BIOMÉRIEUX

2022
UNIVERSAL REGISTRATION DOCUMENT
Including the annual financial report

PIONEERING DIAGNOSTICS

Elements of the Annual Financial Report are identified by the symbol AFR on the contents page.

BIOMÉRIEUX

2022 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 22, 2023 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 n the issuer's website.

We help make the world a healthier place

Our 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 the diagnosis of 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 innovative *in vitro* diagnostics solutions 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 inclusion, well-being and development of **our employees**, who all help to save lives.
- We foster transparent and ethical dialogue with **our 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.

bioMérieux develops and markets *in vitro* diagnostics solutions

These solutions are intended for hospital and private clinical laboratories primarily for the diagnosis of infectious diseases.

The results obtained from patient samples (blood, urine, stool, cerebrospinal fluid, saliva, etc.) provide clinicians with useful and important information for decision making. bioMérieux also applies its expertise acquired in clinical applications to industrial microbiology control. This control makes it possible to manage contamination risks for food, pharmaceutical or cosmetic products throughout the production chain.

59%

OF BIOMÉRIEUX'S CAPITAL IS HELD BY INSTITUT MÉRIEUX

An historical family commitment in the fight against infectious diseases.

bioMérieux is the fruit of a human and scientific adventure that began over 60 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.
From the very beginning, this laboratory, the Institut Mérieux, laid the foundations for a bio-industrial edifice that would leave its mark on vaccinology and then the diagnosis of infectious diseases worldwide. bioMérieux whose headquarters are located in Marcy l'Étoile in France, was created in 1963 by Alain Mérieux. 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.

bioMérieux is a major player in the fight against infectious diseases via three key *in vitro* diagnostics technologies.

MICROBIOLOGY

Microbiology is based on culturing biological samples, identifying microorganisms and measuring their antimicrobial resistance.

IMMUNOASSAYS

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

MOLECULAR BIOLOGY

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

A global player in the field of *in vitro* diagnostics

EUROPE MIDDLE EAST AFRICA

- 8 Bio-industrial sites
- 7 R&D centers
- Headquarters

AMERICAS

- 5 Bio-industrial sites
- 6 R&D centers

ASIA PACIFIC

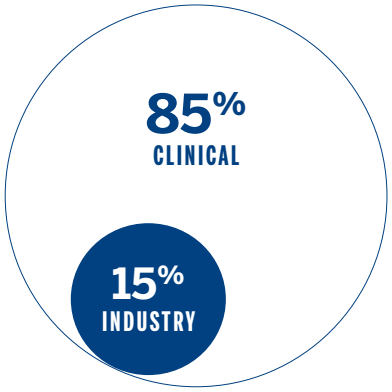
- 3 Bio-industrial sites
- 1 R&D center

13,800
EMPLOYEES
DISTRIBUTED ACROSS
45
COUNTRIES

€ 3,589 M
SALES AT DECEMBER 31, 2022

12 %
SALES DEDICATED TO R&D

DISTRIBUTION OF SALES BY APPLICATION



+ 90 %
OF SALES ARE MADE OUTSIDE OF FRANCE

160
COUNTRIES SERVED BY THE COMPANY'S PRODUCTS

We innovate to build the future

EDITORIAL
ALEXANDRE MÉRIEUX
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

2022 started while the SARS-CoV-2 Omicron variant wave was rampant and ended with a particularly virulent seasonal flu epidemic. Different pathogens, but the public health threat remains. According to a study in *The Lancet*(1) published in November 2022, bacterial infections are the second leading cause of death worldwide. Fighting infectious diseases, which bioMérieux has set as a priority since its creation in 1963, remains a major health issue.

We have also talked a great deal about antimicrobial resistance this year, a major public health challenge for which diagnostics plays an essential role. We have long been committed to the fight against antimicrobial resistance. With our Centers of Excellence, we support our hospital partners in their antimicrobial stewardship program, as closely as possible to the patient and medical teams. We also participated in launching a joint venture with two renowned players – Boehringer Ingelheim and Evotec – to identify new treatment regimens with the associated diagnostic tests.

(1) Global mortality associated with 33 bacterial pathogens in 2019: a systematic analysis for the Global Burden of Disease Study 2019, The Lancet, November 2022.

