over the year primarily corresponds to the acquisition of software and the development costs of IT solutions for €14.5 million.

Technical merger losses are allocated as follows:

In millions of euros	Gross value	Amortization	Net value
AES CHEMUNEX			
Goodwill	111.0		111.0
Technology	12.5	9.5	3.0
Customer relationships	5.4	3.3	2.1
TOTAL	**128.9**	**12.8**	**116.1**
ARGÈNE			
Goodwill	19.4		19.4
Technology	12.8	9.3	3.6
TOTAL	**32.2**	**9.3**	**23.0**
CEERAM			
Technology	2.4	1.6	0.8
TOTAL	**2.4**	**1.6**	**0.8**
ADVENCIS			
Technology	2.6	2.6	
TOTAL	**2.6**	**2.6**	
TOTAL	**166.1**	**26.3**	**139.9**

3.2 Property, plant and equipment

3.2.1 Accounting principles

Property, plant and equipment are shown on the balance sheet at purchase or production cost.

In accordance with the asset recognition rules in effect since January 1, 2005, components whose cost is significant in relation to the total cost of the main asset are recognized and depreciated separately if their useful life is not the same as that of the main asset.

The only physical assets to which this method applies are buildings.

For buildings, the depreciation periods are set for each group of components.

Depreciation and amortization period	Accounting	Tax
Shell	30-40 years	Straight line basis 30 years
Finishing work, fixtures and fittings	10-20 years	Straight line basis 15 years

The depreciation is calculated using the straight-line method over the estimated useful lives of the various asset categories. The main useful lives applied are:

Depreciation and amortization period	Accounting	Tax
Machinery and equipment	3-10 years	Accelerated. 5-10 years
Instruments*	3-10 years	Accelerated. 3-5 years

* *Instruments either installed at third-party sites or used in-house.*

Impairment tests are carried out for property, plant and equipment whenever events or market developments indicate that an asset may have declined in value. If the net book value exceeds the recoverable amount, an impairment loss is recognized to reduce the assets to their realizable value.

Most capitalized instruments are installed at customers' sites.

3.2.2 Change

Breakdown *In millions of euros*	Gross value	Depreciation, amortization and impairment losses	Net value 12/31/2021	12/31/2020
Land and land improvements	17.8	1.2	16.6	16.7
Buildings	307.4	191.8	115.6	115.2
Machinery and equipment	256.5	180.0	76.4	63.8
Capitalized instruments	60.1	33.2	27.0	20.2
Other assets	58.0	45.1	13.0	13.3
Assets under construction	50.2		50.2	44.3
TOTAL	**750.1**	**451.3**	**298.8**	**273.6**

Change *In millions of euros*	Gross value	Depreciation, amortization and impairment losses	Net value
DECEMBER 31, 2020	**696.8**	**423.2**	**273.6**
Acquisitions/Increases	63.2	38.0	25.2
Disposals/Decreases	-10.0	-10.0	0.0
DECEMBER 31, 2021	**750.1**	**451.3**	**298.8**

The main capital expenditures during the year were for instruments placed with customers or for internal use, amounting to €12.4 million, the construction in progress of an extension to the storage building at Saint-Vulbas of €6.6 million, a research and development building at La Balme for €4.2 million and an extension to an industrial building at Combourg for €4.1 million.

3.3 Non-current financial assets

3.3.1 Accounting principles

Non-current financial assets are recognized at their purchase price.

An impairment loss is recognized on equity investments whenever their value in use falls below their acquisition cost. Value in use is initially estimated at the net book value of the subsidiary's assets at the closing date. This may be adjusted to reflect the value of any unrecognized identifiable assets (particularly real estate or technologies). Depending on the economic and financial condition of the subsidiary, value in use may also be estimated taking account of sales, borrowings and any associated technological assets and real estate. Given the specific nature of certain investments, in some cases value in use may be measured by estimating the enterprise value based on discounted future cash flows or on observable market financial inputs.

Non-controlling interests held in unlisted companies are measured based on various criteria including the economic outlook, the net equity of the investment or the valuation used based on recent investments in these shares.

Other investments are written down whenever their market value falls below cost. The market value of listed securities corresponds to the average trading price during the last month of the year.

Other non-current financial assets include treasury shares purchased under a liquidity agreement with an investment firm for the specific purpose of maintaining an orderly market in the Company's shares. Treasury stock is measured at its average trading price during the last month of the fiscal year.

3.3.2 Change

Breakdown *In millions of euros*	Gross value	Impairment losses	Net value 12/31/2021	Net value 12/31/2020
Investments	880.5	120.1	760.4	723.1
Other financial assets	17.0	4.0	13.0	11.6
Related receivables	18.9		18.9	18.1
Other	2.3	0.1	2.2	1.7
TOTAL	**918.6**	**124.1**	**794.4**	**754.5**

Change *In millions of euros*	Gross value	Depreciation, amortization and impairment losses	Net value
DECEMBER 31, 2020	**876.4**	**121.9**	**754.5**
Acquisitions/Increases	59.3	13.8	45.5
Disposals/Decreases	-17.1	-11.5	-5.6
DECEMBER 31, 2021	**918.6**	**124.1**	**794.4**

Movements of equity investments

In 2021 bioMérieux SA subscribed to several investments and capital increases in its equity portfolio:

- a €27.4 million (200 million Chinese yuan) capital increase of bioMérieux Suzhou Biotech Co. Ltd., unpaid as at December 31, 2021;
- €23.8 million to acquire 100% of the shares of bioMérieux Australia through a distribution of shares held by bioMérieux Inc.;
- €2.2 million capital increase in bioMérieux Diagnostik AS (Turkey);
- €1.6 million capital increase for Mérieux Université.

bioMérieux SA also sold its interest in Banyan Biomarkers to its subsidiary bioMérieux Inc. for €7.1 million, generating a loss of €0.6 million in non-recurring income.

The increase in impairment of non-current financial assets reflects €11.8 million in impairment losses recognized on the shares of Quercus Scientific NV, following the announcement of the phasing out of the marketing of the products of its subsidiary Applied Maths, the discontinued subsidiary AB bioMérieux for €1.1 million and Mérieux Université for €0.7 million. The reversals of impairment losses on equity investments concern bioMérieux Brazil (€2.2 million), bioMérieux Argentina (€0.7 million) and GNEH shares (€0.7 million).

Movements in other long-term investments

In 2021, bioMérieux SA subscribed to the convertible bond issued by Qvella for €1.5 million and to the ATI fund for €0.1 million.

The Company also sold its stake in Dynavax for €0.1 million, which had previously been valued at €0.7 million and fully written off. The disposal had no impact on the year's earnings.

Finally, the Tafkak (Knome) was liquidated. Since the shares had a gross value of €7.3 million, the liquidation had no impact on earnings.

3.3.3 List of subsidiaries and minority interests

See table below.

	Share capital		Equity other than share capital	Share of ownership	Value of the securities held before impairment losses	Value of the securities held after impairment losses	Unrepaid loans and advances from the Company	Total revenue of the last fiscal year	Net profit or net loss of the last fiscal year	Dividends received by Company during the fiscal year	Notes
	Currencies	*in millions*	*Currencies in millions*	*In %*	*In millions of euros*	*In millions of euros*	*In millions of euros*	*Currencies*	*in millions*	*In millions of euros*	
A – SUBSIDIARIES (OVER 50% OWNED BY BIOMÉRIEUX)											
AB bioMérieux	SEK	0.2	47.4	100.0%	74.2	4.6	0.0	0.0	-0.3	1.0	01/01/21-12/31/21
bioMérieux West Africa	CFA	180.0	-119.5	100.0%	0.3	0.3	0.0	0.0	-418.6	0.0	01/01/21-12/31/21
bioMérieux Germany	EUR	3.5	24.0	100.0%	3.8	3.8	0.0	118.5	4.2	0.0	01/01/21-12/31/21
bioMérieux Algeria	DZD	58.0	100.4	100.0%	0.6	0.6	0.0	30.6	19.4	0.0	01/01/21-12/31/21
bioMérieux Argentina	ARS	15.4	637.2	99.1%	8.3	5.6	0.0	2,021.1	154.9	0.0	01/01/21-12/31/21
bioMérieux Asia Pacific	SGD	0.0	27.3	100.0%	0.0	0.0	0.0	436.5	27.8	0.0	01/01/21-12/31/21
bioMérieux Austria	EUR	0.1	1.5	100.0%	0.1	0.1	0.0	19.7	0.9	0.8	01/01/21-12/31/21
bioMérieux Australia	AUD	1.6	7.5	100.0%	23.8	23.8	0.0	54.3	1.3	0.0	01/01/21-12/31/21
bioMérieux Colombia	COP	0.5	26.5	100.0%	2.2	2.2	0.0	111.6	-0.1	0.0	01/01/21-12/31/21
bioMérieux Brazil	BRL	136.8	-88.6	100.0%	49.7	17.0	0.0	213.3	10.5	0.0	01/01/21-12/31/21
bioMérieux Belgium	EUR	0.3	2.4	100.0%	0.3	0.3	0.0	30.2	1.6	1.5	01/01/21-12/31/21
bioMérieux Benelux	EUR	0.0	5.7	100.0%	0.1	0.1	3.3	114.4	1.4	0.0	01/01/21-12/31/21
bioMérieux Canada	CAD	1.3	4.7	100.0%	20.5	20.5	0.0	94.3	1.8	1.5	01/01/21-12/31/21
bioMérieux Chile	CLP	1,686.6	8,223.5	100.0%	3.1	3.1	0.0	26,113.1	1,937.2	0.2	01/01/21-12/31/21
bioMérieux China	HKD	971.6	174.9	100.0%	112.4	112.4	0.1	263.2	7.1	0.0	01/01/21-12/31/21
bioMérieux Korea	KRW	1,000.0	16,938.3	100.0%	0.7	0.7	0.0	57,228.5	5,273.2	0.0	01/01/21-12/31/21
bioMérieux Denmark	DKK	0.5	11.8	100.0%	0.5	0.5	0.0	77.4	5.0	0.3	01/01/21-12/31/21
bioMérieux Spain	EUR	0.2	36.9	100.0%	0.6	0.6	0.0	100.3	3.3	3.0	01/01/21-12/31/21
bioMérieux Egypt	EGP	0.2	-30.9	100.0%	0.0	0.0	3.3	149.2	-6.5	0.0	01/01/21-12/31/21
bioMérieux Egypt Distribution	EGP	0.0	0.0	49.0%	0.1	0.1	0.0	0.0	0.0	0.0	01/01/21-12/31/21
bioMérieux Finland	EUR	0.0	2.0	100.0%	0.1	0.1	0.6	10.8	0.9	0.0	01/01/21-12/31/21
bioMérieux Greece	EUR	2.0	4.1	100.0%	4.1	4.1	0.0	17.2	0.8	0.5	01/01/21-12/31/21

	Share capital		Equity other than share capital	Share of ownership	Value of the securities held before impairment losses	Value of the securities held after impairment losses	Unrepaid loans and advances from the Company	Total revenue of the last fiscal year	Net profit or net loss of the last fiscal year	Dividends received by Company during the fiscal year	Notes
	Currencies	*in millions*	*Currencies in millions*	*In %*	*In millions of euros*	*In millions of euros*	*In millions of euros*	*Currencies in millions*	*Currencies in millions*	*In millions of euros*	
bioMérieux Hungary	HUF	3.0	316.3	100.0%	0.0	0.0	0.3	2,190.1	115.8	0.2	01/01/21-12/31/21
bioMérieux HK Investment	HKD	0.7	0.1	100.0%	0.1	0.1	0.0	0.0	-0.1	0.3	01/01/21-12/31/21
bioMérieux India	INR	66.0	2,274.2	99.9%	2.9	2.9	0.0	7,107.0	762.5	0.0	01/01/21-12/31/21
bioMérieux Inc.	USD	0.0	1,342.7	100.0%	397.5	397.5	52.6	1,113.1	194.4	125.0	01/01/21-12/31/21
bioMérieux Italy	EUR	9.0	24.4	100.0%	12.8	12.8	0.0	142.4	8.1	8.0	01/01/21-12/31/21
bioMérieux Japan	JPY	0.5	1.0	100.0%	15.4	15.4	6.7	11.2	0.3	1.4	01/01/21-12/31/21
bioMérieux Kenya	KES	18.3	32.1	100.0%	0.2	0.2	0.0	0.0	15.3	0.0	01/01/21-12/31/21
bioMérieux Malaysia	MYR	0.1	0.3	100.0%	0.0	0.0	0.1	0.0	0.0	0.0	01/01/21-12/31/21
bioMérieux Middle East	AED	0.1	2.8	100.0%	0.0	0.0	0.8	0.0	0.7	0.0	01/01/21-12/31/21
bioMérieux Norway	NOK	2.8	11.5	100.0%	0.3	0.3	0.0	85.6	6.7	0.2	01/01/21-12/31/21
bioMérieux Philippines	PHP	10.3	-10.8	100.0%	0.2	0.2	0.0	799.9	-15.7	0.0	01/01/21-12/31/21
bioMérieux Poland	PLN	0.4	33.9	100.0%	1.5	1.5	0.0	120.9	5.5	0.2	01/01/21-12/31/21
bioMérieux Portugal	EUR	1.6	7.3	100.0%	2.0	2.0	0.0	20.9	0.4	0.0	01/01/21-12/31/21
bioMérieux Czech Republic	CZK	0.2	14.2	100.0%	0.0	0.0	0.5	963.3	2.1	0.2	01/01/21-12/31/21
bioMérieux Russia	RUB	55.7	1,050.0	100.0%	1.3	1.3	0.0	3,723.4	730.9	2.0	01/01/21-12/31/21
bioMérieux South Africa	ZAR	50.0	98.1	100.0%	5.4	5.4	5.6	445.6	11.8	0.0	01/01/21-12/31/21
bioMérieux Sweden	SEK	0.5	17.1	100.0%	0.2	0.2	0.0	328.8	6.0	0.2	01/01/21-12/31/21
bioMérieux Switzerland	CHF	0.4	3.3	100.0%	0.6	0.6	0.0	37.0	2.1	1.9	01/01/21-12/31/21
bioMérieux Suzhou Biotech Co.	CNY	600.0	-61.1	100.0%	78.7	78.7	0.0	0.0	-38.1	0.0	01/01/21-12/31/21
bioMérieux Thailand	THB	35.0	59.5	100.0%	0.9	0.9	0.0	437.6	1.9	0.0	01/01/21-12/31/21
bioMérieux Turkey	TRY	23.3	142.3	100.0%	5.0	5.0	0.0	246.3	39.8	0.0	01/01/21-12/31/21
bioMérieux UK	GBP	0.0	11.9	100.0%	1.2	1.2	0.0	85.1	5.3	8.3	01/01/21-12/31/21
bioMérieux Vietnam	VND	6.3	2.1	100.0%	0.2	0.2	0.0	0.0	0.5	0.0	01/01/21-12/31/21
bioMérieux Serbia	RSD	1.2	20.9	100.0%	0.0	0.0	0.0	0.0	5.2	0.0	01/01/21-12/31/21

	Share capital		Equity other than share capital	Share of ownership	Value of the securities held before impairment losses	Value of the securities held after impairment losses	Unrepaid loans and advances from the Company	Total revenue of the last fiscal year	Net profit or net loss of the last fiscal year	Dividends received by Company during the fiscal year	Notes
	Currencies	*in millions*	*Currencies in millions*	*In %*	*In millions of euros*	*In millions of euros*	*In millions of euros*	*Currencies in millions*	*Currencies in millions*	*In millions of euros*	
bioMérieux Singapore	SGD	0.1	6.0	100.0%	0.1	0.1	1.8	15.5	0.7	0.0	01/01/21-12/31/21
BTF	AUD	4.1	29.6	100.0%	13.6	13.6	0.0	32.9	14.8	7.4	01/01/21-12/31/21
Quercus Scientific	EUR	3.9	4.2	100.0%	19.9	8.1	0.0	0.0	0.0	0.0	01/01/21-12/31/21
TOTAL SUBSIDIARIES					**865.4**	**748.6**					
B – MINORITY INVESTMENTS (5%-50% OWNED BY BIOMÉRIEUX)											
GNEH	EUR	22.5	-5.1	18.9%	4.2	3.2	1.4	0.0	0.0	0.0	01/01/20-12/31/20
Lumed Inc.	CAD	1.8	-0.7	16.2%	0.7	0.7	0.0	1.2	0.4	0.0	06/01/19-05/31/20
Mérieux Université	EUR	5.7	-3.4	40.0%	3.2	0.9	0.0	6.1	-0.3	0.0	01/01/21-12/31/21
Qvella	CAD	0.0	-57.6	5.8%	7.0	7.0	0.0	0.3	-16.5	0.0	07/01/19-06/30/20
Théra Conseil	EUR	0.5	0.5	0.8%	0.0	0.0	0.0	2.4	-0.1	0.0	01/01/20-12/31/20
TOTAL EQUITY INVESTMENTS					**15.1**	**11.8**					
C – OTHER SECURITIES											
Amorçage Technologique Investissement	EUR	31.3	-10.9	2.6%	0.8	0.8	0.0	0.0	0.5	0.0	01/01/20-12/31/20
Avesthagen	INR	76.1	-705.6	3.5%	1.4	0.0	0.0	72.1	85.7	0.0	04/01/20-03/31/21
Innovaprep	USD	3.7	-1.7	3.5%	0.4	0.0	0.0	1.1	0.2	0.0	01/01/20-12/31/20
Labtech system	AUD	43.5	-18.7	3.4%	1.3	0.6	0.0	1.1	-7.3	0.0	07/01/20-06/30/21
Lyon Biopôle	EUR	1.0	-1.1	0.0%	0.3	0.0	0.0	0.8	0.0	0.0	01/01/20-12/31/20
My Cartis	EUR	2.5	-0.2	1.6%	1.2	0.0	0.0	0.1	-0.3	0.0	01/01/20-12/31/20
Pertinence Invest 2	EUR	6.1	-0.8	8.0%	4.0	4.0		0.0	-0.8	0.0	03/26/20-12/31/20
Sino French (Innovations) Fund II	EUR	291.9	-19.5	0.8%	5.0	5.0	0.0	0.0	-17.9	0.0	01/01/20-12/31/20
Supernova 2	EUR	23.0	-6.0	1.3%	1.0	1.0	0.0	0.0	-1.7	0.0	01/01/20-12/31/20
TOTAL OTHER SECURITIES					**15.4**	**11.5**					
GRAND TOTAL					**895.9**	**771.8**					

NOTE 4 INVENTORIES

4.1 Accounting principles

Inventories are measured at the lower of cost and net realizable value.

Inventories of raw materials, consumables and goods for resale are measured at their purchase price plus related expenses using the FIFO method. Work-in-progress and finished products are measured at their actual production cost.

Inventories are written down where necessary, taking into account selling prices, obsolescence, residual shelf life, product condition, sale prospects and, in the case of spare parts, changes in the corresponding instruments' installed base.

4.2 Change

Inventories *In millions of euros*	**12/31/2021**	**12/31/2020**
Raw materials	46.6	44.9
Work-in-progress	27.7	31.5
Finished products and goods held for resale	126.1	111.4
TOTAL GROSS VALUE	**200.3**[(a)]	**187.8**
Impairment losses	-16.5[(b)]	-16.9
TOTAL NET VALUE	**183.8**	**170.9**

(a) Of which gross value of inventories related to instrumentation and related spare parts of €44 million, compared to €38 million in 2020.

(b) Including specific impairment losses related to the public health crisis for €5.1 million in 2021 as against €6 million in 2020 (impairment of materials due to lower sales forecasts for certain references, and obsolete products due to new references incorporating COVID-19 tests).

NOTE 5 TRADE AND OPERATING RECEIVABLES

5.1 Accounting principles

Receivables are recognized at face value. An impairment loss is recognized when there is a risk of non-recovery.

5.2 Change

Trade receivables *In millions of euros*	12/31/2021	12/31/2020
Gross trade receivables	496.7	419.4
Impairment[(a)]	-16.5	-13.8
NET VALUE	**480.2**	**405.7**

(a) Including a €14 million writedown of export trade receivables at December 31, 2021 versus €12.6 million at December 31, 2020, due to the economic situation and risks encountered, particularly in Africa and the Middle East.

The increase in trade receivables is mainly due to the increase in intra-group receivables at December 31, 2021, correlated with the increase in revenue.