ENRICHING OUR PORTFOLIO OF SOLUTIONS

True to our pioneering spirit, bioMérieux's team continuously innovates to improve patient health and ensure consumer safety. In the past few months, we further enhanced our portfolio with solutions that are even faster, easier to use and closer to the patient. In fact, we acquired Specific Diagnostics, with its rapid AST system and our mass spectrometer, VITEK® MS PRIME, received FDA clearance in the United States. Our BIOFIRE® solutions increasingly respond to the challenges of syndromic testing and we are preparing to launch the SPOTFIRE® system to decentralize diagnostics and bring it closer to the patient.

In the field of industrial applications and quality control, we are pursuing our development, especially in cell and gene therapies, an extremely dynamic sector that brings hope to many patients. Furthermore, the innovation of our predictive diagnostics solutions for the food industry received the prestigious International Food Safety Innovation award in the United States.

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COMMITTED AND UNITED TEAMS

Thanks to our positioning on major health issues and because we continue to make significant investments in R&D, we achieved a solid performance in 2022 in a fast-moving and uncertain context. Our teams, who were able to meet again face-to-face in the majority of the countries where we operate, have once again demonstrated their commitment to public health and their solidarity with the communities around us.

We support and actively participate in local initiatives, especially those aimed at the most vulnerable populations and young people, through our sponsorship activities worldwide.

Our historical support for the Fondation Mérieux and the Fondation Christophe et Rodolphe Mérieux contributes to the fight against infectious diseases in resource-limited countries, developing access to diagnostics and sustainably improving the quality of life of persons experiencing difficulty. For its part, the bioMérieux Endowment Fund for Education has decided, following an initial call for applications in 2022, to support 20 additional projects in 12 countries for the education of young people.

On the eve of celebrating its 60th anniversary of existence, with its proud and strong history, bioMérieux remains resolutely focused on the future and on serving the health of future generations.

Pioneering diagnostics to address public health challenges

OUR RESOURCES AND STRENGTHS

INTERNATIONAL AND COMMITTED TEAMS

- Around 13,800 employees
- Operations in 45 countries
- Diversity, multiculturalism and inclusion
- Good social dialogue