Other operating receivables *In millions of euros*	12/31/2021	12/31/2020
Advances and deposits	24.1[(a)]	19.8
Prepaid expenses	8.5[(b)]	7.8
Other operating receivables	20.2[(c)]	16.3
TOTAL GROSS VALUE	**52.8**	**44.0**

(a) Including a €13.7 million advance paid in 2020 and 2021 under a license agreement signed in 2020, of which €2.2 million was used as of December 31, 2021. This advance will be applied against future royalties for the next nine years, €9.5 million of which was due in more than one year as of December 31, 2021.
(b) Prepaid expenses primarily consist of purchases of outside services.
(c) Including VAT receivables of €17.7 million at December 31, 2021, against €12.8 million at December 31, 2020.

Maturities of trade and other receivables *Net value in millions of euros*	12/31/2021	12/31/2020
Trade receivables	**480.2**	**405.7**
• Due in less than one year	480.2	405.7
Other operating receivables	**52.8**	**44.0**
• Due in less than one year	36.0	38.3
• Due in more than one year	16.7	5.7

NOTE 6 CASH

6.1 Accounting principles

Cash and cash equivalents include available cash and short-term investments.

Changes in the cash pool are valued at the average monthly exchange rate. Cash pooling accounts are remeasured at the end of the month at the closing rate. This remeasurement is offset by an entry to financial income and expense reflecting currency hedges related to these positions.

6.2 Change

Cash *In millions of euros*	**12/31/2021**	**12/31/2020**
Cash investments	83.8	44.5
Cash pooling	242.6[(a)]	134.7
Cash and financial instruments	400.5[(b)]	163.4
TOTAL	**727.0**	**342.6**

(a) Cash pooling changes are discussed in Note 10.4.
(b) The change in cash and cash equivalents is explained in the table of changes in net debt in Note 10.1.

Short-term investments break down as follows:

	12/31/2021	**12/31/2020**
Investment	Treasury shares	Treasury shares
Amount	€8.2m	€21.5m
Classification	Equities	Equities
ISIN Code	FR0010096479	FR0010096479
Investment	BNP PARIBAS DEPOSIT money-market fund	BNP PARIBAS DEPOSIT money-market fund
Net amount	€13.0m	€13.0m
Classification	Euro money-market fund	Euro money-market fund
ISIN Code	FR0011046085	FR0011046085
Investment	Time-deposit account	Time-deposit account
Amount	€62.7m	€10.0m
Classification	Euro money-market fund	Euro money-market fund
ISIN Code		

Among short-term investments are 79,109 shares purchased within the framework of the establishment of a hedging program intended to ensure the cost of the various free share grant plans.

NOTE 7 TRANSLATION DIFFERENCES

7.1 Accounting principles

In application of regulation ANC 2015-05, income and expenses in foreign currencies are recognized at their value in euros on the transaction date based on the average monthly exchange rate. Foreign exchange gains or losses on commercial transactions that result from differences in rates between the transaction date and the settlement date are recognized on the corresponding line in the profit & loss statement (sales and purchases).

Receivables and payables in foreign currencies are converted based on their exchange rate on the closing date of the fiscal year. Any differences resulting from this valuation are recognized under unrealized foreign exchange gains and losses. Provisions are created for unrealized foreign exchange losses and are recognized in income (sales and purchases) whenever the receivable or payable is related to a business transaction.

When, for business transactions with relatively close maturities, unrealized foreign exchange gains and losses may be considered as contributing to an overall currency position, the amount added to the provision for exchange rate risks is capped at the excess of losses over gains. This estimate of losses factors in, when applicable, the hedge rate on the derivatives covering such transactions.

Foreign exchange gains and losses concerning financial flows are recognized in financial income and expense. Translation differences concerning cash pooling are recognized in income, as are the hedging instrument, symmetrically with the hedged item.

7.2 Translation differences - losses

In millions of euros	12/31/2021	12/31/2020
On operating items	1.2	2.2
On borrowings and financial receivables	2.2	2.9
TOTAL	**3.4**	**5.1**

7.3 Translation differences - gains

In millions of euros	12/31/2021	12/31/2020
On operating items	1.3	0.7
On borrowings and financial receivables	0.0	0.0
TOTAL	**1.3**	**0.7**

NOTE 8 EQUITY AND FREE SHARE GRANT PLANS

8.1 Accounting principles

Capital improvement subsidies are recognized in equity. The Company elected to spread a capital improvement subsidy financing a depreciable fixed asset over several periods. The capital improvement subsidy is reversed over the same period in step with the value of the asset acquired or created as a result of the subsidy.

8.2 Change in equity

The Company's share capital amounted to €12,029,370 at December 31, 2021 and was divided into 118,361,220 shares with a total of 190,920,719 voting rights (of which 72,559,499 shares carry double voting rights). Following a decision taken by the Annual General Meeting of March 19, 2001, the Company's bylaws no longer refer to a par value for its shares. No rights or securities with a dilutive impact on capital were outstanding at December 31, 2021.

At December 31, 2021, the Company held:

- 16,734 treasury shares under a liquidity agreement with an outside firm. In 2021, the Company purchased 339,932 and sold 336,347 treasury shares.
- 79,109 treasury shares were purchased as part of a hedging program for the various free share grant plans. At December 31, 2021, these shares were not specifically allocated to one plan. In 2021, the Company purchased 350,000 shares and awarded 472,424.

Change in shareholders' equity *In millions of euros*	Share capital	Additional paid-in capital	Reserves & Retained Earnings	Statutory provisions	Subsidies	Total
EQUITY AT DECEMBER 31, 2020	**12.0**	**63.5**	**998.6**	**64.2**	**0.1**	**1,138.5**
Net income for the year			205.6			205.6
Dividends paid			-73.1			-73.1
Changes in statutory provisions				6.2	1.6	7.7
EQUITY AT DECEMBER 31, 2021	**12.0**	**63.5**	**1,131.2**	**70.4**	**1.7**	**1,278.8**

The following table presents the Company's free share grant plans:

	Date on which plans opened				
Number of shares	2017	2018	2019	2020	2021
Initial number of options granted	32,016	169,685	266,189	126,103	175,315
Options canceled	2,153	23,941	75,861	15,390	24,082
Number of shares remitted in FY 2021	29,863	110,744	0	0	0
Number of shares to be remitted as of 12/31/2021	0	35,000	190,328	110,713	151,233

Between 2017 and 2021, the Board of Directors awarded restricted stock to certain employees and corporate officers, subject to their continued employment and, where applicable, performance criteria. Under these plans, the free shares have a vesting period of three or four years. Furthermore, the performance shares only vest on the achievement of objectives based on operating income or other specific objectives. The performance shares are no longer subject to a lock-up period if the vesting period is at least two years. The lock-up period may be waived for shares granted to non-French tax residents provided that the shares concerned are subject to a four-year vesting period.

In 2021, after taking into account all free shares that were re-invoiced, a net expense of €11.4 million was recognized in operating income, compared to a net expense of €11.9 million the previous year.

With the 79,109 treasury shares held at December 31, 2021, the Company will have to purchase 408,165 additional shares at a cost of €51 million, based on the share price at December 31, 2021, to cover existing plans.

8.3 Changes in statutory provisions

Statutory provisions *In millions of euros*	Accelerated depreciation and amortization	Provisions for price increases	Total
DECEMBER 31, 2020	**61.0**	**3.2**	**64.2**
Additions	16.6	0.8	17.3
Reversals	-11.0	-0.2	-11.2
DECEMBER 31, 2021	**66.6**	**3.8**	**70.4**

NOTE 9 PROVISIONS FOR FINANCIAL CONTINGENCIES AND LOSSES

9.1 Accounting principles

Contingency and loss provisions are recognized in accordance with French accounting rules applicable to liabilities (C.R.C. 2000.06).

The Company is involved in a certain number of claims and litigation arising from the normal course of its business. It believes that these claims and litigation will not have a materially adverse impact on its ability to continue as a going concern. When a risk is identified, a provision is recognized as soon as it can be reliably estimated.

9.2 Change

Provisions *In millions of euros*	Other employee benefits[a]	Guarantees given[b]	Other provisions[c]	Total
DECEMBER 31, 2020	**30.3**	**0.9**	**45.6**	**76.8**
Additions	*1.6*	*0.7*	*27.5*	*29.8*
Reversals (utilizations)		*-0.9*	*-23.7*	*-24.6*
Reversals (surplus)			*-0.1*	*-0.1*
Net additions (reversals)	1.6	-0.1	3.7	5.2
DECEMBER 31, 2021	**32.0**	**0.7**	**49.3**	**82.0**

(a) Provisions for other employee benefits comprise retirement benefits, long-service awards and bonuses and mutual health insurance benefits.
(b) Estimate of the costs of warranties on instruments sold that may be incurred over the remaining warranty period.
(c) A provision for restricted stock of €35.6 million (including an addition of €19.3 million and a reversal of €16.5 million in 2021) a provision for unrealized foreign exchange losses of €3.5 million, provisions for commercial claims and litigation of €1.9 million, a provision pension plans of €1.7 million and other provisions for financial losses of €6.5 million.

9.3 Provisions for pensions and other post-employment benefits

9.3.1 Accounting principles

The Company applies Recommendation 2013-02 of November 7, 2013 of the French accounting standards authority (*Autorité des Normes Comptables* – ANC) and has adopted the principles of IAS 19 as amended in June 2011 for its statutory financial statements, with the exception of the option to recognize actuarial gains and losses in equity.

9.3.2 Change

	Retirement benefits		Long-service awards	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Present value of obligation	46.2	41.6	16.6	15.7
Fair value of hedging assets	30.8	27.0		
NET PROVISION	**15.4**	**14.7**	**16.6**	**15.7**

In 2021, the Company paid €3 million into the retirement benefits hedging fund.

Obligations in respect of pensions and other post-employment benefits are calculated using actuarial methods based on the following assumptions:

	Retirement benefits		Long-service awards	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Salary increase rate	2.50%	2.00%	2.50%	2.00%
Discount rate	1.00%	0.90%	0.80%	0.60%
Employee mobility rate [a]	0% to 5%	0% to 5%	0% to 5%	0% to 5%
Average duration	14	16	9	10

(a) Depending on the age and status of the employee (managerial/non-managerial).

NOTE 10 NET DEBT

10.1 Statement of changes in net debt

The statement of changes in net debt includes all changes in borrowings and financial debt, regardless of maturity, net of cash and short-term bank borrowings.

It lists separately:

- cash flow from operating activities;
- cash flow from investing activities;
- cash flow relating to shareholders' equity.

Cash flow from operating activities for the fiscal year corresponds to the aggregate of net income, depreciation and amortization, net additions to provisions (impairment and contingencies and losses), less capital gains or losses on disposals of fixed assets.

Net debt corresponds to the Company's financial situation with regard to financing third parties outside of operating payables. This aggregate is determined by the sum of mandatory and bank debt (short, medium and long term) and bank overdrafts, less cash and investment securities.

In millions of euros	12/31/2021	12/31/2020
Net income	205.6	23.8
Depreciation, amortization and provisions, net	69.9[(a)]	106.4[(b)]
Gains and losses on Corporate actions	8.5	0.5
Capital spending subsidies	-0.1	
Cash flow from operating activities	**283.9**	**130.7**
Increase in inventory	-12.5[(c)]	-27.7
Increase in trade receivables	-73.4[(d)]	-26.3
Change in trade payables and other operating working capital	60.8[(e)]	33.3
Operating working capital requirement	**-25.2**	**-20.8**
Change in receivables, net of tax	18.2[(f)]	-9.3
Other non-operating working capital	2.3	-2.2
Total change in working capital requirement	**-4.6**	**-32.3**
NET CASH FLOW FROM OPERATIONS	**279.3**	**98.3**
Capital expenditures	-77.8[(g)]	-54.4
Income from disposal of fixed assets	9.4[(h)]	2.0
Change in net amounts payable on fixed assets	3.1	-10.0
Acquisition of equity investments, subscr. to capital increases net of reductions	-27.6[(i)]	-52.4[(i)]
Net change in advances and loans to subsidiaries	[(k)]	46.9[(l)]
Net change in other non-current financial assets	-3.8	-3.8
NET CASH FLOW FROM (USED IN) INVESTMENT ACTIVITIES	**-96.7**	**-71.7**
Dividends paid	-73.1	-22.5[(m)]
Capital spending subsidy	1.7	
Net cash used in shareholders' equity	**-71.4**	**-22.5**
Change in net debt (excluding exchange rate impact)	**111.2**	**4.2**
Breakdown of change in net debt		
Net debt at beginning of year	269.1	274.1
Impact of changes in exchange rates on net debt	1.2	-0.9
Change in net debt:	**-111.2**	**-4.2**
• Committed debt	-23.9	-111.3
• Cash and bank overdrafts	-87.2	107.1
NET DEBT AT END OF YEAR	**159.1**	**269.1**

(a) Including depreciation, amortization and impairment of property, plant and equipment and intangible assets of €53.9 million, net additions to regulated provisions of €6.2 million, provisions for contingencies and losses of €5.2 million, provisions for current assets of €2.4 million and for impairment of investments of €2.2 million.

(b) Including depreciation, amortization and impairment of property, plant and equipment and intangible assets of €53.7 million, net additions to provisions for contingencies and losses of €24.6 million, for impairment of shares and equity investments of €12.3 million, for current assets of €11.9 million and regulated provisions of €3.9 million.

(c) Inventory changes are described in Note 4.2.

(d) Including Group customers (-€92.3 million), export customers (+€17 million) and domestic customers (+€2 million).

(e) Including net trade payables of €37.8 million, trade receivables of €15.3 million, tax and social security receivables and payables €8.2 million, and other operating receivables and payables -€0.5 million.

(f) Including tax net of tax credits of €13.1 million, receipt of 2016 and 2017 CIR of €6.6 million, liquidation of IS 2020 for €0.8 million (surplus paid), less payments and installments paid over 2021 of -€2.4 million.

(g) Including intangible assets of €14.6 million (see Note 3.1) and property, plant and equipment of €63.2 million (see Note 3.2).

(h) Including disposals of equity investments (Banyan Biomarkers for -€7.1 million), disposals of software for -€1.6 million and various disposals of property, plant and equipment for -€0.7 million.

(i) Including the acquisition of an interest in bioMérieux Australia (-€23.8 million), and capital increases by bioMérieux Turkey (-€2.2 million) and Mérieux Université (-€1.6 million). The €27.4 million capital increase of bioMérieux Suzhou Biotech in 2021 had not yet been paid out as of December 31, 2021.

(j) Including the capital increase of bioMérieux Suzhou Biotech (-€31.3 million) and equity investment in bioMérieux Canada (-€20.5 million) and Qvella (-€0.6 million).

(k) No repayment of intra-group loans in 2021.

(l) Including total repayment of the bioMérieux Inc. loan (+€49.2 million), less the new loan granted to bioMérieux Egypt (-€2.3 million).

(m) In 2020, an extraordinary 50% reduction in the year's dividend and re-allocation to charitable initiatives per the Board of Directors' decision of June 2020.

10.2 Debt refinancing

bioMérieux SA has a syndicated credit facility of €500 million. After two extensions exercised in 2018, the maturity date for this loan, initially set for January 2022, was deferred to January 2024.

On June 29, 2020 bioMérieux issued a new €200 million Euro PP bond with a top-tier European institutional investor. This private placement comprises two tranches: one seven-year €145 million tranche and one 10-year €55 million tranche, bearing a total annual coupon of 1.61%.

This syndicated credit facility and the Euro PP bond are subject to the following covenant: bioMérieux Group net debt may not exceed 3.5 times operating income before non-recurring items (EBITDA) before depreciation/amortization and acquisition-related costs. The Company complied with this covenant at December 31, 2021.

bioMérieux SA also had €10 million in negotiable debt securities at December 31, 2021, versus €35 million at December 31, 2020.

10.3 Change

Exposure of borrowings
In millions of euros

	12/31/2021	12/31/2020
Bond issues	201.6	201.6
Bank overdrafts and financial instruments	1.2	1.1
Cash pooling	653.8	355.6
Other borrowings	29.4	53.3
TOTAL BORROWINGS	**886.1**	**611.7**

bioMérieux SA conducted research and development work as part of a research program known by the acronym "ADNA" (Advanced Diagnostics for New Therapeutic Approaches). The aim of the program is to develop a new generation of diagnostics and therapies focused on cancers, infectious diseases and genetic disorders. The program was coordinated by Institut Mérieux in partnership with Transgène, Genosafe and the Genethon association. In return, bioMérieux SA received subsidies (€16.1 million) and repayable grants (€7.5 million).

If the products resulting from this research are commercially successful, bioMérieux SA will have to pay back these grants according to a payment schedule based on the revenue generated from these products, and will also have to pay a share of profits until 2030 (3.4% of revenue earned on the relevant products). These repayable advances, included in other borrowings, amounted to €15.2 million at December 31, 2021, of which €14.2 million was due beyond one year.

10.4 Debt schedule

In millions of euros

	12/31/2021	12/31/2020
Due beyond 5 years	204.1[(a)]	205.7
Due in 1 to 5 years	14.3	12.4
TOTAL DUE BEYOND 1 YEAR	**218.4**	**218.0**
Due within 1 year	667.7[(b)]	393.6
TOTAL BORROWINGS	**886.1**	**611.7**
Cash investments	-83.8	-44.5
Cash and financial instruments	-643.2[(c)]	-298.1
NET DEBT	**159.1**	**269.1**

(a) Including a bond issue of €200 million.
(b) Including cash pooling of €653.8 million, versus €355.6 million at December 31, 2020 (which included €580.7 million owed to BioFire, versus €301.8 million at December 31, 2020).
(c) Including cash pooling of €242.6 million, versus €134.7 million at December 31, 2020 (which included a receivable from Institut Mérieux of €170.4 million versus €51.4 million at December 31, 2020, and a receivable from bioMérieux Inc. of €52.6 million, versus €49.8 million at December 31, 2020).

NOTE 11 TRADE AND OTHER OPERATING PAYABLES

Trade and other operating payables *In millions of euros*	12/31/2021	12/31/2020
Trade payables	**227.4**	**185.8**
Tax and social-security debts	162.7	149.1
Deferred income	6.5[(a)]	5.8
Other payables	27.6	12.7
OTHER OPERATING PAYABLES	**196.8**	**167.6**

(a) Including a lease and maintenance agreement for €4.0 million and the sale of reagents and instruments for €2.5 million.

Trade and other operating payables *In millions of euros*	12/31/2021	12/31/2020
Trade payables		
Due within one year	227.4	185.8
TOTAL	**227.4**	**185.8**
Other operating payables		
Due within one year	196.5	167.2
Due beyond one year	0.3	0.5
TOTAL	**196.8**	**167.6**

NOTE 12 ACCRUED EXPENSES AND INCOME

Accrued expenses and income *In millions of euros*	12/31/2021	12/31/2020
Miscellaneous borrowings	9.8	8.7
Trade payables	71.3	58.6
Tax and social-security debts	148.0	133.6
Other operating payables	24.2	10.0
Other non-operating payables	14.7	9.3
TOTAL ACCRUED EXPENSES	**267.9**	**220.1**
TOTAL ACCRUED INCOME	**22.8[(a)]**	**28.8**

(a) Including unbilled customer payables (€19 million versus €25.1 million at December 31, 2020) and accrued interest on loans to subsidiaries (€2.3 million at December 31, 2021 versus €1.7 million at December 31, 2020).

NOTE 13 SALES

13.1 Accounting principles

Revenue from product sales (reagents and instruments) and related services (after-sales, training, delivery, etc.) are presented in "Revenues" on the profit & loss statement.

Revenue arising from the sale of products is recognized when all of the following criteria have been satisfied:

- the significant risks and rewards of ownership have been transferred to the buyer;
- the Company no longer has a continuing involvement in the effective control over the goods sold;
- the revenue and the costs incurred or to be incurred in relation to the transaction can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company.

These criteria are satisfied when reagents are delivered and when sold instruments are installed.

In the case of services (training, after-sales service, etc.), revenue is recognized only after the services have been rendered. Revenue from instrument maintenance contracts is deferred and recognized on the basis of the elapsed portion of the service contract.

Sales are measured at the fair value of the consideration received or receivable, net of any discounts and rebates granted to customers. Sales taxes and value-added taxes are not included in sales.