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

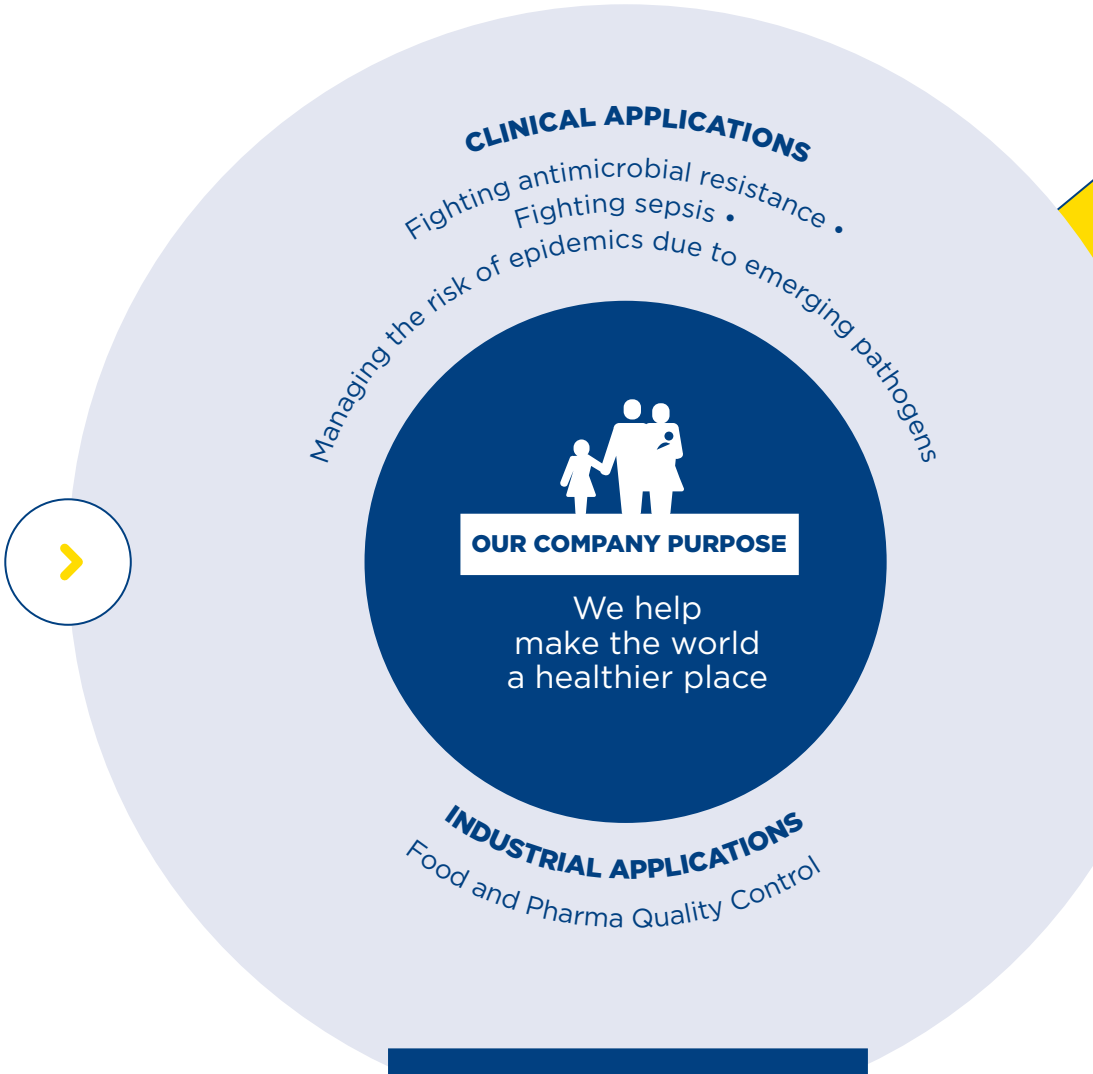
- 16 bio-industrial sites
- Nearly 13,000 suppliers
- Ambitious capital expenditure policy
- Respect for business ethics

A RESPONSIBLE ENVIRONMENTAL POLICY

- Careful, responsible consumption of natural resources and raw materials
- Optimizing energy consumption
- Waste recycling and greenhouse gas emission management
- Optimizing the environmental footprint of our products

A HUMANIST AND SUPPORTIVE CORPORATE CULTURE

- Humanist and philanthropic engagement
- Ongoing, constructive dialogue with local stakeholders



OUR FUNDAMENTALS

A FAMILY-OWNED COMPANY WITH A LONG-TERM VISION

4 GENERATIONS COMMITTED TO SERVING PUBLIC HEALTH

To address our customers' challenges

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

OUR VALUE CREATION

PROMOTING EMPLOYEE ACHIEVEMENTS AND WELL-BEING

- 21 hours of training/employee
- Training take-up rate: 93%
- 9.1% of internal promotions, or 1,168 employees
- Employee share ownership plans

GENERATING RESULTS THAT GUARANTEE INDEPENDENCE

(Average annual growth 2018–22)

- Revenue: +10.3%
- Net income: +15.2%
- Dividends: +26.0%

INTERACTING WITH THE HEALTH ECOSYSTEM

- Managing regulatory requirements
- Health economics studies
- Spreading awareness of the importance of the role of diagnostics in the care pathway by means of professional associations
- Expertise sharing with healthcare professionals
- Interactions with healthcare professionals regarding respect for business ethics

IMPROVING PUBLIC HEALTH WORLDWIDE

- Open innovation (joint research laboratories, public/private partnerships)
- Product quality and safety
- 75% of R&D expenditure dedicated to the fight against microbial resistance

PRESERVING THE PLANET

- Validation by the Science Based Targets initiative of bioMérieux's approach and objectives for reducing greenhouse gas emissions
- Ecodesign approach for products

ENSURING A POSITIVE EFFECT ON COMMUNITIES

- 1.08% of the income attributable to the parent company in sponsorship
- Employee and Company involvement in local communities
- Responsible tax policy
- Responsible commitment to our suppliers and local procurement policy

2015

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

1963

Alain Mérieux creates bioMérieux

1937

Dr. Charles Mérieux takes over the helm of the family flagship

1897

After studying alongside Louis Pasteur, Marcel Mérieux creates the Institut Mérieux

interview

CSR HAS BEEN AT THE HEART of bioMérieux's commitment since its creation

Corporate social responsibility is part of our DNA and bioMérieux's purpose. How is it embodied on a daily basis in the Company's strategy and operating methods? Interview with Valérie Leyldé.