13.2 Change

Breakdown of revenue *In millions of euros*	**France**	**Export**	**Total 12/31/2021**	**Total 12/31/2020**
Sales of goods for resale	12.6	141.1	153.7	145.7
Sold production (goods)	181.3	838.7	1,020.0	929.0
Sold production (services)	25.0	258.2	283.2	226.5
TOTAL	**218.8**	**1,238.0**	**1,456.8**	**1,301.1**

Revenue by geographic area *In millions of euros*	**12/31/2021**	**12/31/2020**
France & Overseas France	222.3	218.6
Europe, Africa, Middle East	661.4	569.4
South America	51.8	45.1
North America	153.3	135.4
Asia Pacific	153.6	166.1
Other related activities not broken down	214.5	166.5
TOTAL	**1,456.8**	**1,301.1**

NOTE 14 RESEARCH & DEVELOPMENT EXPENSES

Research & development expenses are expensed as incurred except for amortization of research & development programs capitalized following the merger with AES Chemunex and CEERAM. These projects were totally amortized at December 31, 2021.

Research & development expenses in fiscal year 2021 amounted to €135.1 million, compared to €135.2 million the previous year.

NOTE 15 PERSONNEL COSTS AND EMPLOYEE BENEFITS

15.1 Change

Personnel costs *In millions of euros*	**12/31/2021 12 months**	**12/31/2020 12 months**
Wages and salaries	225.1	207.4
Discretionary profit-sharing	20.9	19.4
Social contributions and other personnel costs	111.8	101.3
TOTAL	**357.7**	**328.0**

Pursuant to the statutory formula, taxable net income in 2021 yielded €2 million in employee profit sharing, excluding the employer social contribution.

Compensation allocated to members of supervisory and senior management bodies (Company directors and members of the Executive Committee who are employees of the Company) in respect of their duties in 2021 consisted of directors' fees of €0.4 million and fixed and variable compensation of €10.5 million.

15.2 Headcount

Breakdown of headcount *In FTE*	**12/31/2021 12 months**	**12/31/2020 12 months**
AVERAGE HEADCOUNT		
Managers	1,898	1,828
Supervisors	55	53
Employees	30	36
Technicians	1,228	1,190
Blue-collar workers	587	590
TOTAL	**3,798**	**3,697**

NOTE 16 NET FINANCIAL EXPENSES

16.1 Accounting principles

Dividends received are recognized net of withholding taxes applicable in the country of origin.

16.2 Change

In millions of euros	12/31/2021	12/31/2020
Net finance costs	-2.0[(a)]	-8.4
Impairment of investments	-10.2[(b)]	-12.3
Provisions for financial contingencies and losses	0.6	-0.7
Revenue from equity investments	164.2[(c)]	54.1
Foreign exchange gains (losses)	2.7	-1.1
TOTAL	**155.2**	**31.7**

(a) Including a net financial expense of €1.1 million in connection with the ADNA program, described in Note 20.2, versus €4.1 million in 2020.
(b) Including a net addition of €10 million for equity investments in 2021, versus €12 million in 2020, and €0.2 million for other long-term investments in 2021, versus €0.3 million in 2020.
(c) Including a €125 million distribution by bioMérieux Inc. (€20.5 million in 2020), of which €23.8 million was for bioMérieux Australia and 8.3 million for bioMérieux UK (no dividend in 2020).

16.3 Foreign exchange gains (losses)

Foreign exchange gains and losses result from differences between the transaction exchange rate and the settlement rate (or the year-end rate if the payment has not yet been made). These differences only partially reflect the impact of currency fluctuations.

Foreign exchange gains and losses on commercial transactions are recognized under the relevant headings in the profit & loss statement. The table below shows their income statement impact:

In millions of euros	12/31/2021	12/31/2020
Operation	-3.9	-6.2
Financial items	2.7	-1.1
TOTAL	**-1.2**	**-7.3**

NOTE 17 NON-RECURRING INCOME

In millions of euros	Income	Expenses	Net 12/31/2021	Net 12/31/2020
Exits and disposals of fixed assets	17.4	17.9	-0.5	-0.6
Statutory provisions	11.2	17.3	-6.2	-3.9
Other non-recurring income and expenses	13.8	15.1	-1.3	-35.7
TOTAL	**42.4**	**50.4**	**-8.0**	**-40.1**

Other extraordinary income includes the reversal of the provision for free shares of €13.7 million and other extraordinary expenses for the loss on withdrawal of treasury shares of €15.1 million.

For the fiscal year ended December 31, 2020 extraordinary charitable contributions made by bioMérieux SA were recognized in other non-recurring income and expenses in the amount of €35.9 million.

NOTE 18 CORPORATE INCOME TAX

18.1 Change

Corporate income tax in 2021 showed net expense of €13.1 million, versus a net income of €18.4 million the previous year.

bioMérieux initiated a request to amend its 2019 tax return, leading to a provision for the amount due to the French tax authorities at December 31, 2021.

In fiscal year 2021, the Company recognized various tax credits totaling €22.1 million, including a research tax credit of an estimated €18.4 million for 2021 and a credit for charitable contributions of €3.3 million. These various tax credits represented the majority of non-operating receivables at December 31, 2021, and have a maturity of less than one year.

A tax audit of fiscal years 2019 and 2020 is underway.

18.2 Breakdown of Corporate income tax

In millions of euros	Before tax	Tax	12/31/2021 After tax	12/31/2020
Recurring income	228.8	-6.3	222.5	62.5
Non-recurring income	-8.0	2.2	-5.8	-38.8
Employee profit-sharing	-2.0		-2.0	
Prior-year adjust.		-9.0	-9.0	0.1
NET INCOME FOR THE YEAR	**218.8**	**-13.1**	**205.6**	**23.8**

18.3 Net income for the year excluding provisions recognized for tax purposes

In millions of euros	12/31/2021	12/31/2020
Net income for the year	205.6	23.8
Income tax	-13.1	18.4
Net income before tax	**218.8**	**5.4**
Accelerated depreciation, amortization and tax-regulated provisions	-6.2	-3.9
Total provisions recognized for tax purposes	**-6.2**	**-3.9**
NET INCOME BEFORE TAX AND EXCLUDING PROVISIONS RECOGNIZED FOR TAX PURPOSES	**224.9**	**9.3**
Income tax	-13.1	18.4
Tax on provisions recognized for tax purposes	1.8	1.3
NET TAX BENEFIT (EXPENSE)	**-14.9**	**17.2**
NET INCOME FOR THE FISCAL YEAR EXCLUDING PROVISIONS RECOGNIZED FOR TAX PURPOSES	**210.1**	**26.5**

18.4 Change in deferred taxes

In millions of euros	12/31/2021 Rate 25.83%	12/31/2020 Rate 28.41%
Accelerated depreciation, amortization and tax-regulated provisions	18.2	18.2
Depreciation of artwork	0.3	0.3
TOTAL DEFERRED TAX LIABILITIES	**18.5**	**18.6**
Non-deductible provisions and expenses	-13.7	-10.4
Unrealized foreign exchange gains	-0.3	-0.2
TOTAL DEFERRED TAX ASSETS	**-14.0**	**-10.6**
Tax credits carried forward[(a)]	-13.8	-14.6
TOTAL FUTURE TAX BENEFIT (-) OR EXPENSE (+)	**-9.3**	**-6.7**

(a) According to the French Tax Code (Code Général des Impôts), charitable contributions (made to non-profit organizations) eligible for a tax credit were capped at 0.5% of annual revenues for fiscal year 2020. Excess amounts are partially carried forward over the following five years and will be eligible for tax credits after contributions for the year have been deducted within the threshold limit.

NOTE 19 HEDGING INSTRUMENTS

19.1 Accounting principles

The Company only uses financial instruments for hedging purposes, in order to limit risks stemming from changes in exchange rates and interest rates, whether related to assets and liabilities at the end of the period or to future transactions.

19.2 Exchange rate risk

In view of the significant proportion of bioMérieux SA's operations conducted outside the euro zone, its sales, earnings and assets and liabilities may be impacted by changes in exchange rates between the euro and other currencies. Sales are particularly affected by euro/US dollar exchange rate variations and, more occasionally, by fluctuations in the rate of the euro against other currencies.

bioMérieux SA's current policy is to seek to hedge the impact of exchange rate fluctuations on budgeted net income. It uses hedging instruments, when they are available at a reasonable cost, in order to mitigate risks relating to currency fluctuations. Hedging contracts are purchased to cover transactions included in the budget and not for speculative purposes.

Hedges consist mainly of forward currency sales and purchases (maturing within 18 months at December 31, 2021).

Hedging instruments used are backed against trade and financial receivables and payables.

Unrealized foreign exchange gains and losses on hedging instruments, related to the basis of trading prices at December 31, 2021 are recognized in the balance sheet whenever they are in a hedging relationship with receivables or payables.

Hedges in effect at December 31, 2021 were as follows:

- forward sales of €52.9 million to hedge trade receivables;
- forward sales of €47.1 million to hedge financial receivables;
- forward purchases of €422.5 million to hedge borrowings.

Furthermore, currency hedges were set up to cover the budget positions of the 2022 fiscal year. The net amount of these hedges is €217.4 million.

The market value at December 31, 2021 of all the budget hedges represents an unrealized loss of €4.3 million.

At December 31, 2021, the Company had no hedges covering the earnings of foreign subsidiaries.

The December 31, 2021 market value of financial hedges represented an unrealized gain of €1.3 million.

The table below shows the currencies in which revenues were generated:

	12/31/2021		12/31/2020	
In millions of euros	12 months	%	12 months	%
Eurozone	**867.9**	**60%**	**781.0**	**60%**
Other				
US dollar	166.8	11%	158.6	12%
Singapore Dollar	104.3	7%	3.1	0%
Pound sterling	71.5	5%	51.1	4%
Czech koruna	35.9	2%	34.2	3%
Swedish krona	29.7	2%	21.9	2%
Russian ruble	29.3	2%	9.3	1%
Swiss franc	24.8	2%	25.7	2%
Chinese Yuan	18.1	1%	62.8	5%
South African rand	14.0	1%	9.9	1%
Turkish lira	13.6	1%	13.8	1%
Other currencies	80.8	6%	129.7	10%
TOTAL	**1,456.8**	**100%**	**1,301.1**	**100%**

19.3 Interest rate risk

19.3.1 Exposure to interest rate risks

A fixed-rate Euro PP bond was issued in June 2020. This bond comprises one seven-year €145 million tranche bearing an annual coupon of 1.50%, and one 10-year €55 million tranche, bearing an annual coupon of 1.902%. The Company is not exposed to interest rate risk on this borrowing.

The €45 million property leasing agreement set up in 2015 to finance Campus de l'Etoile is indexed to a variable rate. At December 31, 2021, there was no mechanism set up to back this financing.

19.3.2 Hedging instruments

At December 31, 2021, bioMérieux SA had no interest rate hedges.

NOTE 20 OFF-BALANCE SHEET COMMITMENTS

20.1 Financial commitments

20.1.1 Commitments given

In millions of euros	12/31/2021	12/31/2020
Endorsements and guarantees	138.7[(a)]	128.4
Leasing agreement and rent commitments	30.3	33.8
TOTAL	**169.0**	**162.2**

(a) Including related parties in the amount of €137.6 million.

In 2018, bioMérieux SA stood surety for a loan taken by bioMérieux Shanghai as part of the financing of the acquisition of the majority of the share capital of Suzhou Hybiome Biomedical Engineering Co. Ltd. This commitment amounted to €62.5 million at December 31, 2021.

The Company is also committed to various charitable initiatives for a total amount of €1.2 million over a four-year period and an annual amount of €2 million renewable each year, of which €2 million goes to the Fondation Christophe et Rodolphe Mérieux.

Leasing agreement *In millions of euros*		Royalties		Depreciation and amortization expense	
	Gross	fiscal year	cumulative	fiscal year	cumulative
Land	2.3	0.2	1.0		
Buildings	42.1	3.7	19.3	2.4	12.9
TOTAL	**44.4**	**3.9**	**20.3**	**2.4**	**12.9**

Leasing agreement *In millions of euros*	Outstanding royalties				Residual value
	< 1 year	1-5 years	> 5 years	Total	
Land	0.2	0.8	0.3	1.3	
Buildings	3.7	14.6	6.4	24.7	
TOTAL	**3.9**	**15.4**	**6.7**	**26.0**	

20.1.2 Commitments received

In millions of euros	12/31/2021	12/31/2020
Credit facilities with a banking syndicate	500.0	500.0
TOTAL	**500.0**	**500.0**

20.2 Research & development commitments

At December 31, 2021, commitments given in respect of various research agreements amounted to €1.1 million.

20.3 Commitments related to other securities

bioMérieux SA has committed with Amorçage Technologique Investissement (ATI) to respond to new calls for funds up to an amount of €0.1 million.

NOTE 21 RELATED PARTIES

21.1 Affiliated companies: balance sheet items

In millions of euros	12/31/2021	12/31/2020
TOTAL NON-CURRENT FINANCIAL ASSETS	**892.4**	**851.3**
Operating receivables	388.7	287.9
Non-operating receivables	0.0	2.2
TOTAL RECEIVABLES	**388.7**	**290.1**
TOTAL CASH[(a)]	**242.6**	**134.7**
Operating payables	145.1	94.0
Non-operating payables	0.1	0.0
Borrowings[(b)]	653.8	355.6
TOTAL PAYABLES	**799.1**	**449.6**

(a) Advances to subsidiaries for cash pooling.
(b) Advances from subsidiaries for cash pooling.

21.2 Affiliated companies: financial income and expenses

In millions of euros	12/31/2021 12 months	12/31/2020 12 months
Net impairment of investments	-10.0	-12.0
Revenue from equity investments	164.2	54.1
Other financial income and expenses	-2.3	18.0
TOTAL	**151.8**	**60.2**

Other financial income and expenses include net interest received on loans and cash pooling (€2.1 million), net reversals of unrealized losses on intra-group loans (€0.8 million) and reversals of provisions for financial risks on securities (€0.6 million), less foreign exchange losses, net of hedging, realized on cash pooling and other intra-group financial transactions (-€5.8 million).

21.3 Related party transactions

Institut Mérieux, which held 58.9% of bioMérieux SA at December 31, 2021, provided €11.8 million in services for bioMérieux SA over the fiscal year, reinvoiced to bioMérieux Inc. for €3.3 million, and to BioFire for €4.2 million. bioMérieux SA rebilled €1.3 million to Institut Mérieux for expenses paid on its behalf.

The Company rebilled €3.9 million, mainly for services and reagent sales, to entities of the Mérieux NutriSciences Corporation Group, in which Institut Mérieux holds a majority interest. Conversely, companies within the Mérieux NutriSciences Corporation group rebilled bioMérieux SA for €0.2 million in services and fees.

Théra Conseil, 99.2% owned by Institut Mérieux, billed bioMérieux SA €1.3 million for services in 2021. Conversely, bioMérieux Inc. re-invoiced Théra Conseil for €0.1 million of rental.

bioMérieux SA contributed €2 million to the Fondation Christophe and Rodolphe Mérieux for humanitarian projects. The company has also made personnel available as donations of skills amounting to €0.9 million.

bioMérieux SA paid €4.9 million to Mérieux Université (in which bioMérieux SA and Institut Mérieux each hold a 40% interest, and Mérieux NutriSciences Corporation holds a 20% interest) in respect of training fees, and rebilled €2.4 million in other services.

ABL Inc. which is almost wholly owned indirectly by Institut Mérieux, billed bioMérieux SA for the supply of raw materials in the amount of €2 million. bioMérieux SA billed other ABL group companies for instruments and reagents in the amount of €0.2 million.

The companies of the Pierre Fabre Group were billed €0.6 million for services and reagent sales.

Bioaster billed bioMérieux SA €1.7 million for research expenses and fees. bioMérieux SA, in turn, rebilled Bioaster €0.1 million for services.

bioMérieux SA made a €0.1 million donation to the Université de Lyon Foundation.

Banyan Biomarkers Inc. billed bioMérieux SA €0.1 million for raw materials and supplies.

Saint Gobain billed bioMérieux SA €0.1 million for raw materials and supplies.

bioMérieux SA rebilled €0.3 million to Mérieux Equity Partners for expenses paid on its behalf.

Lastly, Biofortis billed bioMérieux SA €0.1 million for services and fees. bioMérieux SA, in turn, rebilled Bioaster €0.1 million for reagents.

6.2.3 Analysis of the results and other financial information

6.2.3.1 Revenue and financial position

Sales

During the fiscal year ended December 31, 2021, the Company's net revenue amounted to €1,456.8 million, as compared to €1,301.1 million for the previous year, representing a year-on-year increase of 12%.

The increase in revenue was primarily driven by the 11.6% increase in sales to subsidiaries in a context of Group sales growth, and the 9.9% increase on the export market and 1.7% on the domestic market due to the sale of products used in COVID-19 testing.

Gross operating income (EBITDA)

Gross operating income was €175.8 million, or 12.1% of revenue. It posted an increase of €35.1 million, or 24.9%, compared with the previous fiscal year, due to the growth in business volume, which generated added value €58.3 million greater than the previous year, though partly offset by a €29.7 million increase in personnel costs. Taxes and levies decreased by €6.5 million.

Operating income

After depreciation, amortization and provisions, operating income increased by €59.9 million, from €13.8 million in 2020 to €73.6 million at December 31, 2021.

The change in operating income is attributable to the increase in gross operating income of €35.1 million, combined with a decrease in other operating income and expenses of €14.3 million due to lower royalty payments and a decrease in depreciation, amortization and provisions of €10.3 million. This last resulted primarily from a €6.7 million decrease in inventory writedowns (due to write-downs recorded in 2020 during the COVID-19 pandemic) and a €3.9 million decrease in fixed asset impairment.

Net financial income

In 2021, net financial income was €155.2 million, versus €31.7 million the previous year.

This change was largely due to a €110 million increase in income from equity investments, €104.5 million of which came from bioMérieux Inc.

Recurring income

Net income before non-recurring items and tax totaled €228.8 million, versus €45.5 million one year earlier.

Non-recurring income

Non-recurring income at December 31, 2021 was a loss of €8 million, compared to a loss of €40.1 million at December 31, 2020 or an improvement of €32.1 million, largely attributable to €35.9 million of extraordinary charitable contributions recognized in 2020.

Employee profit-sharing

Profit-sharing payable to employees of €2 million was recognized at December 31, 2021. No profit-sharing was generated in the previous fiscal year.

Income tax and tax credits

Income tax amounted to net expense of €13.1 million, compared to net income of €18.4 million at December 31, 2020.

The €26.2 million income tax expense (versus €4.5 million in 2020) was partly offset by tax credits, primarily the provisioned research tax credit of €18.4 million (versus €19.3 million in 2020), and tax credits for charitable contributions of €3.3 million (versus €3 million in 2020). At December 31, 2021, a tax provision related to transfer pricing adjustments was recognized in the amount of €7.5 million, which increased the net income tax expense.

Net income

Net income for the fiscal year amounted to €205.6 million, compared with €23.8 million the previous fiscal year, or a year-on-year growth of €181.8 million. It represented 14.1% of sales, as compared to 1.8% at December 31, 2020.

Capital expenditures

Capital expenditure in intangible assets represented €14.6 million and primarily involved acquisition-related costs of software and the development of IT solutions.

Capital expenditure for property, plant and equipment of €63.2 million mainly involved instruments placed with customers or for internal use, amounting to €12.4 million, the construction in progress of an extension to the storage building at Saint-Vulbas of €6.6 million, a research and development building at La Balme for €4.2 million and an extension to an industrial building at Combourg for €4.1 million.

Non-current financial assets (acquisitions/disposals) increased by €42.2 million in gross value, primarily from equity subscriptions and capital increases (including bioMérieux Suzhou Biotech Co. Ltd. for €27.4 million and bioMérieux Australia for €23.8 million). These were partially offset by €7.3 million from the total write-off of Taftak Knome shares after its liquidation.

6.2.3.2 Appropriation of net income and non-deductible expenses

Shareholders will be invited to appropriate distributable net income for the year ended December 31, 2021, totaling €263,961,512.22 and consisting of €205,625,092.05 in net income and €58,336,420.17 in retained earnings, as follows:

- €10,000,000 to be transferred to the General Reserve account, increasing the balance from €865,000,000.28 to €875,000,000.28;
- €26,960.00 to be transferred to the Special Philanthropic Reserve, increasing the balance from €993,092.58 to €1,020,052.58;
- €100,607,037.00 to be distributed as dividends, representing a dividend of €0.85 for each of the 118,361,220 shares comprising the share capital; to be paid on June 8, 2022;
- the balance of €153,327,515.22 is to be paid to Retained Earnings.

In accordance with Article L. 225-210 of the French Commercial Code (Code de commerce), the Company will not receive any dividends on treasury shares held at the ex-dividend date. The corresponding dividend amount will be allocated to "Retained earnings."

Under current French tax legislation, the dividends distributed to individuals domiciled in France for tax purposes are taxed in two phases:

- upon payment, the gross amount is subject to a non-discharging levy (French acronym PFNL) of 12.8% for income tax (Article 117 *quater* of the French Tax Code [Code général des impôts]) and social security withholdings of 17.2%. Low-income taxpayers may request exemption from the PFNL;
- the following year, they are subject:
  - to tax at the flat rate of 12.8% (single flat-rate levy),
  - or, on option, to the progressive income tax schedule. In that case, an abatement of 40% applies (Article 158, 3 2° of the French Tax Code).

The PFNL of 12.8%, deducted during the payment year, is deducted in this case from income tax. The excess, if any, is refunded.

The dividends paid for each of the past three fiscal years are presented in Section 7.6.

Non-tax-deductible expenses

The financial statements of the previous fiscal year include non-tax-deductible expenses as provided for in Articles 223 *quater* and 223 *quinquies* of the French Tax Code (Code général des impôts), amounting to €655,923. These represent the non-deductible portion of lease payments and depreciation charges for vehicles leased and purchased by bioMérieux SA. Income tax at the base rate paid in this respect amounted to €180,379.

6.2.3.3 Five-year financial summary (Article R. 225-102 of the French Commercial Code)

	Fiscal year ended 12/31/2021	Fiscal year ended 12/31/2020	Fiscal year ended 12/31/2019	Fiscal year ended 12/31/2018	Fiscal year ended 12/31/2017
I. SHARE CAPITAL AT YEAR-END					
Share capital *(in euros)*	12,029,370	12,029,370	12,029,370	12,029,370	12,029,370
Number of ordinary shares outstanding[(a)]	118,361,220	118,361,220	118,361,220	118,361,220	118,361,220
Number of preferred shares (without voting rights) outstanding	0	0	0	0	0
Maximum number of potential shares to be issued	0	0	0	0	0
By conversion of bonds	0	0	0	0	0
By exercise of subscription rights	0	0	0	0	0
II. TRANSACTIONS AND NET INCOME FOR THE FISCAL YEAR *(in euros)*					
Sales	1,456,769,994	1,301,088,081	1,258,157,229	1,188,752,991	1,137,563,972
Income before tax, employee profit-sharing, depreciation, amortization and provisions	290,693,609	112,241,543	164,775,272	135,210,344	167,690,845
Income tax[(b)]	13,129,696	-18,444,155	1,139,111	-562,410	-2,294,743
Employee profit-sharing for the year	2,031,081	0	0	0	0
Income after tax, employee profit-sharing, depreciation, amortization and provisions	205,625,092	23,812,951	119,592,999	75,140,870	109,199,429
Dividends paid[(c)]	100,607,037	73,383,956	22,488,632	41,426,427	40,242,815
Special dividend paid from the general reserve	0	0	0	0	0
III. *Earnings per share* (IN EUROS PER SHARE)					
Income after tax and employee profit-sharing, but before depreciation, amortization and provisions	2.33	1.10	1.38	1.15	1.44
Income after tax, employee profit-sharing, depreciation, amortization and provisions	1.73	0.20	1.01	0.63	0.92
Dividend per share	0.85	0.62	0.19	0.35	0.34
IV. EMPLOYEE DATA					
Average number of employees during the year[(d)]	3,798	3,697	3,674	3,649	3,554
Total annual payroll *(in euros)*	245,899,960	228,271,773	215,921,602	211,591,174	199,088,838
Total employee benefits paid during the year (social security, charities) *(in euros)*	111,759,753	99,680,527	93,736,765	101,882,387	88,884,116

(a) The number of shares tripled in 2017 after the three-for-one split voted by the Combined General Meeting of June 2017.
(b) The negative amounts signify tax income.
(c) Subject to the non-payment of dividends on treasury shares held on the ex-dividend date.
(d) Excluding interns and international work experience volunteers (VIE), data changed from that previously published in order to homogenize the headcount.

6.2.3.4 Information on payment periods

Trade payables at December 31, 2021 by due date

In accordance with Article D.441-4 of the French Commercial Code (Code de commerce), invoices received and not paid at December 31, 2021 that are in arrears break down as follows:

Supplier invoices (non-Group)

	Invoices received that have not been settled on the closing date and are in arrears					
	0 days (as a reference)	1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	Total (1 day or more)
(A) LATE PAYMENT RANGES						
Number of invoices concerned	79	15	88	41	261	405
Total amount of invoices concerned (inclusive of tax)	698,310	319,240	1,149,377	217,821	832,186	2,518,624
Percentage of total purchases for the fiscal year	0.12%	0.05%	0.21%	0.04%	0.15%	0.45%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED DEBTS OR UNRECOGNIZED DEBTS						
Number of invoices excluded			119			
Total amount of invoices excluded (inclusive of tax)			767,903			
(C) REFERENCE PAYMENT PERIOD USED (CONTRACTUAL OR STATUTORY PERIOD – ARTICLE L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH COMMERCIAL CODE)						
Payment schedules used in calculating late payments						Contractual period: 0 to 45 days from the end of the month, according to the contract

Supplier invoices (non-Group and Group)

	Invoices received that have not been settled on the closing date and are in arrears					
	0 days (as a reference)	1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	Total (1 day or more)
(A) LATE PAYMENT RANGES						
Number of invoices concerned	79	29	92	46	279	446
Total amount of invoices concerned (inclusive of tax)	698,310	522,186	1,247,988	2,557,184	946,285	5,273,643
Percentage of total purchases for the fiscal year	0.07%	0.05%	0.12%	0.27%	0.09%	0.53%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED DEBTS OR UNRECOGNIZED DEBTS						
Number of invoices excluded			122			
Total amount of invoices excluded (inclusive of tax)			806,050			
(C) REFERENCE PAYMENT PERIOD USED (CONTRACTUAL OR STATUTORY PERIOD – ARTICLE L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH COMMERCIAL CODE)						
Payment schedules used in calculating late payments						Contractual period: 0 to 60 days from the end of the month, according to the contract for suppliers

Trade receivables at December 31, 2021 by due date

In accordance with article D.441-4 of the French Commercial Code (Code de commerce), invoices issued and not paid at December 31, 2021 that are in arrears break down as follows:

Client invoices (non-Group)

	Invoices issued that have not been settled on the closing date and are in arrears					
	0 days (as a reference)	1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	Total (1 day or more)
(A) LATE PAYMENT RANGES						
Number of invoices concerned	2,746	1,860	1,460	731	2,954	7,005
Total amount of invoices concerned (inclusive of tax)	5,479,741	3,429,050	3,647,285	442,231	816,656	8,335,223
Percentage of revenue for the fiscal year	1.21%	0.76%	0.81%	0.10%	0.18%	1.85%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNIZED RECEIVABLES						
Number of invoices excluded			2,377			
Total amount of invoices excluded (inclusive of tax)			16,380,295			
(C) REFERENCE PAYMENT PERIODS USED						
Payment schedules used in calculating late payments	Contractual periods:		France: between 30 days from the end of the month and 60 clear days Export: between 30 clear days and 120 clear days			

Client invoices (non-Group and Group)

	Invoices issued that have not been settled on the closing date and are in arrears					
	0 days (as a reference)	1 to 30 days	31 to 60 days	61 to 90 days	More than 91 days	Total (1 day or more)
(A) LATE PAYMENT RANGES						
Number of invoices concerned	2,758	2,049	1,577	793	3,417	7,836
Total amount of invoices concerned (inclusive of tax)	3,121,726	10,636,372	1,667,568	599,525	6,087,435	18,990,901
Percentage of revenue for the fiscal year	0.20%	0.69%	0.11%	0.04%	0.40%	1.23%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNIZED RECEIVABLES						
Number of invoices excluded			2,393			
Total amount of invoices excluded (inclusive of tax)			18,148,181			
(C) REFERENCE PAYMENT PERIOD USED (CONTRACTUAL OR STATUTORY PERIOD – ARTICLE L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH COMMERCIAL CODE)						
Payment schedules used in calculating late payments	Contractual periods:		France: between 30 days from the end of the month and 60 clear days Export: between 30 clear days and 120 clear days			

6.2.4 Statutory Auditors' report on the parent company annual financial statements

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the Auditors'assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the financial statements. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

At the bioMérieux Annual General Meeting,

Opinion

In performing the duty entrusted to us by your Annual General Meetings, we conducted an audit of the annual financial statements of bioMérieux for the fiscal year ended December 31, 2021, as appended to this report.

We certify that with regard to French accounting rules and principles, the annual financial statements are reliable and faithfully reflect the operating results of the previous fiscal year, as well as the financial position and assets of the Company at the close of the said fiscal year.

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

Basis for opinion

▸Audit Standard

We conducted our audit according to generally accepted professional standards in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities by virtue of these standards are stated in the section "Responsibilities of the Statutory Auditors relating to the audit of the annual financial statements" of this report.

▸Independence

We have conducted our audit in accordance with the rules of independence as set out in the French Commercial Code and in the French Code of Ethics for Statutory Auditors, over the period between January 1, 2021 to the date of issue of our report, and in particular we have not provided any services prohibited by Article 5(1) of EU Regulation No. 537/2014.

Justification for our assessments – Key points of the audit

The global crisis related to the COVID-19 pandemic creates special conditions for the preparation and audit of this fiscal year's accounts. Indeed, this crisis and the exceptional measures taken due to the health emergency have several consequences for businesses, in particular for their activity and financing, and create greater uncertainties about their future prospects. Some of these measures, such as travel restrictions and remote working, also had an impact on the internal organization of companies and on the way audits are performed.

In this complex and evolving situation, pursuant to the provisions of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we draw your attention to the key points of the audit relating to risks of material misstatements which, according to our professional judgment, were the most significant for the audit of the annual financial statements for the fiscal year, plus the answers we have provided to control these risks.

Our assessments on these matters are part of the audit approach of the annual financial statements taken as a whole and the formation of our opinion expressed above. We do not express an opinion on the elements of these annual financial statements taken separately.

▸Assessment of equity investments

Risk identified	Our response
Equity investments were recorded in the balance sheet in the net amount of €760.4 million at December 31, 2021, and represented 27.8% of the Company's balance sheet. They are recognized at their acquisition cost and impaired whenever their value in use falls below their acquisition cost. As stated in Note 3.3 of the notes to the annual financial statements, the value in use is estimated by the management either: ● by taking into account the net book value of the subsidiary at the balance sheet date, adjusted to reflect the value of any unrecognized identifiable assets (particularly real estate or technologies);	We analyzed the assessment method used and the figures on which it is based. For assessments based on historic elements, where appropriate adjusted to reflect the value of any unrecognized identifiable assets, our work consisted primarily in examining the consistency of the net assets used with the accounts of the entities that have been audited or subjected to analytical procedures, and in checking whether any adjustments made were supported by meaningful documentation.

Risk identified	Our response
• given the specific nature of certain investments, based on discounted future cash flows or on observable market financial inputs. The estimation of the value in use of these securities requires that the management exercise its judgment in selecting the elements to be considered depending on the investments concerned (cash flow, discount rate, etc.). Due to this and to the uncertainties inherent in some elements, such as the probability of achieving forecasts, we have considered the assessment of equity investments to be a key audit matter.	For assessments based on provisional data, our work consisted primarily in: • obtaining the cash flow and operating forecasts for the activities of the entities concerned and in assessing their consistency with the forecast data presented by senior management as part of the budgeting process; • analyzing the consistency of the assumptions used with the economic environment at the closing and preparation date of the financial statements; • assessing the discount rate used for the discounting of cash flows.

Specific verification

In accordance with the professional standards applicable in France, we have also undertaken the specific verifications required by law and by regulations.

▸Information given in the management report and in the other documents sent to shareholders about the Company's financial position and annual financial statements

We have no matters to report as to the fair presentation and the consistency with the annual financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the annual financial statements.

We hereby certify the fairness and the consistency with the annual financial statements of the information regarding payment periods described in Article D. 441-6 of the French Commercial Code.

▸Report on corporate governance

We certify that the Board of Directors' report on corporate governance contains the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information disclosed in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code, relating to compensation and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled by it and included in the scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information on the elements that your Company considered likely to have an impact in the event of a takeover bid with stock purchase or exchange, provided pursuant to the provisions of Article L. 22-10-11 of the French Commercial Code, we verified their compliance with the documents from which they were created and that were forwarded to us. On the basis of these verifications, we have no observation to make with regard this information.

▸Other information

As required by law, we are satisfied that the various disclosures about the identity of those who hold equity and voting rights have been communicated to you in the management report.

Other verifications or information required by laws and regulations

▸Format of the annual financial statements to be included in the annual financial report

In accordance with the professional standard on the due diligence of statutory auditors in relation to the annual and consolidated financial statements presented in accordance with the single European electronic reporting format, we have also verified compliance with this format, as defined by European Delegated Regulation No. 2019/815 of December 17, 2018, as presented in the annual financial statements to be included in the annual financial report referred to in Article L. 451-1-2, I of the French Monetary and Financial Code. These have been prepared under the responsibility of the chairman and chief executive officer.

Based on our work, we conclude that the presentation of the annual financial statements for inclusion in the annual financial report complies, in all material respects, with the single European electronic reporting format.

It is not our responsibility to verify that the annual financial statements that your company will include in the annual financial report filed with the AMF correspond to those we have audited.

▸Appointment of Statutory Auditors

We were appointed Statutory Auditors of bioMérieux by your Annual General Meeting of May 30, 2017 for GRANT THORNTON and May 30, 2012 for ERNST & YOUNG et Autres.

At December 31, 2021, GRANT THORNTON was in the fifth continuous year of its audit engagement, while ERNST & YOUNG et Autres was in the tenth year.

Responsibilities of senior management and the persons constituting corporate governance for the annual financial statements

Senior management is responsible for the preparation of annual financial statements that present a true view in compliance with French accounting rules and principles, together with the implementation of the internal control that it deems relevant to the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the annual financial statements, senior management is responsible for assessing the Company's ability to continue as a going concern, to present in these financial statements, if necessary, information concerning the continuity of the Company's operations and to apply the accounting policy of going concern, unless there are plans to unwind the Company or discontinue the business.

The Audit Committee is responsible for monitoring the financial reporting preparation process and the effectiveness of internal control and risk management systems and, if necessary, the Internal Audit Department with respect to procedures relating to preparation and treatment of financial and accounting information.

The annual financial statements have been approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the annual financial statements

▸Audit objective and procedure

It is our duty to draw up a report on the annual financial statements. Our objective is to obtain reasonable assurance that the annual financial statements, taken as a whole, are free from material misstatement. Reasonable assurance corresponds to a high level of assurance, without however guaranteeing that an audit conducted in accordance with professional standards will systematically detect any material misstatement. Misstatements may arise from fraud or result from errors and are considered as material when it can be reasonably expected that, taken singly or together, they can influence the economic decisions that users of the financial statements take based thereon.

As stated in Article L. 823-10-1 of the French Commercial Code, our engagement to certify the financial statements does not consist in guaranteeing the viability or quality of management of your Company.

Within the framework of an audit conducted in compliance with professional standards applicable in France, the statutory Auditor exercises his professional judgment throughout the audit. Furthermore:

- the statutory auditor identifies and assesses the risks whereby the annual financial statements may contain material misstatements, whether from fraud or errors; defines and implements audit procedures in view of those risks; and collects the elements they consider sufficient and appropriate on which to base their opinion. The risk of not detecting a material misstatement arising from fraud is higher than the risk of a material misstatement resulting from error, because fraud may imply collusion, falsification, voluntary omissions, false declarations or the circumvention of internal control;
- the statutory auditor reviews the relevant internal control for the audit in order to define the appropriate audit procedures for the circumstances and not to express an opinion on the effectiveness of internal control;
- he assesses the appropriateness of the accounting methods used and the reasonable nature of the accounting estimates made by the management, as well as information concerning these methods provided in the annual financial statements;
- he assesses the appropriateness of the application by the management of the going concern concept and, according to the elements collected, whether or not there is a material uncertainty linked to events or circumstances likely to compromise the Company's ability to continue as a going concern. This assessment is based on the information collected until the date of his report. It is however pointed out that subsequent circumstances or events could jeopardize continuity as a going concern. If he concludes that there is a material uncertainty, the statutory auditor draws the attention of the readers of the report to the information provided in the annual financial statements about such uncertainty, or if this information is not provided or is not relevant, he issues a certification with reservations or a refusal to certify;
- they assess the overall presentation of the annual financial statements and whether these reflect underlying operations and events, so as to give a true view.

▸Report to the Audit Committee

We submit a report to the Audit Committee that presents, in particular, the scope of the audit and the work schedule implemented as well as the conclusions of our audit. Our audit also informs the Audit Committee of any material weaknesses of internal control that we have identified with respect to the procedures relating to the preparation and treatment of accounting and financial information.

The points mentioned in the report to the Audit Committee include the risks of material misstatements that we consider to have been the most important for the audit of the annual financial statements of the fiscal year, which therefore constitute the key points of the audit, which it is our duty to describe in this report.

We also submit to the Audit Committee the declaration provided in Article 6 of EU Regulation No. 537-2014 confirming our independence, as defined in the rules applicable in France, as set out in Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the Statutory Auditors' Professional Code of Ethics. If necessary, we will meet the Audit Committee to discuss the risks that threaten our independence and the safeguard measures applied.

Lyon, March 15, 2022

The Statutory Auditors

GRANT THORNTON

French member of Grant Thornton International

Françoise Mechin

ERNST & YOUNG et Autres

Sylvain Lauria

7.

SHARE CAPITAL AND SHAREHOLDING

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7.1 SHAREHOLDER DIALOG

To ensure constant dialog, the Company strives to maintain and strengthen the trust of its shareholders by informing them of the life of the Company, regularly, transparently and accessibly. BioMérieux pays particular attention to communicating with its shareholders. This dialog enables it to better understand their expectations and to resolve any disagreements.

The Company has always been committed to continuous improvement. To meet the needs expressed, it regularly enriches its content whenever possible, in particular in terms of governance, compensation and preparation of the Annual General Meeting. Shareholders may find informational documents such as the Universal Registration Document, the annual report and financial publications in the investor area on the bioMérieux finance website (*www.biomerieux.com*).

Over and above formal dialog in the form of votes in the Annual General Meeting, the Company holds numerous meetings with institutional investors, attesting to its commitment to interaction. These meetings allow shareholders or investors interested in the Company to interact with the management and to ask in-depth questions about its business, its strategy, its performance or its prospects (risks and opportunities).

The Investor Relations department holds around 250 to 300 discussions and meetings with investors and financial analysts every year (except during the pandemic), chiefly in Europe and the United States, where a large majority of its shareholders are located. In 2021, owing to the health crisis, most of the meetings were held by videoconference.

7.2 KEY INFORMATION ABOUT THE ARTICLES OF ASSOCIATION

7.2.1 Corporate purpose

Article 2 of the articles of association stipulates that the Company's purpose, in France and elsewhere, is to:

- manufacture, produce, process, package, distribute, buy, sell, import and export any products and devices and any techniques and know-how used in particular for diagnoses, prevention and treatment, notably in the field of healthcare;
- carry out all studies and research and develop, acquire, grant, keep, control, use, improve, including through the use of licenses and sub-licenses, all trademarks, brand names, patents, techniques, inventions, improvements, formulas, designs, processes, etc. in any way related to the abovementioned products or to the manufacturing and trading of such products;
- participate, either directly or indirectly, in all business and manufacturing transactions related in any way whatsoever to the abovementioned purposes or likely to promote them, either through the creation of new companies, the contribution, subscription or purchase of securities or Company rights, through mergers, alliances, joint holdings, or by any other means;
- perform all transactions in its line of business, either alone and on its own behalf or on behalf of a third party, on commission, as a broker, for a fee, on a cost basis, as representative or proxy for any entity or in any other capacity;
- provide all services relating to the organization of bioMérieux's systems including lab automation, the purchase and assembly of equipment and specialized software; propose training courses for all healthcare professionals working within the key fields of industrial and medical biology;
- generally, perform all business, manufacturing, financial or other transactions directly or indirectly related to the above purposes or to any similar purposes, including the development of ways to expand, promote, advertise, trade or transport raw materials, semi-finished or finished products, as well as the ability to purchase, acquire, hold, transfer, lease, mortgage or dispose of goods, whether movable or immovable, tangible or intangible, related to the above purposes or likely to develop them.