VALÉRIE LEYLDÉ
Executive Vice President
Human Resources,
Communication and CSR.

CORPORATE SOCIAL RESPONSIBILITY (CSR) IS AN ESSENTIAL DIMENSION FOR ANY ECONOMIC PLAYER. WHAT DOES CSR MEAN TO BIOMÉRIEUX?

Our CSR vision is truly embodied in our desire to sustainably reduce our negative impacts for the planet but it goes even further, into all our human and societal commitments. The very nature of our business confers responsibility regarding public health and patients in particular. We also do everything possible to ensure the well-being of our employees, with priority on health and safety at work. We attach a great deal of importance to dialogue with our stakeholders and to business ethics. Finally, at bioMérieux, we are historically very involved in local communities everywhere we operate in the world, especially by supporting vulnerable populations.

HOW DOES CSR AT BIOMÉRIEUX FUEL A LONG-TERM AMBITION?

CSR has been a part of bioMérieux since its creation in 1963, well before CSR became a structured approach for economic players. We are a family company committed to fighting infectious diseases worldwide. Our Company is built around humanist values with a long term vision.

I believe that it is fundamental that there is no gap between what we do, our industrial activity to serve health, and who we are at heart and the reasons why we do it, our beliefs and our mindset. These values are shared by our 13,800 employees. All this is explicit in our purpose: "We help make the world a healthier place".

HOW IS CSR GOVERNANCE ORGANIZED WITHIN THE COMPANY?

Our CSR department coordinates the implementation of the CSR strategy by relying on a collective, proactive and cross-sectional approach. Since 2018, an Operational Steering Committee has brought together all the Company's departments and ensures smooth rollout of our CSR roadmaps. Local teams adapt their priorities according to the actual situation in their respective geographic areas. CSR is a commitment at the highest level of the Company. It is subject to quarterly monitoring by the Executive Committee and, every year, the CSR policy and non-financial risks are shared with the Audit Committee and the Board of Directors. Our CSR commitments and our results are also included, with transparency, in our external publications.
In 2020, the Human Resources, Appointments and Compensation Committee evolved to become the HR, Compensation and CSR Committee and their responsibilities were extended to monitoring the CSR policy.

WHAT IS THE ROLE OF INTERNAL AND EXTERNAL STAKEHOLDERS?

All of our stakeholders (employees, investors, suppliers, customers, patient associations, etc.) are fully involved in our process.
They have also been consulted to contribute to building our CSR ambitions. We also consult them regularly when it comes to specific subjects, such as, for example, ecodesign in 2022.
That same year, we created a Stakeholder Committee and drew up an Engagement Charter with them.

AND HOW ARE YOUR EMPLOYEES INVOLVED?

As I mentioned, our CSR approach is not top-down. It relies on everyone's individual responsibility, at all levels of the Company and in all positions. Furthermore, I would like to salute all of our teams for the progress made and for their commitment above and beyond their primary missions.

Their involvement in serving global public health and the fight against antimicrobial resistance, their active participation in Climate Fresk workshops, their contribution to reducing our greenhouse gas emissions, or even their involvement in sponsorship activities show the extent to which our employees are completely aligned with our CSR approach and ambition.

HOW IS BIOMÉRIEUX'S CSR ACTIVITY EXEMPLARY?

I don't know if our action is exemplary and we are well aware that we still have a lot to accomplish. But I am certain that bioMérieux makes progress every day and our commitment is recognized by our stakeholders. We have also obtained a series of official recognitions from independent external players (CDP, SBTi, Dow Jones Sustainability Index, Euronext Vigeo Eiris, etc.). These are all indicators that salute the successful integration of bioMérieux's CSR ambitions into our overall strategy.