7.2.2 Rights and privileges attached to shares

7.2.2.1 Appropriation of income

Article 10 of the articles of association stipulates that each share entitles its holder to a proportionate share of income corresponding to the percentage of capital it represents.

Article 22 specifies that the income for the year, less any accumulated losses, is subject to a deduction of (i) at least five per cent allocated to the legal reserve, a deduction which ceases to be mandatory once the reserve represents one tenth of the share capital but becomes mandatory again if the legal reserve falls to below one tenth of the share capital for any reason, and (ii) any amount to be set aside as reserves as required by law.

The balance, plus any retained earnings, represents distributable net income that the Annual General Meeting may, on recommendation of the Board of Directors, distribute in whole or in part as dividends, or allocate to reserve accounts, capital amortization or retained earnings.

The Annual General Meeting may allow shareholders the option to receive all or part of dividends or interim dividends distributed in either cash or shares, in accordance with the law. The Annual General Meeting may decide to use the reserves at its disposal to pay a dividend on shares. If this occurs, the relevant resolution must expressly state from which accounts funds are to be withdrawn.

In addition, the Annual General Meeting may resolve to use income or reserves, other than the legal reserve, to pay off some or all of the shares and to repay them up to their par value.

Article 23 of the articles of association specifies that the terms of payment of dividends are set by the Annual General Meeting or, failing that, by the Board of Directors. Dividends must be paid no more than nine months after the year-end, unless otherwise authorized by a court. The Board of Directors may, subject to the provisions of the law, distribute one or more interim dividends prior to the approval of the financial statements for the fiscal year.

7.2.2.2 Voting rights

Voting rights attached to shares are proportionate to the fraction of capital represented and each share entitles its holder to at least one vote (Article 20 of the articles of association).

All paid-up shares which have been held in registered form by the same shareholder for five years or more, based on the proportion of share capital they represent and irrespective of their class, carry double voting rights. The double voting right was approved by the Annual General Meeting in 1999. This policy aims to favor long-term shareholders who share the Company's long-term vision and its strategy.

Shares converted to bearer form or whose ownership changes, subject to the exceptions provided by law, automatically lose their double voting rights. Registered shares are not stripped of voting rights and the five-year period continues to run in the event of transfers following an inheritance, the liquidation of community property between spouses and inter vivos gifts made to a spouse or relatives entitled to inherit.

The Company's merger or demerger would not affect double voting rights, which may be exercised within the successor entity(ies) if their articles of association so permit.

In the event of a capital increase through the capitalization of reserves, profit or paid-in capital, new shares allocated in respect of existing shares carrying double voting rights will also have double voting rights from the date of issue.

7.2.2.3 Form of shares and identification of shareholders

Fully paid-up shares may be held in registered or bearer form, at the shareholders' discretion, subject to applicable laws and regulations. Shares must be held in registered form until they are fully paid up (Article 8 of the articles of association).

The Company may apply statutory and regulatory provisions relating to the identification of holders of securities granting immediate or future voting rights at Annual General Meetings.

7.3 HISTORY OF SHARE CAPITAL

7.3.1 Amount of capital subscribed

The Company's share capital has not been modified in the last three years.

The number of shares issued is 118,361,220 (all shares are of the same class). On September 19, 2017, bioMérieux carried out a 3-for-1 stock split, dividing the par value per share by 3, following a decision by the Board of Directors dated August 29, authorized by the Combined General Meeting of May 30 of the same year, which endorsed this decision (18th resolution). The number of shares accordingly rose from 39,453,740 to 118,361,220.

The issued capital amounts to €12,029,370, fully paid up. The Annual General Meeting of March 19, 2001 eliminated reference to par value in the Company's articles of association.

On the date of filing of this universal registration document:

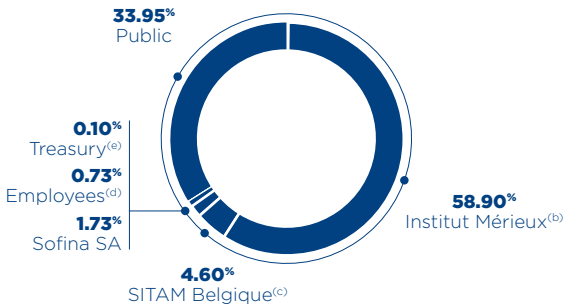
- there are no securities which do not represent share capital;
- the Company has not been informed of any pledging of shares;
- there are no other securities granting access to the Company's share capital;
- there are no options on the share capital of any Group member.

7.3.2 Ownership structure

The table below shows the Company's ownership structure on the dates indicated.

	Situation at 02/28/2022				Situation at 02/28/2021				Situation at 02/29/2020			
Shareholders[a]	Number of shares	% of capital	Number of theoretical voting rights[e]	% of voting rights	Number of shares	% of capital	Number of theoretical voting rights[e]	% of voting rights	Number of shares	% of capital	Number of theoretical voting rights[e]	% of voting rights
Institut Mérieux[b]	69,720,270	58.90	139,440,540	73.04	69,720,270	58.90	139,440,540	73.06	69,720,270	58.90	139,440,540	70.65
SITAM Belgique[c]	5,440,410	4.60	5,440,410	2.85	5,440,410	4.60	5,440,410	2.85	6,040,410	5.10	12,080,820	6.12
Sofina SA	2,046,857	1.73	4,093,714	2.15	2,046,857	1.73	4,093,714	2.14	2,506,857	2.12	5,013,714	2.54
Employees[d]	860,200	0.73	1,399,850	0.73	724,724	0.61	1,219,574	0.64	756,124	0.64	1,250,974	0.63
Treasury shares	113,809	0.10	0.00	0.00	224,365	0.19	0.00	0.00	62,039	0.05	0.00	0.00
Public	40,179,674	33.95	40,432,596	21.19	40,204,594	33.97	40,664,441	21.31	39,275,520	33.19	39,568,990	20.05
TOTAL	**118,361,220**	**100**	**190,807,110**	**100**	**118,361,220**	**100**	**190,858,679**	**100**	**118,361,220**	**100**	**197,355,038**	**100**

(a) Only shareholders representing more than 5% of the capital are named in this table, except for two other major shareholders: SITAM Belgique and Sofina SA (whose CEO, Harold Boël is a director of the Company). All other shareholders are included under Public.
(b) Institut Mérieux is the holding company of the Mérieux family.
(c) Formerly GIMD (Groupe Industriel Marcel Dassault), following the contribution by GIMD of its subsidiary SITAM Belgique (previously called Dassault Belgique Aviation).
(d) This line includes employee share ownership through the OPUS CLASSIC Corporate mutual fund alone (FCPE).
(e) Theoretical voting rights are identical to actual voting rights.



Registered share ownership has not changed materially since February 29, 2020. Differences between the number of shares and the number of voting rights reflect the existence of double voting rights. As of the date of this Registration Document, all shares held by Institut Mérieux and Sofina SA have double voting rights.

To the Company's best knowledge, no other shareholder directly or indirectly holds, alone or in concert, more than 5% of the Company's share capital or voting rights.

7.4 DESCRIPTION OF SHAREHOLDERS

7.4.1 Control of the issuer by Institut Mérieux

Institut Mérieux, which is the holding company owned by the Mérieux family through Compagnie Mérieux Alliance, held 58.90% of the share capital and 73.04% of the voting rights of the Company at February 28, 2022 (see section 1.2.4.1). Institut Mérieux is therefore able to adopt all the resolutions submitted for the approval of shareholders at Annual General Meetings.

Despite Institut Mérieux's position as the majority shareholder, the Company considers that there is no risk this control would be exercised in an abusive manner. This is because the Board of Directors is made up of five independent members out of nine (Section 4.2.5) and has assessed its own performance to be satisfactory (see Section 4.2.6.5).

To the best of the Company's knowledge, there are no shareholders' agreements, parties acting in concert and/or other joint actions, nor any other agreement whose implementation could result in a change of control of the Company.

7.4.2 Employee share ownership

At the last day of the fiscal year (December 31, 2021), employees held around 1,437,000 shares or around 1.21% of the share capital, including all of the shares held in an OPUS Classic Corporate Mutual Fund (FCPE).

At February 28, 2022, employees held around 1,425,000 shares or around 1.20% of the share capital , including all the shares held in an OPUS Classic Corporate Mutual Fund (FCPE).

In 2021, the Company proposed a new shareholding plan to its employees (*MySHARE* 2021) through which, upon authorization by the Board of Directors, it offered the possibility of buying bioMérieux shares at a preferential price, with a discount and an employer contribution (see Section 3.7.4.1). An identical plan had been offered in 2019.

There is to date no phantom share plan in the United States to date.

7.4.3 Treasury shares – Description of the share buyback program

7.4.3.1 Information on the conduct of the share buyback program

The Annual General Meetings of June 30, 2020 and May 20, 2021 authorized the Board of Directors to buy back shares of the Company in accordance with Articles L. 22-10-62 et seq. of the French Commercial Code (Code de Commerce).

At December 31, 2021, the Company held 95,843 shares, *i.e.* 0.08% of the share capital.

Summary of transactions in treasury shares between January 1, 2021 and December 31, 2021

Pursuant to the authorizations given by the Annual General Meetings of June 30, 2020 and May 20, 2021:

- Under the liquidity agreement consistent with the AMAFI Code of Ethics, approved by the AMF and entered into between the Company and ODDO BHF, it performed the following transactions in its capacity as investment services provider.

Shares purchased	339,932
Average purchase price	€107.54
Shares sold	336,347
Average selling price	€108.36
Fees and commissions	0
Number of treasury shares held at December 31, 2021	16,734
Value of shares held at the end of the year based on their average purchase price	€2,069,870
Carrying amount at December 31, 2021	€2,090,077
Nominal value of shares	/
Purpose of transactions	Regulation of prices
Percentage of treasury shares held at year-end	0.01%

The acquisition of the shares by ODDO BHF was undertaken exclusively to maintain a liquid market in the Company's shares through market-making transactions carried out by an independent investment services provider under a liquidity agreement that complies with the AMAFI Code of Ethics approved by the French financial markets authority (Autorité des marchés financiers – AMF).

- Under agency contracts concluded with Natixis with the aim of returning the shares upon exercise of the rights related to the free allocation of shares to employees and corporate officers of the Company or Companies of the Group, as well as under the MyShare shareholder plan (see Section 3.7.4.1), in accordance with the authorizations given by the Annual General Meeting.

Shares purchased	350,000
Average purchase price	€107.90
Shares sold	0
Average selling price	/
Number of treasury shares held at December 31, 2021	79,109
Value of shares held at the end of the year based on their average purchase price	€8,187,934
Carrying amount at December 31, 2021	€9,880,714
Nominal value of shares	/
Purpose of transactions	Delivery of shares during the allocation of free shares or in view of the MyShare employee share ownership plan
Percentage of treasury shares held at year-end	0.07%

Use of derivatives

The Company did not use derivatives as part of this share buyback program and there were no open positions to buy or sell derivatives at the date this universal registration document was filed.

7.4.3.2 Description of the new share buyback program

Pursuant to Article 241-2 of the AMF General Regulations, this paragraph is a description of the buyback program to be put to the Ordinary and/or Extraordinary Annual General Meeting of May 23, 2022 for approval.

Buy-back program objectives

Under the share buyback program, purchases will be made based on the following objectives: (i) maintaining a buoyant secondary market or a liquid market in the bioMérieux shares through an independent investment service provider, operating under a liquidity agreement that complies with the decisions of the French financial markets authority (Autorité des marchés financiers – AMF); (ii) ensuring the hedging of stock option plans and/or free share grant or purchase plans (or similar) for Group employees and/or corporate officers as well as of any granting of shares under the Group's Employee Savings Plan (or similar plan), Company profit-sharing schemes and/or any other granting of shares to Group employees and/or corporate officers; (iii) reducing the Company's share capital by canceling shares within legal limits; (iv) hold shares purchased and swapped again at a later date or expansion investments or be paid out as part of any external expansion operations; and (v) implementing any market practice that is accepted or is to be accepted by market authorities.

Summary of the main features of the buy-back program

- Relevant securities: ordinary shares.
- Maximum stake proposed to the Ordinary and/or Extraordinary Annual General Meeting of May 23, 2022: 10% of the number of shares making up the Company's share capital (at any time, as this percentage applies to a share capital adjusted according to the transactions affecting it).
- Maximum buyback percentage of shares purchased by the Company to be held and subsequently delivered as payment or in exchange as part of a merger, spin-off or contribution: 5%.
- Maximum unit purchase price: the unit purchase price must not exceed €250 per share (excluding acquisition-related costs).
- Total cost of program: the maximum theoretical cost of implementing this program is €2,959,030,500 (maximum theoretical amount not taking into account the shares owned by the Company). However, the Board of Directors could adjust the aforementioned purchase price in the event of a change in the share's par value, of a capital increase through the capitalization of reserves and granting of free shares, of share splits or consolidation, of capital redemption or reduction, of the distribution of reserves or other assets, or of any other transactions affecting equity, in order to take into account the incidence of such transactions on the share value.

Breakdown per objective of shares held by the Company as of February 28, 2022

At February 28, 2022, the Company's share capital was made up of 118,361,220 shares. On this date, the Company held 113,609 shares, *i.e.* 0.10% of the share capital:

- of which 34,500 shares under the liquidity contract concluded with ODDO BHF. The shares purchased by ODDO BHF were acquired exclusively to maintain a liquid market in the Company's shares through market-making transactions carried out by an independent investment service provider under a liquidity agreement that complies with the AMAFI Code of Ethics approved by the AMF;
- of which 79,109 shares under an agency agreement entered into with Natixis with the sole objective of delivering shares upon the exercise of rights in connection with free share grants to employees and corporate officers of the Company or companies within the Group.

The purchase, sale and transfer of the aforementioned securities was carried out to meet two of the program's objectives approved by the Annual General Meetings of June 30, 2020 and May 20, 2021, *i.e.* maintaining a liquid market in the Company's shares through market-making transactions carried out by an independent investment service provider under a liquidity agreement that complies with a Code of Ethics, approved by the AMF and delivering shares upon the exercise of rights in connection with free share grants to employees of the Company or companies within the Group, or the delivery of shares under the employee share ownership plans MyShare 2021. The Company has not canceled any shares in the last 24 months and acquired no shares prior to April 16, 2014, date on which the new share buyback program under Regulation (EU) 596/2014 and Directive 2014/57/EU (known together as "Market Abuse" provisions).

The Company has not used derivatives as part of this share buyback program and there have been no open positions to buy or sell derivatives at the date this buyback program description was published.

Term of program

In compliance with the provisions of Article L. 22-10-62 of the French Commercial Code (Code de Commerce) and the draft motion to be put to the Annual General Meeting on May 23, 2022, this buy-back program may be implemented over an eighteen-month period from the Annual General Meeting until November 22, 2023.

7.4.4 Other transactions carried out by shareholders

7.4.4.1 Crossing of thresholds

Obligations of the shareholders

Shareholders have a legal obligation to notify the Company and the French financial markets authority (Autorité des marchés financiers - AMF) by letter when a legal threshold is crossed, specifying in particular their fractional ownership of the Company's shares and voting rights, within the legal deadline.

Furthermore, Article 10 of the Company's articles of association requires individuals or legal entities, acting alone or in concert, who directly or indirectly own (within the meaning of Articles L. 233-7 et seq. of the French Commercial Code [Code de Commerce]) 1% of the Company's share capital or voting rights, and thereafter for each additional 1%, to report to the Company by registered letter with acknowledgment of receipt, within five trading days of the date the threshold was crossed, the total number of shares and voting rights held, as well as the number of securities carrying immediate or future entitlement to shares and the potential voting rights attached thereto.

The same obligation applies whenever ownership of shares or voting rights falls below each of the aforementioned thresholds.

In the event of failure to comply with these requirements, the shares in excess of the relevant threshold will be stripped of voting rights for all Annual General Meetings held within the two-year period from the date when the omission is remedied, at the request of one or more shareholders holding at least 5% of the Company's capital or voting rights, as evidenced in the minutes of the General Meeting.

Intermediaries acting as holders of securities for non-resident shareholders, pursuant to Article L. 228-1 of the French Commercial Code (Code de Commerce), are required to report increases or decreases if their aggregate holdings exceed or fall below the above thresholds, without prejudice to the reporting obligations of the securities' holders.

Crossing of thresholds reported to the Company in fiscal year 2021

Shareholders	Date	Description of threshold crossed
Amundi	03/09/2021	disclosure threshold of 1% of capital exceeded
	06/01/2021	disclosure threshold of 1% of capital not reached
	07/26/2021	disclosure threshold of 1% of capital exceeded
Jupiter Asset Management Limited	02/01/2021	disclosure threshold of 1% of voting rights not reached
	08/06/2021	disclosure threshold of 1% of voting rights not reached
Candriam	05/31/2021	disclosure threshold of 1% capital and voting rights exceeded
	10/28/2021	disclosure threshold of 2% capital and voting rights exceeded
BlackRock Investment Management Limited	01/04/2021	disclosure threshold of 2% of capital exceeded
	01/11/2021	disclosure threshold of 2% of capital not reached
	02/02/2021	disclosure threshold of 2% of capital not reached
	02/03/2021	disclosure threshold of 2% of capital exceeded
	02/11/2021	disclosure threshold of 2% of capital not reached
	02/23/2021	disclosure threshold of 2% of capital exceeded
	02/25/2021	disclosure threshold of 2% of capital not reached
	03/03/2021	disclosure threshold of 2% of capital exceeded
	03/05/2021	disclosure threshold of 2% of capital not reached
	04/26/2021	disclosure threshold of 2% of capital exceeded
	04/28/2021	disclosure threshold of 2% of capital not reached
	05/10/2021	disclosure threshold of 2% of capital exceeded
	05/17/2021	disclosure threshold of 2% of capital not reached
	05/19/2021	disclosure threshold of 2% of capital exceeded
	05/20/2021	disclosure threshold of 2% of capital not reached
	05/26/2021	disclosure threshold of 2% of capital exceeded
	06/01/2021	disclosure threshold of 2% of capital not reached
	06/09/2021	disclosure threshold of 2% of capital exceeded
	06/10/2021	disclosure threshold of 2% of capital not reached
	06/15/2021	disclosure threshold of 2% of capital exceeded
AXA S.A	10/04/2021	disclosure threshold of 1% of capital not reached
Financière de l'Échiquier	08/23/2021	disclosure threshold of 1% of capital exceeded
	12/02/2021	disclosure threshold of 1% of capital not reached

Crossing of thresholds reported to the Company in 2022 until the publication date of the universal registration document

Shareholders	Date	Description of threshold crossed
Candriam Luxembourg	02/11/2022	disclosure threshold of 2% capital and voting rights not reached
	03/08/2022	disclosure threshold of 2% capital and voting rights exceeded

7.4.4.2 Trading in the Company's shares by senior executives or by their close relations

The Company has been informed that the following securities transactions were carried out by senior executives in 2021 and reported in accordance with the procedures set forth by the French financial markets authority (Autorité des marchés financiers – AMF):

Number of shares vested:	• Esther Wick: – Vesting of 1,800 free shares on February 28, 2021. – Vesting of 1,000 free shares on September 06, 2021. – Vesting of 213 free shares on September 06, 2021. – Vesting of 1,000 free shares on September 06, 2021.
Number of shares sold.	• Groupe Industriel Marcel Dassault (GIMD), entity closely related to Marie-Hélène Habert-Dassault, director of bioMérieux and member of the Supervisory Board of GIMD: – Disposal of 17,000 put options at a unit price of €3.3170 on April 28, 2021. – Disposal of 17,000 put options at a unit price of €3.7370 on April 30, 2021. – Disposal of 17,000 put options at a unit price of €3.2566 on May 4, 2021. – Disposal of 17,000 put options at a unit price of €4.7760 on May 20, 2021. – Disposal of 17,000 put options at a unit price of €4.4500 on May 21, 2021.
Number of shares subscribed: N/A	
Number of shares exchanged: N/A.	

7.4.5 Authorized unissued share capital

TABLE SUMMARIZING VALID AUTHORIZATIONS

Relevant securities	Date and duration of the authorization Expiration	Maximum nominal amount of capital increase *(in millions of euros)*	Use of authorizations *(in millions of euros)*
Authorization by the Board to reduce the share capital by canceling treasury shares *(20th resolution)*	AGM May 20, 2021 18 months November 19, 2022	10% of share capital per 24 month period	N/A
Delegation of authority to the Board to increase the share capital without the shareholders' pre-emptive subscription rights *Capital increase by issuing shares and securities (21nd resolution)*	AGM May 20, 2021 26 months July 19, 2023	4,210 (capital increases)(a) 1,000 (issues of securities representing receivables)(b)	N/A
Delegation of authority to the Board to increase the share capital without the shareholders' pre-emptive subscription rights. *Capital increase by issuing shares and securities (22nd resolution)*	AGM May 20, 2021 26 months July 19, 2023	4,210 (capital increases)(a) 1,000 (issues of securities representing receivables)(b)	N/A
Delegation of authority to the Board to increase the share capital as part of an offer referred to in Article L. 411-2 II of the French Monetary and Financial Code (Code monétaire et financier) *Capital increase by issuing ordinary shares and/or securities giving access to the capital of the Company or giving the right to the awarding of debt securities, without pre-emptive subscription rights, (23rd resolution)*	AGM May 20, 2021 26 months July 19, 2023	20% of capital per year(a) 1,000 (issues of securities representing receivables)(b)	N/A
Delegation of authority to the Board to increase the number of shares in the event of a capital increase *Concerns shares and/or securities giving access to the Company's capital or giving the right to the awarding of debt securities to be issued (25th resolution)*	AGM May 20, 2021 26 months July 19, 2023	15% of the initial issue within the limit of the ceilings(a)(b)	N/A
Delegation of authority to the Board to increase the capital as part of in-kind contributions granted to the Company, without the pre-emptive subscription rights *Capital increase by issuing equities and securities (26th resolution)*	AGM May 20, 2021 26 months July 19, 2023	10% of the capital (on the day of implementation of the delegation)(a)	N/A
Delegation of authority to the Board to increase the capital by incorporating additional paid-in capital, reserves, profits or other items *(27th resolution)*	AGM May 20, 2021 26 months July 19, 2023	4,210(a) as of the Annual General Meeting of May 20, 2021	N/A
Delegation of authority to the Board to increase the capital without pre-emptive subscription rights as part of the issue by subsidiaries or by the parent company of securities giving access to the Company's securities *(28th resolution)*	AGM May 20, 2021 26 months July 19, 2023	4,210 (capital increases)(a) 1,000 (issues of securities representing receivables)(b)	N/A
Delegation of authority to the Board to increase the capital for employees participating in the employee savings plan (PEE) *Issues reserved for employees (30thresolution)*	AGM May 20, 2021 26 months July 19, 2023	3%(a) of the capital on the date of the AGM of May 20, 2021	N/A
Free share grants (existing or to be issued) *(29th resolution)*	AGM May 20, 2021 38 months July 19, 2024	10% of the capital (on the day of the decision by the Board of Directors)	175,315 shares(c)

(a) This percentage/amount must be offset against the total authorized capital increase of €4,210,280 (nominal amount).
(b) This amount must be offset against the aggregate capital increase through the issue of debt securities of €1 billion (nominal amount).
(c) Meeting of the Board of Directors on August 31, 2021.

7.5 BIOMÉRIEUX SHARES IN 2021

7.5.1 bioMérieux equity market

bioMérieux shares have been traded publicly since July 6, 2004 in the CAC Mid 60®, SBF 120®, CAC Mid & Small®, CAC All-tradable® and CAC All-Share® French market indices. In addition, bioMérieux has been included in new indices since 2017, specifically MSCI France Index and STOXX ® Europe 600. The Company's shares are listed on compartment "A" of the Euronext market and are eligible for deferred settlement service (Service de Règlement Différé – SRD).

bioMérieux's social, Corporate and environmental commitment has been recognized for a number of years by non-financial rating agencies (see Section 3.1.7).

At the end of December 2021, the closing price for the bioMérieux share was €124.90 (€115.40 at the end of December 2020), and bioMérieux's market capitalization was €14.8 billion. In 2021, 34,838,855 of the Company's shares were traded on Euronext compared with 34,971,950 in 2020.

During 2021, the average liquidity of the bioMérieux share was as follows (source: Thomson Reuters Eikon):

- average closing price: €107.66;
- average daily trading volume: 135,034 shares;
- average trading day: approximately €14.4 million.

7.5.2 Change in bioMérieux share price in euros during 2021 compared with benchmark indices

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Low	114.10	103.50	102.50	97.50	92.66	88.86	91.86	98.86	98.20	95.96	103.55	113.95
High	132.10	130.80	113.00	114.95	99.82	98.84	101.00	107.80	116.40	112.30	133.20	129.60
Closing	127.50	105.20	108.50	98.92	94.02	98.00	100.55	103.85	98.56	110.05	125.20	124.90

Source: Thomson Reuters Eikon, data extracted on January 10, 2022.

7.5.3 bioMérieux historical share price performance

Period	High (in euros)	Low (in euros)	Closing (in euros)
2021	133.20	88.86	124.90
2020	144.8	75.00	115.40
2019	83.15	53.10	79.35
2018	83.15	53.10	57.50
2017	74.80	47.52	74.69

Source: Thomson Reuters Eikon, price recalculated after 3-for-1 stock split.

7.6 DIVIDEND POLICY

The distribution policy is decided in light of the yearly analysis of the Company's profits, its financial position and other factors that the Board of Directors considers relevant.

Dividends that remain unclaimed five years after their payment date are time-barred and remitted to the French government.

To respond to the unprecedented solidarity and liability issues imposed by the situation, the Board of Directors decided in mid-2020 to exceptionally cut by half the 2019 dividend, which it had initially set at €0.38 per share. The difference, *i.e.* approximately €22 million, was intended for solidarity actions in the countries where it operates (see Section 3.8.4.1).

At the Annual General Meeting to be held on May 23, 2022, the Board of Directors will recommend a dividend of €0.85 pershare, representing a total of €100.6 million to be paid on June 8, 2022.

The table below presents the dividends (in euros) paid by the Company for each of the past three fiscal years.

Fiscal year ended	Dividend distributed (in euros)*	Dividend per share (in euros)*
12/31/2020	73,383,956.40	0.62
12/31/2019	22,488,632.00	0.19
12/31/2018	41,426,427.00	0.35

* *The Company did not receive any dividends on treasury shares held on the ex-dividend date. The corresponding dividend amount was allocated to "retained earnings." Individuals domiciled in France for tax purposes benefit from a tax deduction on the annual dividend in accordance with paragraph 2 of Article 158.3 of the French Tax Code (Code général des impôts).*

7.7 SPECIAL REPORT ON FREE SHARE GRANTS AND STOCK OPTIONS

This report was prepared in accordance with the provisions of Articles L. 225-184 and L. 225-197-4 of the French Commercial Code. The Company does not currently have any stock option plans. No stock options were granted to corporate officers or employees by the Company or Group companies in 2021. At the date of this report, no stock options are exercisable.

For the fiscal year ended December 31, 2021, the Board of Directors granted 175,315 free shares under free share grant plans set up by the Board – after consulting with the Human Resources and CSR Committee – pursuant to the authority granted to it by the Combined General Meeting of May 20, 2021.

In this connection, the Company allocated free shares to a corporate officer in respect of his office held in the Company. The Board of Directors thus allocated 7,625 free shares to Pierre Boulud, Chief Operating Officer (EC 2021 A&B plan).

The table below details the free shares granted at the end of the 2021 fiscal year:

Grant date	Number of shares granted	Share price (in euros)
08/31/2021	175,315	105.00

The table below shows the number of free shares granted and not fully vested at the end of 2021:

Grant date	Share price *(in euros)*	Beneficiary's employer	Number of shares granted	Beneficiary category
08/31/2021		bioMérieux SA	35,250	8 members of the Executive Committee, of which 1 corporate officer
TOTAL EC 2021 PLAN (A&B)	**105.00**		**35,250**	**8 MEMBERS OF THE EXECUTIVE COMMITTEE, OF WHICH 1 CORPORATE OFFICER**
08/31/2021		Astute Medical Inc.	1,751	6 employees
		BioFire Diagnostics LLC	24,076	164 employees
		bioMérieux Afrique Occidentale et Centrale SA	280	4 employees
		bioMérieux Argentina	422	4 employees
		bioMérieux Asia Pacific Pte Ltd.	1,035	6 employees
		bioMérieux Australia P/L	650	4 employees
		bioMérieux Benelux SA	1,284	4 employees
		bioMérieux Brasil Industria e Comercio de Produtos Laboratoriais SA	1,204	6 employees
		bioMérieux Canada Inc.	476	1 employee
		bioMérieux Chile Spa	1,237	6 employees
		bioMérieux China Ltd.	1,081	4 employees
		bioMérieux China Ltd. (Taiwan branch)	156	2 employees
		bioMérieux Colombia SAS	266	2 employees
		bioMérieux Deutschland GmbH	546	6 employees
		bioMérieux Diagnostik AS	266	2 employees
		bioMérieux España SA	1,503	8 employees
		bioMérieux Hellas SA	1,081	4 employees
		bioMérieux Inc.	31,454	144 employees
		bioMérieux India Pvt. Ltd.	2,056	10 employees
		bioMérieux Italia S.p.a	5,845	10 employees
		bioMérieux Japan Ltd	908	6 employees
		bioMérieux Korea Co.	891	6 employees
		bioMérieux Mexico SA de CV	781	6 employees
		bioMérieux Moyen Orient FZ-LLC	156	2 employees
		bioMérieux Polska Sp.z.o.o	266	2 employees
		bioMérieux Portugal Lda	251	4 employees
		bioMérieux SA	51,994	260 employees
		bioMérieux Saudi Arabia	156	2 employees
		bioMérieux Shanghai Biotech co. Ltd	266	2 employees
		bioMérieux Shanghai Co. Ltd.	4,287	22 employees
		bioMérieux Singapore Pte. Ltd.	688	6 employees
		bioMérieux SSC Europe Sp.z.o.o	469	2 employees
		bioMérieux Suisse SA	124	2 employees
		bioMérieux Thailand Ltd.	90	2 employees
		bioMérieux UK Ltd	1,905	8 employees
		Invisible Sentinel Inc.	164	2 employees
TOTAL TPGL 2021 PLAN (A&B)	**105.00**		**140,065**	**731 TALENT POOL & GLOBAL LEADERS**
GRAND TOTAL			**175,315**	**739**

Vesting period

In the 2021 free share grant plans, a three-year vesting period applies from the date of the decision to grant the shares before the beneficiary becomes the owner of the shares granted.

Eligibility and performance conditions

During the financial year, the Board of Directors decided, at the recommendation of the Human Resources and CSR Committee, to grant free shares that are fully vested, (i) subject to a continuous employment condition and (ii) subject to continuous employment and performance conditions.

Delivery of shares

At the end of the vesting period and provided that the vesting conditions and criteria set by the Board of Directors are met, the Company will transfer to the beneficiary the number of free shares granted by the Board of Directors.

Lock-up period

Free share grant plans for 2021 have no lock-up period.

Beneficiaries' rights

If the shares are not transferable, like any other shareholder, the beneficiaries of vested shares are entitled to exercise all other rights attached to such shares during the lock-up period, including:

- pre-emptive subscription rights;
- right to information;
- right to attend Annual General Meetings;
- voting rights;
- right to dividends and, if applicable, distributed reserves.

History of free share grants (Table 10)

The table below summarizes, at December 31, 2021, all the terms and conditions of the free share grants and the performance share grants, subject to the fulfillment of the presence conditions and, for certain grants, the performance criteria laid down by the Company's Board of Directors:

Date of Annual General Meeting	Name of plan	Date of Board meeting	Total number of free shares granted	Number of beneficiaries	Of which a corporate officer	Acquisition date of the shares	End date of the lock-up period	Cumulative number of forfeited or lapsed shares	Free shares granted during the fiscal year	Free shares remaining at the end of the fiscal year
05/20/2021	2021 EC and TPGL Plan	08/31/2021	175,315	366	1	08/31/2024	08/31/2024	1,743	0	173,572
06/30/2020	2020 EC Plan	09/01/2020	29,000	8	1	09/01/2023	09/01/2023	0	0	29,000
06/30/2020	2020 TPGL Plan	09/01/2020	97,026	335	0	09/01/2023	09/01/2023	8,172	0	88,854
05/17/2018	Invisible Sentinel Plan[a]	02/26/2019	22,300	10	0	02/26/2022	02/26/2022	22,300	0	0
05/17/2018	2019 EXCOM Plan	02/26/2019	80,510	12	0	02/26/2022	02/26/2022	27,469	0	53,041
05/17/2018	2019 BioFire Plan	02/26/2019	26,250	7	0	02/26/2022	02/26/2022	15,051	0	11,199
05/17/2018	2019 Global Leader/TP Plan	09/03/2019	137,129	357	0	09/03/2022	09/03/2022	11,727	0	125,402
05/17/2018	2018 *Global Leader* Plan[d]	12/20/2018	8,412	39	0	12/20/2021	12/20/2021	1,574	6,838	0
05/17/2018	2018 *Global Leader* Plan[c]	09/04/2018	105,273	211	0	09/04/2021	09/04/2021	13,346	91,927	0
05/17/2018	2018 *Global Leader* Plan[b]	05/17/2018	15,000	1	0	05/17/2022	05/17/2022	0	0	15,000
05/17/2018	2018 EXCOM Plan	05/17/2018	20,000	1	0	05/17/2022	05/17/2022	0	0	20,000
05/26/2016	2018 Global Leader BFX Plan	02/27/2018	21,000	7	0	02/27/2021	02/27/2021	9,000	12,000	0
05/26/2016	OPUS International Plan	12/15/2017	7,716	417	0	12/15/2021	12/15/2021	2,108	5,608	0
05/26/2016	2017 *Global Leader* Plan[b]	02/28/2017	9,300	2	0	02/28/2021	02/28/2021	0	9,300	0
05/26/2016	2017 Global Leader Plan	02/28/2017	15,000	1	0	02/28/2021	02/28/2021	5	14,955	0

(a) No shares will be granted under this plan as the performance criteria were not met.
(b) Free shares granted subject to performance criteria.
(c) Free shares granted subject to performance criteria except for 24,200 shares subject solely to continuous employment criteria.
(d) Additional two-year period for French beneficiaries.

Performance share grants to employees during the 2021 fiscal year

In fiscal year 2021, the 10 non-corporate officer employees who were granted the most performance shares received a total of 25,503 shares.

7.8 OTHER SECURITIES ISSUED BY THE COMPANY

In addition to the shares issued by the Company as stated in Section 7.3.1 and the free share grants (see Section 7.7), the Company carried out a new Euro PP bond issue of €200 million at the end of June 2020 with a leading European investor. This private investment consists of two tranches: one of €145 million at seven years and the other of €55 million at 10 years, with an overall annual coupon of 1.61%. Issued on very favorable terms for bioMérieux, this private issue enables the Group to extend the maturity of its debt and to pursue its strategy of diversifying its sources of financing. With this long-term financing, bioMérieux can meet the Company's general needs and continue its growth strategy. The proceeds of this issue was used to refinance the public debt of €300 million issued in 2013 which matures in October 2020.

7.9 PROVISIONS DELAYING A CHANGE OF CONTROL

The following factors contribute to delaying, if needed, a change of control:

- ownership structure: bioMérieux is a controlled company (see sections 7.3.2 and 7.4.1);
- existence of double voting rights (see section 7.2.2.2);
- restrictions in the articles of association on the exercise of voting rights and share transfers: crossing of thresholds (see section 7.4.4.1);
- in addition, no restrictions on the exercise of voting rights and share transfers or clauses to agreements have been brought to the Company's attention;
- control mechanisms within the framework of an employee share ownership plan: a mutual fund, OPUS Classic, has been set up in connection with the share capital increase reserved for bioMérieux employees subsequent to the initial public offering of its shares; employee share ownership plans are regularly implemented (MyShare – see Section 3.7.4.1);
- powers granted to the Board of Directors to buy back shares: the Annual General Meeting of May 20, 2021 granted the Board of Directors the necessary powers to launch a share buyback program. This authorization will be renewed subject to the approval of the Annual General Meeting of May 23, 2022 (see Section 7.4.3);
- authorizations and powers granted by the Annual General Meeting to the Board of Directors regarding the issuance of shares (see section 7.4.5);
- change-of-control clauses: some of the agreements to which the Company is party may be amended or terminated in the event of a change of control.

PRINCIPAL AGREEMENTS INCLUDING A CHANGE-OF-CONTROL CLAUSE

Nature of agreement	Contracting party	Purpose
Loan agreement	Eight banks	Undrawn syndicated credit facility of €500 million, which was the subject of an addendum in January 2019 extending its maturity to January 2024 (initially a five (5) year loan with two (2) options to extend by one year, both of which have been exercised).
EuroPP	1 investor	A bond issue of €200 million with a 7-year and 10-year maturity
Real estate lease financing agreements	Two financial institutions	Financing of the extension of the Marcy l'Étoile site for €45 million for a period of 12 years
License agreement	Brahms	PCT raw materials supply
License agreement	Roche Diagnostics	NT-proBNP

bioMérieux is not aware of any other factors likely to have an impact in the event of a public offer of its securities.

7.10 MATERIAL CONTRACTS

The Company has not entered into any material contracts over the last two years other than those entered into in the ordinary course of business.

8.

ADDITIONAL INFORMATION

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8.1 GENERAL INFORMATION ON THE COMPANY

The Company's name is bioMérieux.

No trade name has been registered. In this Universal Registration Document, bioMérieux is referred to as the "Company", "bioMérieux" or the "Group."

bioMérieux is a French joint stock company (société anonyme) with a Board of Directors, governed by the French Commercial Code (Code de commerce) and all other applicable laws and regulations. The Company is registered with the Lyon Trade and Companies Registry under number 673 620 399. The Company has been established in France since its incorporation.

The Company's registered office is located in Marcy l'Étoile (69280), France.

The Company was incorporated on December 13, 1967 for a period of 50 years from its registration with the Trade and Companies Registry, unless this period is extended or the Company is dissolved before the end of the period. The Combined General Meeting of April 16, 2004 resolved to extend the Company's duration (Article 5 of the articles of association) to 99 years, expiring April 15, 2103.

The Company's fiscal year opens on January 1 and closes on December 31 of each year.

Its APE industry code is 2059 Z.

The Company is identified for trading under the following numbers:

- Code: BIM
- ISIN code: FR0013280286
- LEI code: 549300AK8Y0LBIQ4T071

The Company can be reached at +33 (0)4 78 87 20 00.

Its website is www.biomerieux.com (the information appearing on the website is not part of the prospectus, unless that information is incorporated by reference into the prospectus).

MAIN SOCIAL MEDIA PAGES USED BY THE COMPANY

Facebook	https://www.facebook.com/biomerieux
Twitter	https://twitter.com/biomerieux
YouTube	https://www.youtube.com/user/bioMerieuxTV
LinkedIn	https://www.linkedin.com/company/biomerieux
Instagram	https://www.instagram.com/life.at.biomerieux

8.2 PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

8.2.1 Name and function of the persons responsible

Alexandre Mérieux, Chairman and Chief Executive Officer of bioMérieux.

8.2.2 Statement by the persons responsible

"I hereby certify that having taken all reasonable care to ensure that such is the case, the information contained in this Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I declare that, to the best of my knowledge, the annual financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company and all of the companies included in the consolidation, and that the management report included in this Universal Registration Document in accordance with the concordance table detailed in Appendix 1 presents a true picture of the development of the business, results and financial position of the Company and all companies included in the consolidation and that it describes the main risks and uncertainties to which they are exposed."

Marcy l'Étoile, March 16, 2022

Chairman and Chief Executive Officer

Alexandre Mérieux

8.2.3 Name and function of the person responsible for financial information

Guillaume Bouhours, Chief Financial Officer, Executive Vice President, Purchasing & Information Systems.

bioMérieux

69280 Marcy l'Étoile – France – France

Phone: +33 (0)4 78 87 20 00

8.3 RESPONSIBLE FOR AUDITING THE FINANCIAL STATEMENTS

Cabinet Ernst & Young et Autres

Tour Oxygène – 10, boulevard Vivier-Merle 69003 Lyon

The Company was appointed by the Annual General Meeting of May 30, 2012, then renewed by the Annual General Meeting of May 17, 2018 for a term expiring at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2023.

Ernst & Young et Autres is registered as a statutory auditor with the Compagnie régionale des Commissaires aux comptes de Versailles.

Ernst & Young et Autres is represented by Sylvain Lauria.

Cabinet Grant Thornton

44, quai Charles-de-Gaulle 69006 Lyon

The Company was appointed by the Annual General Meeting of May 30, 2017 for a term expiring at the end of the Annual General Meeting called to approve the financial statements for the year ending December 31, 2022.

Grant Thornton is registered as a statutory auditor with the Compagnie régionale des Commissaires aux comptes de Versailles.

Grant Thornton is represented by Françoise Méchin.

8.4 DOCUMENTS AVAILABLE TO THE PUBLIC

Pursuant to Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following information is referenced in this Universal Registration Document:

- For fiscal year 2020:
  - the consolidated financial statements and the corresponding Statutory Auditors' report appear in Sections 6.1.1 and 6.1.2 (pages 206 to 268) and in Section 6.1.3 (pages 269 to 272), respectively,
  - the annual financial statements and the corresponding Statutory Auditors' report appear in Sections 6.2.1 and 6.2.2 (pages 273 to 300) and in Section 6.2.4 (pages 305 to 307), respectively,
  - the review of the financial position and results appear in Section 5.1 (pages 198 to 201),
  - capital expenditure (or capex) appears in Section 5.4 (page 202);

of the Universal Registration Document of fiscal year 2020 filed with the AMF on March 17, 2021, under No. D.21-0136.

- For fiscal year 2019:
  - the consolidated financial statements and the corresponding Statutory Auditors' report appear in Sections 6.1.1 and 6.1.2 (pages 160 to 235) and in Section 6.1.3 (pages 236 to 239), respectively,
  - the annual financial statements and the corresponding Statutory Auditors' report appear in Sections 6.2.1 and 6.2.2 (pages 240 to 270) and in Section 6.2.4 (pages 275 to 277), respectively,
  - the review of the financial position and results appear in Section 5.1 (pages 152 to 155),
  - capital expenditure (or capex) appears in Section 5.4 (page 156);

of the Universal Registration Document of fiscal year 2019 filed with the AMF on March 20, 2020, under No. D.20-0152.

Other information in these documents is irrelevant to investors or is covered by another section in the 2021 Universal Registration Document.

During the period of validity of this Universal Registration Document, the Company's articles of incorporation and articles of association, the minutes of the Annual General Meetings, the Company's historical financial information, the Statutory Auditors' reports and all other Company documents may be consulted at the Company's registered office in Marcy l'Étoile, France.

In accordance with AMF Position-recommendation DOC-2016-08, the Company press releases and annual reports including historical financial information on the Company are available on the Company's website and kept on file for the required length of time.

More generally, and in accordance with Article 221-3 of the AMF's General Regulation, all of the regulatory information within the meaning of Article 221-1 of the aforementioned regulation, as well as the Company's updated articles of association, are available on the Company's website www.biomerieux.com.

8.5 PROVISIONAL INVESTOR CALENDAR 2022

Date	Event
April 27, 2022	First-quarter 2022 revenues
May 23, 2022	Annual General Meeting
August 31, 2022	Second-quarter 2022 revenues and first-half results at June 30, 2022
October 26, 2022	Third-quarter 2022 revenues

The Company reserves the right to modify this calendar at any time.

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APPENDIX 1. CONCORDANCE TABLES

CONCORDANCE TABLES FOR THE UNIVERSAL REGISTRATION DOCUMENT

This enables identification of the information specified by Appendices I and II to delegated regulation (EU) 2019/980 of March 14, 2019 (supplementing regulation (EU) 2017/1129 of June 14, 2017)

Sections of Appendix I of the Delegated Regulation (EU) 2019/980	Section(s)	Page(s)
1. Persons responsible, information from third parties, expert reports, and approval of the competent authority		
1.1. Persons responsible	8.2.1	314
1.2. Statement by the persons responsible	8.2.2	314
1.3. Expert statement	NA	
1.4. Certifications relative to information from third parties	NA	
1.5. Statement by the competent authority	NA	
2. Statutory Auditors		
2.1. Identity of the Statutory Auditors	8.3	315
2.2. Changes	NA	
3. Risk factors		
3.1. Description of significant risks	2.1/2.2	62/63
4. Information concerning the issuer		
4.1. Corporate purpose and trade name of the issuer	8.1	314
4.2. Registration place and number of the Company (and LEI)	8.1	314
4.3. Date of constitution and duration of the issuer	8.1	314
4.4. Registered office, legal form, applicable legislation and website	8.1	314
5. Business overview		
5.1. Main activities		
5.1.1. Type of operations carried out by the issuer and its main activities	1.2.2	30
5.1.2. New products	1.2.3/5.1.3	33/189
5.2. Principal markets	1.2.1	26
5.3. Significant events in the issuer's business growth	NA	
5.4. Strategy and objectives	1.3/5.5.2	49/192
5.5. Dependence of the issuer on patents, licenses, industrial, commercial or financial contracts, or new manufacturing processes	1.5.2/2.2.1.5/ 2.2.2.2	56/69/71
5.6. Competitive position	1.2.2.4	32
5.7. Capital expenditures		
5.7.1. Significant capital expenditure completed	5.4.1	191
5.7.2. Significant capital expenditure in progress or firm commitments	5.4.2	191
5.7.3. Joint ventures and significant interests	1.2.4.2	49
5.7.4. Environmental questions relative to property, plant and equipment	3.5.1/3.12	97/138
6. Organizational structure		
6.1. Group to which the issuer belongs	1.2.4.1	47
6.2. Important subsidiaries of the issuer	1.2.4.2	48
7. Review of financial position and result		
7.1. Financial position	5.1	186
7.1.1. Explanation of the development and result of activities	5.1/5.2	186/190
7.1.2. Future developments and research and development activities	1.5.1	53
7.2. Operating income		
7.2.1. Significant factors that have a material impact on the issuer's operating income	5.1.2	188
7.2.2. Explanation for significant changes in net revenue or net income	5.1.1	186

Sections of Appendix I of the Delegated Regulation (EU) 2019/980	Section(s)	Page(s)
8. Capital resources		
8.1. Information on the issuer's share capital	5.2.1	190
8.2. Sources, amount and description of the issuer's cash flows	5.2.2	190
8.3. Issuer's financing requirements and financing structure	5.2.3	190
8.4. Restrictions on the use of share capital	5.2.4	190
8.5. Expected financing sources necessary to honor commitments relative to future capital expenditure and property, plant and equipment	5.2.5	190
9. Regulatory environment		
9.1. Description of the regulatory environment and external factors affecting the issuer's business	1.4/2.2.3.2/ 3.6.1	51/77/ 105
10. Overview and current trends		
10.1. Information on:		
a) main recent trends that have affected production, sales and inventories, costs, and sales prices between the end of the last fiscal year and the date of the universal registration document;	5.5.1	192
b) significant changes in the financial performance of the Group between the end of the last fiscal year and the date of the URD (or appropriate negative statement).	NA	
10.2. Known trends, uncertainties, demands, commitments or events that can reasonably be expected to significantly impact the issuer's outlook, at least during the current fiscal year	5.5.2	192
11. Profit forecasts or estimates		
11.1. Profit forecast or estimate	NA	
11.2. Statement of the main assumptions upon which the estimate or forecast is based	NA	
11.3. Profit forecasts or estimates calculated on a comparable basis to historical financial information and to the accounting methods of the issuer	NA	
12. Administrative, management and supervisory bodies and General Management		
12.1. Name, business address and function, within the issuing company, of the members of the administrative, management and supervisory bodies, stating their main activities carried out outside of the Company and their management expertise and experience	4.2.3/4.2.4/ 4.2.5	144/146/ 154
a) Other directorships		
b) Convictions for fraud pronounced during the past five or more years		
c) Bankruptcy, sequestration, receivership or liquidation in which one of the members of the administrative, management or supervisory bodies has been involved over the past five or more years		
d) Official public charges and/or disciplinary action pronounced against one of the members of the administrative, management or supervisory bodies by the statutory or regulatory authorities		
12.2. Conflicts of interest at the administrative, management and supervisory bodies and general management level	4.2.4/4.2.5	146/154
13. Compensation and benefits		
13.1. Amount of compensation paid and benefits-in-kind for members of the administrative, management and supervisory bodies	4.3.1/4.3.2/ 4.3.3	162/166/ 175
13.2. Total amounts provisioned or recognized by the issuer or its subsidiaries for the payment of pensions, retirement or other benefits	4.3.5	178
14. Functioning of the administrative, management and supervisory bodies		
14.1. Date of expiration of current directorships	4.2.1/4.2.2/ 4.2.3/4.2.4	141/142/ 144/146
14.2. Service agreements linking members of the issuer's administrative, management and supervisory bodies or those of any of its subsidiaries and providing for the payment of benefits	4.4.2/4.4.3/ 4.4.4	179/180/ 180
14.3. The Board Committees	4.2.2/4.2.3/ 4.2.6.7	142/144/ 159
14.4. Declaration of conformity with the Corporate Governance system in force in France	4.1	140
14.5. Significant potential impact on Corporate Governance, and future changes to the composition of the administrative, management and supervisory bodies and committees	4.2.3	144

Sections of Appendix I of the Delegated Regulation (EU) 2019/980	Section(s)	Page(s)
15. Employees		
15.1. Number of employees	Appendix 2	328
15.2. Equity investments and stock options	7.7	308
15.3. Agreements providing for employee profit-sharing in the issuer's share capital	3.7.4.1/7.4.2	118/301
16. Main shareholders		
16.1. Shareholders holding over 5% of capital on the date of the Universal Registration Document	7.3.2	300
16.2. Existence of different voting rights	7.2.2.2/7.3.2	299/300
16.3. Ownership or control of the issuer	7.4.1	301
16.4. Agreements whose implementation could result in a change of control	7.9	311
17. Transactions with related parties		
17.1. Details of transactions with related parties concluded by the issuer during the period covered by the historical financial information up to the date of the Universal Registration Document	4.4	179
18. Financial information concerning the issuer's assets, financial position and results		
18.1. Historical financial information		
18.1.1. Audited historical financial information	8.4	315
18.1.2. Change of date of accounting reference	NA	
18.1.3. Accounting standards	6.1.2 (Note 2)	202
18.1.4. Change of accounting standard	NA	
18.1.5. Minimum content of audited financial information	6.1.1/6.1.2/ 6.2.1/6.2.2	194/199/ 261/263
18.1.6. Consolidated financial statements	6.1.1/6.1.2	194/199
18.1.7. Age of latest financial information	5.1	186
18.2. Interim financial information and other		
18.2.1. Quarterly or half-yearly financial information, where applicable, including audit or examination report	NA	
18.3. Audit of annual historical financial information		
18.3.1. Audit report	6.1.3/6.2.4	258/293
18.3.2. Other audited information contained in the Universal Registration Document	NA	
18.3.3. Non-audited sources of financial information	NA	
18.4. *Pro forma* financial information		
18.4.1. Description of the influence of significant changes in gross values	NA	
18.5. Dividend policy		
18.5.1. Description of the dividend distribution policy and any applicable restrictions	7.6	308
18.5.2. Dividend amount per share	7.6	308
18.6. Legal and arbitration proceedings		
18.6.1. Administrative, judicial or arbitration procedure that may have significant effects on the financial position or profitability of the issuer	2.3	81
18.7. Significant change in financial position		
18.7.1. Description of any significant change in the financial position of the Group since the end of the last fiscal year for which financial statements were audited or published	5.3	190

Sections of Appendix I of the Delegated Regulation (EU) 2019/980	Section(s)	Page(s)
19. Additional information		
19.1. Share capital		
19.1.1. Shares not representing capital	7.3.1	300
19.1.2. Shares held by the issuer or its subsidiaries	7.4.3	301
19.1.3. Securities that are convertible, exchangeable or with subscription warrants	7.8	311
19.1.4. Conditions that govern all acquisition rights and/or obligations attached to authorized but unissued share capital, or all capital increases	7.4.5	306
19.1.5. The share capital of any Group member, which is subject to an option or a conditional or unconditional agreement	7.4.5	306
19.1.6. Changes in share capital for the period covered by the historical financial information	7.3	300
19.2. Articles of incorporation and articles of association		
19.2.1. Register, entry number in the register, and corporate purpose of the issuer	7.2.1	298
19.2.2. Rights, privileges and restrictions attached to each share category	7.2.2	299
19.2.3. Statutory or other provisions that may delay, defer or prevent a change of control	7.9	311
20. Material contracts	**7.10**	**311**
21. Documents available		
a) Articles of association	7.2/8.4	298/315
b) Expert reports, letters and other documents, historical financial information, assessments and statements	NA	
c) Indication of the website on which the documents may be consulted	8.1	314

CONCORDANCE TABLE FOR THE ANNUAL FINANCIAL REPORT

This enables identification of the main information stipulated by the financial report indicated in Article 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the AMF general regulations.

Headings/Themes	Section(s)	Page(s)
Parent company annual financial statements	6.2.1/6.2.2	261/263
Consolidated annual financial statements	6.1.1/6.1.2	194/199
Management report	See concordance table between the universal registration document and the management report	
Statement by the person responsible for the annual financial report	8.2.2	314
Statutory Auditors' report on the parent company annual financial statements	6.2.4	293
Statutory Auditors' report on the consolidated annual financial statements	6.1.3	258

CONCORDANCE TABLE FOR THE MANAGEMENT REPORT

This includes all of the information from the management report required by Articles L. 225-100 et seq., L. 232-1, II, L. 233-26 and R. 225-102 of the French Commercial Code.

Themes	Section(s)	Page(s)
I. Activity		
Objective and exhaustive review of the change in business, the results and financial position of theCompany and the Group, in particular its indebtedness, in view of its volume and the complexity of its activities	5.1/5.2/6.2.3	186/190/289
Position of the Company and the Group during the previous fiscal year	5.1.2/5.4.1/ 5.4.2/6.2.3.1	188/191/ 191/289
Forecast changes for the Company and Group	5.5.2	192
Significant events for the Company and Group after the year end	5.5.1	192
Research & development activities of the Company and the Group	1.5.1	53
List of existing branches	1.2.4.2	47
Investments in companies with their registered offices on the French Republic's territory	1.2.4.2	47
Activities and results for the Company, its subsidiaries and companies over which it has control	5.1/6.2.2 (Note 3.3.3)	186/269
Key performance indicators of a financial and, where relevant, non-financial nature, related to the specific activities of the Company, particularly information on environmental and staff issues with reference to the amounts in the annual financial statements and any additional relevant explanations.	3/5.1	83/186
II. Risk factors		
Principal risks and uncertainties to which the Company and Group are exposed	2	61
Company and Group objectives and policy in terms of financial risk management, including the hedging policy	2.5	82
Indications about financial risks related to the effect of climate change and presentation of measures taken by the Company to reduce them while implementing a low-carbon strategy in all aspects of its activities	2.2.2.6/3.5	75/97
Main characteristics of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information	2.4	79
Company and Group exposure to price, credit, liquidity and cash flow risks	2.2.3.3/ 6.1.2 (Note 28)	78/249
III. Legal and shareholder information		
Identity of individuals or companies holding, directly or indirectly, over 5% of the share capital or voting rights	7.3.2	300
Modifications that have occurred during the fiscal year	7.3.2	300
Name of companies controlled and share of the Company's share capital that they hold (treasury shares)	1.2.4.2/6.2.2 (Note 3.3.3)	47/269
Number of shares purchased and sold during the fiscal year, average purchase and sale price, level of fees and commissions, number of shares registered in the Company's name at the end of the fiscal year and their value at the purchase price and at nominal value, reasons for acquisitions carried out and fraction of the share capital that they represent	7.4.3	301
Calculation elements and results of any adjustments for conversion bases and conditions for subscribing or exercising securities giving access to the share capital or stock options or share buybacks for securities giving access to the share capital in the event of share buybacks or financial transactions	7.4.5	306
Status of employee profit-sharing (and any executives) in the share capital on the last day of the fiscal year and proportion of the share capital held by employees and managed collectively (PEE or FCPE) and registered shares owned directly by them under a free share grant plan or other schemes (share ownership plans, privatizations, etc.)	7.4.2/7.7	301/308
Special report on transactions carried out by the Company or companies connected to it related to the allocation of free shares to employees and executives	7.7	308
Special report on transactions by the Company or companies connected to it under stock option plans restricted to employees and executives	7.7	308

Themes	Section(s)	Page(s)
IV. Financial information		
Table indicating the Company's results over the last five fiscal years	6.2.3.3	290
Changes in the presentation of the annual financial statements and valuation methods used	NA	
Information on payment periods of trade payables and trade receivables of the Company, the annual financial statements of which are certified by a Statutory Auditor	6.2.3.4	291
Amount of dividends distributed during the last three fiscal years and the amount of net revenues distributed eligible for the deduction, as well as the amount of those that are not, broken down by share category	7.6	308
Amount of inter-company loans (loans with terms of less than two years to micro-companies, SMEs and ETIs with which the Company has economic links that justify them)	NA	
Information on the acquisition by the Company of treasury shares for the purpose of allocating them to employees or directors	7.4.3	301
Restrictions imposed by the Board of Directors on exercising options granted or the sale of shares allocated to executives free of charge	4.3.1.2.2/7.7	163/308
Conditions for the conservation of free shares granted to executive corporate officers	4.3.1.2.2/7.7	163/308
Breakdown of trading in the Company's shares by senior executives, senior managers or by their close relations	7.4.4.2	305
V. Social and environmental information		
Social information	3.7	111
Environmental information	2.2.2.6/3.5	75/97
Information on Corporate commitments to promote sustainable development	3.8.4	125
Information for companies operating at least one facility on the list stipulated in Article L. 515-36 of the French Environmental Code	NA	

CONCORDANCE TABLE FOR REPORTING NON-FINANCIAL PERFORMANCE

This contains the information required in application of Articles L. 225-102-1, L. 22-10-36, R. 22-10-29 and R. 225-105-1 of the French Commercial Code (Code de Commerce)

Headings/Themes	Section(s)	Page(s)
1. Business model	**3.2**	**89**
1.1. Organization and structure		
1.1.1. Organizational structures	1.2.4	47
1.1.2. Governance	4.2	141
1.2. Markets in which it operates		
1.2.1. The *in vitro* diagnostics industry	1.2.1	26
1.2.2. Areas of expertise	1.2.2.1	30
1.3. Main activities		
1.3.1. Research and development	1.5.1	53
1.3.2. Production	1.6.1	57
1.3.3. Commercial network	1.2.2.2	31
1.4. Market position		
1.4.1. Competition	1.2.2.4	32
1.4.2. Customers	1.2.2.3	31
1.4.3. Trade payables	3.8.1	124
1.4.4. Regulations	1.4	51
1.5. Products and services	1.2.3	33
1.6. Revenue and performance indicators	5.1	186
1.7. Objectives and strategies		
1.7.1. Market trends and growth prospects	1.2.1.4	27
1.7.2. bioMérieux's strategy	1.3	49
1.7.3. bioMérieux trends and objectives	5.5.2	192
2. Information on how the Company considers the social and environmental consequences of its activity, as well as the effects of this activity on the respect for human rights and combating corruption and tax evasion.		
2.1. Description of the main non-financial risks	3.3	87
2.2. Presentation of the policies applied with regard to those risks	3.3.2 to 3.8	92
2.3. Result of the policies, including key performance indicators	3.4 to 3.8	92
3. Other required information in accordance with the implementing decree for the transposition of the European directive (2017-1265)		
3.1. Consequences on climate change of the Company's business and the uses of the goods and services that it produces	3.5	97
3.2. Circular economy	3.5.1	97
3.3. Fighting food waste	3.5.3.2	101
3.4. Collective agreements within the Company and their impacts on the economic performance of the Company as well as employee working conditions	3.7.2	116
3.5. Actions to combat discrimination and promote diversity, and measures taken to support individuals with disabilities	3.7.5	121
3.6. Corporate commitments to promote sustainable development	3.8.4	125
4. Other information required in accordance with the Sustainable Food Law (Law no. 2018-938)		
4.1. Fighting food insecurity and respect for a responsible, fair and sustainable food supply	NA	
4.2. Respect for animal welfare	NA	
5. Other information required in accordance with the Anti-Fraud Law (2018-898).	**3.8.3**	**125**

CONCORDANCE TABLE ON THE CORPORATE GOVERNANCE REPORT

This includes all information from the Corporate Governance report required by Articles L. 22-10-8 to L. 22-10-11 and L. 225-100 of the French Commercial Code (Code de Commerce).

Theme	Section(s)	Page(s)
I. Corporate Governance Code		
Declaration of conformity with the Corporate Governance system in force in France, where the code can be consulted and, where appropriate, any rules that exceed the minimum legal requirements	4.1	140
II. Composition and organization of the work of the Board of Directors		
Body chosen to exercise the Company's General Management functions (Chairman of the Board of Directors or Chief Executive Officer)	4.2.1	141
Any restrictions placed by the Board of Directors on the Chief Executive Officer's powers	4.2.1/4.2.6.2	141/157
List of all directorships and positions in any company exercised by all of these officers over the course of the fiscal year	4.2.4/4.2.6.2	146/157
Composition and conditions for the preparation and organization of the work of the Board		
Conflicts of interest at the administrative, management and supervisory bodies and general management level	4.2.5	154
Committees of the Board/composition and conditions for preparing and organizing the work of the Board	4.2.6.7	159
Application of the principle of diversity within the Board of Directors (gender equality, balanced representation by nationality, age, qualifications and professional experience)	4.2.6.3	158
Gender equality within governance bodies that regularly support General Management in carrying out their duties and with regard to achieving diversity in 10% of the highest responsibility positions	4.2.6.3	158
Service agreements linking members of the issuer's administrative, management and supervisory bodies or those of any of its subsidiaries and providing for the payment of benefits	4.4.3	180
Procedure put in place by the Board of Directors of listed companies to evaluate compliance with the conditions relating to agreements on routine operations concluded under normal conditions	4.4.1	179
Agreements made, directly or via an intermediary person, between corporate officers or a shareholder holding more than 10% of the voting rights of the Company and another company controlled by the first, with the exception of agreements on routine operations concluded under normal conditions	4.4.2/4.4.4/ 4.4.5	179/180/ 182
Summary table of valid delegations granted by the Annual General Meeting of shareholders to the Board of Directors or Executive Committee in the area of capital increases and the use made of these delegations during the fiscal year	7.4.5	306
Specific arrangements relating to shareholders' attendance at the Annual General Meeting or reference to the provisions in the articles of association that set out these arrangements	7.2.2	299
Factors likely to have an impact in the event of a public offer	7.9	311

Theme	Section(s)	Page(s)
III. Compensation of senior executives and corporate officers		
Total compensation and benefits-in-kind paid during the fiscal year to each corporate officer by the Company, the companies that it controls, or the company that controls it	4.3.2	166
Variable elements of the compensation of members of the administrative, management and supervisory bodies, based on application of the non-financial performance criterion	4.3.1.2.2/ 4.3.2.2	163/171
Commitments of all types made by the Company for the benefit of its corporate officers, corresponding to compensation, indemnities or benefits due or likely to be due in connection with their appointment, termination or change of office or subsequent thereto, particularly post-employment benefit obligations and other lifetime benefits	4.3.2.4	175
Principles and criteria for the determination, distribution and allocation of fixed, variable and exceptional items making up the total compensation and benefits-in-kind, due to the chairman, chief executive officers or chief operating officers	4.3.1	162
Level of compensation of the chairman and chief executive officer and the chief operating officers in relation to the average compensation of employees of the Company other than corporate officers, and changes to this ratio over the last five fiscal years	4.3.2.1.1	167
Level of compensation of the chairman of the board of directors, the chief executive officer and each chief operating officer in relation to the median compensation of employees of the Company and corporate officers, and changes to this ratio over the last five fiscal years	4.3.2.1.1	167
Amount of the total compensation paid and benefits of any kind to the members of the administrative, management and supervisory bodies, including in the form of capital securities, debt securities or securities giving access to capital or giving entitlement to the assignment of debt securities	4.3.2	166
Draft resolutions drawn up by the Board of Directors for the approval of the principles and criteria for determining, distributing and awarding the fixed, variable and exceptional components that make up the total compensation and any benefits assignable to the chairmen and chief executive officers and chief operating officers by virtue of their office (say on pay)	4.3.1/4.3.2	162/166
Variable or exceptional compensation awarded over the course of the previous fiscal year to those executives	4.3.2.2/ 4.3.2.3	171/173
Total amounts provisioned or recognized by the issuer or its subsidiaries for the payment of pensions, retirement or other benefits	4.3.5	178

APPENDIX 2. OTHER INITIATIVES AND NON-FINANCIAL INDICATORS MONITORED BY THE COMPANY

Other environmental initiatives monitored by the Company

Discharges into water

- Tests are carried out regularly on the Company's main production sites, based on several parameters. The Craponne and Marcy l'Étoile sites in France operate facilities to neutralize their wastewater on site before discharging it into the network, feeding the municipal treatment plants to which they are connected. This aims to ensure compliance with the parameters set in their discharge agreements.
- Within the framework of its contribution to the fight against antimicrobial resistance, bioMérieux has implemented measures at its industrial sites to collect at source and eliminate, through specialized channels, preparations containing antibiotics used in manufacturing or R&D.
- The Marcy l'Étoile site was monitored for Mercury discharges by the French national program for the réduction of hazardous substances in water (reduction des substances dangereuses dans l'eau – RSDE). In 2015, a supplementary order from the local Prefect validated the effectiveness of the measures taken by bioMérieux to eliminate mercury in its discharge, and ended the monitoring in place.

Discharges into the soil

- The chemical products consumed at the Company's sites are stored in holding systems to prevent damage to the environment in the event of a leak. Overall, the amounts of chemical products can be stored in bottles or cans and to not require large storage containers. The Company's sites are equipped with systems designed to retain or confine fire-water runoff in order to prevent discharge into the natural environment.

Discharges into the air [(1)]

- The Company does not have any facilities that discharge significant levels of emissions into the air and therefore does not collect consolidated data on air emission indicators at Group level. SO_2 and NO_x emissions from boiler operation are monitored at each site in accordance with the applicable regulations.

Paper management

Initiatives are being implemented across all of the Company's sites and subsidiaries to reduce paper consumption, including incentives for greener printing practices.

- A new printing solution resulting in improved management of paper consumption was rolled out. The use of recycled paper is encouraged.
- More broadly, the Company strives to modify its processes to replace paper media with electronic media. An electronic document management system under Quality Control with the electronic review and approval circuit has been in place since 2010. This solution enables all employees, regardless of where they are, to access original documents through a Web interface. Thanks to this system, the utilization, circulation and archiving of paper documents has been significantly reduced.
- The use of paper consumables relative to products (inserts and labels) has been reduced. A project to eliminate instruction notices included with reagents is under way for all reagents when permitted by local regulations in the reagents' destination. Electronic instructions will instead be downloadable from the Company's technical library.

Biodiversity

The Company's facilities are located in industrial and urban areas and are not in places where nature, fauna and flora are protected. The Company has placed special emphasis on the appearance of its facilities and on the landscaping and attractive architecture of its sites for a long time. It is therefore completely natural that several sites have worked since 2015 with their subcontractors in charge of managing green spaces to improve this management for purposes of preserving the environment while avoiding the use of pesticides and fertilizers, development of no-mow areas, mulching of trees and beds, careful choice of tree species, installation of beehives and insect hotels, etc.

In 2021 the Company signed a partnership with the *Ligue pour la Protection des Oiseaux* (League for the Protection of Birds, LPO) for its French sites, and with Birdlife for its Italian and Spanish sites. These associations will diagnose the sites at Combourg, Grenoble, La Balme, Craponne, Marcy l'Étoile, Campus de l'Étoile, Verniolle, Saint-Vulbas, Montcelard (France), Tres Cantos (Spain), and Florence (Italy) to assess the potential for biodiversity of the land and its specific natural features, and then provide advice to ensure ecological management and annual monitoring of biodiversity.

In first-half 2016, bioMérieux acquired Hyglos, which owns an innovative endotoxin assay technique. With this acquisition, bioMérieux can now offer an alternative solution, thereby preserving a protected species. Previously, such assays required use of the blood of horseshoe crabs, an endangered species. As part of its veterinary activities, bioMérieux tests the effectiveness of its tests on animals. However, these studies are conducted *ex vivo* and do not affect the physical integrity of the animals tested.

(1) Excluding greenhouse gas emissions, see Section 3.5.3.1.

Other indicators monitored by the Company[1]

	2021	2020	2019	2018
HUMAN RESOURCES INDICATORS				
Overall change in headcount[2]				
End of period headcount *(number of employees)*	12,379	12,128	11,399	10,812
Headcount at the end of the period *(in fulltime equivalent)*	12,228	11,972	11,225	10,645
EMEA	43%	43%	45%	46%
AMERICAS	47%	47%	45%	43%
ASPAC	10%	10%	10%	11%
Headcount by gender and age				
Headcount – Women	48%	48%	48%	48%
< 25	2%	2%	2%	2%
25-34	13%	13%	13%	13%
35-44	15%	14%	14%	15%
45-54	11%	11%	12%	12%
55 and over	7%	7%	7%	7%
Headcount – Men	52%	52%	52%	52%
< 25	2%	2%	2%	2%
25-34	14%	15%	15%	14%
35-44	15%	15%	16%	16%
45-54	12%	12%	12%	12%
55 and over	8%	8%	8%	8%
Part-time headcount *(%)*				
Men	0.7%	0.7%	0.9%	0.8%
Women	4.2%	4.4%	5.1%	5.2%
Headcount on temporary contracts *(%)*	4	4	4	5
HSE INDICATORS				
Number of fatal occupational accidents	0	0	0	0
Number of lost-time occupational accidents	32	28	44	40
Number of occupational accidents without lost time	34	32	41	39
Number of days lost	659	488 [3]	917	900
Number of reportable commuting accidents with or without lost time	20	25	22	22
Frequency of total reportable commuting accidents	0.8	1.1	1.1	1.2

(1) See Section 3.9 for the organizational scope covered.
(2) As indicated in Section 3.9, the headcounts do not include Hybiome employees (450 employees at December 31, 2021)
(3) 2020 data updated in 2021 – see Section 3.7.1.2.

APPENDIX 3. GLOSSARIES

Scientific terms

Nucleic acid: Nucleic acid is a naturally occurring molecule found in most cells. It has the ability to hold and transmit coded hereditary instructions allowing for an organism's development. There are two types of nucleic acids: DNA and RNA.

Amplification: A technique, usually using enzymes, for multiplying nucleic acids in order to increase the sensitivity of detection methods.

AMR: *Antimicrobial resistance* is the ability of bacteria to resist the effects of an antibiotic that was previously able to treat infections caused by these bacteria.

AMS: *Antimicrobial stewardship* is the program to ensure that the right antibiotic is administered to the right patient at the right time, with the right dose and the right route, causing the least possible harm to the patient and future patients. In realistic terms, it is a multidisciplinary approach that seeks to ensure that patients receive the most effective antibiotic treatments, while limiting the side effects and costs of unnecessary treatments.

Antimicrobial susceptibility test: An analysis to determine the sensitivity of a bacterium to antibiotics.

Antibiotic: A substance of natural or synthetic origin capable of stopping the multiplication of bacteria.

Antibody: A complex protein molecule produced by the immune system to detect and neutralize pathogens, in particular viruses.

Antigen: A macromolecule recognized by an antibody or cells from an organism's immune system that triggers an immune response.

Antimicrobial: Family of substances that kill or slow the growth of microbes such as bacteria (antibacterial activity), fungi (antimycotic activity), viruses (antiviral activity), or parasites (antiparasitic activity).

DNA: The acronym of "deoxyribonucleic acid." These nucleotides consist of a sugar (deoxyribose), a phosphate group, and one of the following nitrogen-containing bases: adenine (A), cytosine (C), guanine (G) or thymine (T), and serve as a medium for genetic information.

ANSM (*Agence nationale de sécurité du médicament et des produits de santé*): French regulatory agency that carries out assessments, provides expertise, and makes decisions regarding the safety of drugs and healthcare products.

RNA: The acronym of "ribonucleic acid." A polymer similar to DNA which, like DNA, mainly has a role as a vector of genetic information. The sugar in RNA is a ribose.

Bacterium: A unicellular microorganism lacking chlorophyll and visible only under a microscope. Bacteria do not belong to either the plant or the animal kingdom.

Multi-resistant bacteria: Bacteria are said to be multi-resistant to antibiotics when they are sensitive only to a small number of the antibiotics customarily used in therapy, as a consequence of the accumulation of natural and acquired resistances.

Bacteremia: This is defined by the presence of a pathogenic bacterium in the bloodstream, authenticated by positive blood cultures. The presence of this bacterium may be transient or chronic and may or may not be accompanied by clinical signs.

Biochemistry: An area of science which studies the correlation between the structure of natural molecules and the consequences on their activity.

Molecular biology: Technology that analyses genetic sequences of DNA or RNA that are characteristic of a bacterium, virus, protein or cell.

Chromogen: A substance that produces coloring under certain conditions. Related to an enzyme substrate and incorporated in a culture medium, it is used to reveal a particular enzyme metabolism and thereby assists in identifying the cultured bacterium.

Consumable: A single-use accessory, generally employed in an analysis instrument.

Contaminant: A substance present where it should not be.

Cytomegalovirus: a virus responsible for infections, usually undetected. It becomes pathogenic especially in patients with weak immune defenses. The virus is a member of the herpes virus family, which includes, inter alia, herpes simplex virus (HSV) or herpes virus hominis (HVH), cytomegalovirus (CMV), varicella zoster virus (VZV) and Epstein-Barr virus (EBV).

Cytometry: The counting of cells.

Flow cytometry: A technique of passing a stream of cells, particles or molecules at high speed within a stream of liquid through a laser beam. The light re-emitted (by diffusion or fluorescence) enables the population to be classified and sorted according to several criteria.

***In vitro* diagnostics:** Tests performed outside the human body using diagnostic tools.

Enzyme: A protein macromolecule which speeds up a biochemical reaction.

Enterobacteria: A family of aerobic or anaerobic bacilli (bacteria), requiring or not requiring oxygen to live and reproduce, revealed by Gram-negative staining.

Extraction: A term applied to the steps to extract nucleic acids from the cells that contain them and process them so they can be used in molecular biology techniques such as amplification.

FDA (*Food and Drug Administration*): American agency responsible for regulating food and medical products.

Gram staining: A staining technique which reveals the properties of the bacterial wall so that they can be used to distinguish and classify bacteria. The main distinction is between Gram-positive and Gram-negative bacteria.

Blood culture: An essential blood test in infectious disease. It is carried out by taking a sample of venous blood which is then cultured to reveal the presence or absence of germs.

Immunoassays: Detection of pathology markers using an antigen-antibody reaction.

IVD: The abbreviation of *in vitro* diagnostics.

Listeria: A genus of bacteria which can cause listeriosis, an infectious disease which is potentially serious in new-born babies, pregnant women or individuals with low resistance.

Marker: A reagent used to detect the substance to which it is bound. A biological marker (biomarker) is a substance that is assayed to help diagnose a pathology.

Methicillin: A semi-synthetic penicillin used primarily against non-resistant Staphylococcus aureus.

Microbiology: The study of microorganisms including, inter alia, viruses, bacteria and fungi.

Microorganism: A living organism of microscopic size.

Culture media: A simple or compound nutrient composition in liquid or solid form, used to maintain or increase the development of a microbial species under appropriate biological conditions.

MRSA: Methicillin-resistant *Staphylococcus aureus* bacterium.

National Medical Products Administration (NMPA): The Chinese agency responsible for regulating food and medical products, formerly the China Food and Drug Administration (CFDA).

Healthcare-associated infection: A disease contracted in a hospital or other healthcare establishment by a patient who did not have this disease on admission.

WHO (World Health Organization): executive authority in healthcare for international projects within the UN system.

Test panel: A set of predetermined medical tests used in the diagnosis and treatment of medical conditions.

Parasite: An organism that feeds off, lives or reproduces itself by establishing a lasting interaction with another organism (the host).

Pathogen: A biological agent responsible for infectious disease. Infectious agents can be viruses, bacteria or parasites.

Polymerase chain reaction (PCR): is molecular biology method of gene amplification *in vitro*, which makes it possible to duplicate in large quantities (with a multiplication factor of I billion), a known DNA or RNA sequence, starting from a small initial amount. This method is particularly appropriate for the detection of viruses.

Point-of-care (POC) – Point-of-care testing (POCT): Services offered "at the bedside" including, in particular, analysis of the diagnosis.

Procalcitonin: A marker used to assist in the early detection of bacterial infections.

Protein: A basic constituent of all living cells. A biological macromolecule is composed of one or more amino acid chains linked by peptide bonds.

Salmonella: A genus of enterobacteria called *Salmonella*. They cause two types of illness: gastrointestinal diseases through foodborne illnesses (salmonellosis) and typhoid and paratyphoid fevers.

Sepsis: An excessive reaction of an organism's immune system and coagulation system to an infection. This reaction is characterized by systemic inflammation and by blood coagulation problems, which can rapidly lead to organ failure (severe sepsis) and, in many cases, death.

DNA sequencing: Method used to determine the order of the nucleotide bases in a DNA molecule.

Mass spectrometry: A technique used to identify and determine the chemical structure of multiple molecules simultaneously, analyzing the mass and charge of their ions.

Staphylococcus: A genus of Gram-positive bacteria, usually observed in clusters resembling bunches of grapes.

Substrate: A molecule used as a starting product which binds to the active site of an enzyme and is converted into one or more products.

Syndrome: A set of clinical signs and symptoms that a patient is likely to display when suffering from certain medical conditions.

Acute coronary syndrome: Decreased blood flow in the coronary arteries resulting in reduced circulation rate and inadequate oxygenation of the myocardial muscle.

Multiplex test: A test able to indicate a result for a large number of pathogens in the same test, in contrast with a monoplex test (which deals with a single pathogen) or a lowplex test (which deals with a small number of pathogens, in practice up to 2 to 4 targets).

Typing: A method which can help in the assessment of the compatibility between two individuals, their organs, tissues or blood. A technique used to characterize bacteria.

Virus: A rudimentary infectious microorganism, containing a single type of nucleic acid encaged in a protein capsid, which uses the materials of the cell that it parasitizes to synthesize its own constituents. It reproduces using just its own genetic material.

Alternative performance indicators and financial terms

Net debt: Sum of cash and cash equivalents with a maturity of less than three months, less committed debt and bank overdrafts and other uncommitted borrowings. APM

Earning Before Interest, Taxes, Depreciation and Amortization (EBITDA): sum of the contributive operating income before non-recurring items, depreciation and amortization. APM

Currency impact: Currency impact is determined by converting the current period data to the average exchange rate of the previous year of the period being compared. In practice, the exchange rates used can be the average rates communicated by the ECB or the hedged rates when hedging instruments have been implemented.

FTE: Full Time Employee APM

Free Cash Flow Generation: Cash flow from operations plus cash flow from capital expenditure excluding net cash from acquisitions and disposal of subsidiaries. APM

Contributive operating income before non-recurring items (ROCC): operating income before non-recurring items relating to the acquisition and integration of BioFire, and before accounting entries related to the Company's purchase price allocation. APM

Contributive operating income: Operating income before "material extraordinary and non-recurring items," which are included in "others non-recurring income and expenses from operations."

Changes in the scope of consolidation:

The effects of changes in the scope of consolidation are determined:

- For acquisitions for the period, by deducting from sales for the period the amount of sales made during the period by the entities acquired from their entry into the scope of consolidation.
- For acquisitions of the previous period, by deducting from sales for the period the amount of sales made during the months in which the acquired entities were not consolidated during the previous period.
- For disposals for the period by adding to sales for the period the amount of sales made by the entities sold the previous period, during the months in which these entities are no longer consolidated over the current period.
- For disposals for the previous period, by adding to the sales of the period the sales made during the preceding period by the entities sold.

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