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 scopes 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 vs. 2021

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 in 2025(4)

>40% women

>35% international profiles

EXTENDED COMPANY

Partners & Communities

≥1% of net income attributable 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 revenue, in 2025 vs. 2015.
(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.

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 help drive **market** progress.

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 increase their satisfaction**.

We contribute

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

Our priorities

1

WE STRENGTHEN OUR LEADERSHIP IN CLINICAL MICROBIOLOGY, WHICH IS A CORNERSTONE OF THE FIGHT AGAINST ANTIMICROBIAL RESISTANCE (AMR).

In particular, the Company seeks to:

- **expand access to its AMR products** globally;
- **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

WE CONSOLIDATE OUR POSITION AS A PIONEER AND GOLD STANDARD IN THE FIELD OF SYNDROMIC TESTING OF INFECTIOUS DISEASES THROUGH THE BIOFIRE® MOLECULAR BIOLOGY RANGE.

Our strategy is based, in particular, on:

- broadening the **geographical** reach of this product line, especially outside the United States;
- expanding to users and organizations **as close as possible to patients**;
- **maintaining the highest standards** in terms of quality;
- **a broad menu of parameters** for the BIOFIRE® platform.

3

WE DIFFERENTIATE OUR IMMUNOASSAY SOLUTIONS BY LAUNCHING MARKERS WITH HIGH MEDICAL VALUE OR TESTS THAT STAND OUT ON EXISTING ATTRACTIVE MARKETS WITH A NEXT GENERATION PLATFORM.

The Company capitalizes on the success of VIDAS® in emerging countries to provide a higher throughput low-cost system.

4

WE SHAPE THE FUTURE OF INDUSTRIAL MICROBIOLOGY VIA FAST AND DIGITAL SOLUTIONS AT THE CUTTING EDGE OF THE LATEST TECHNOLOGICAL ADVANCES.

These solutions support pharmaceutical innovation, improve patient health and increase consumer safety and the productivity of its food industry customers. Accordingly, bioMérieux intends to:

- **digitize the quality control of traditional sterile pharmaceutical products** and market solutions dedicated to the innovative cell and gene therapy segment;
- **expand molecular solutions** to all food industry segments and develop predictive diagnostics based on advances in genomics and data processing.

Innovation, the driver of our response to public health challenges

Innovation is a pillar of bioMérieux's strategy in the service of public health. R&D is an important foundation for the Company's growth and serves its long-term vision. Technological breakthroughs fuel our business and contribute to improving patient and consumer health worldwide.

OUR INTERNATIONAL RESEARCH COLLABORATIONS

bioMérieux takes part in many international research projects seeking to obtain clinical validation of new biomarkers and to demonstrate the value of our diagnostics solutions. Focus on some flagship collaborations.

IMPACCT[1]

is funded by the European Commission under the aegis of EIT Health[2].This project seeks to validate the clinical performance of an immune status biomarker panel on our BIOFIRE® FILMARRAY® platform. The objective is to identify, among sepsis patients in intensive care, those at high risk of deterioration due to a weak immune system in order to offer them personalized treatment. The observational study, delayed by the health crisis, ended in 2022 with the recruitment of 366 patients.

THE ISIT TB STUDY

relates to assessing the diagnostic performance of the ISIT TB transcriptomic prototype on our BIOFIRE® FILMARRAY® platform to distinguish active tuberculosis from latent tuberculosis or another disease presenting with the same symptoms (bacterial infection, viral pneumonia, lung cancer, sarcoidosis or COVID-19). Patient recruitment started in January 2022 in collaboration with University of Cape Town, at nine sites in South Africa.

DIAMONDS[3]

is a consortium of 28 partners funded by the European Commission as part of the Horizon 2020 research program. bioMérieux is the sole representative of the diagnostics manufacturer involved in this project, the objective of which is to identify, using a prototype on our BIOFIRE® FILMARRAY® platform, the specific molecular signatures of sources of infection (viral, bacterial, parasitic, etc.) in the event of fever, in order to guide diagnosis and direct patients to urgent care. The goal is to conduct a pilot study that would start in mid-2023.

VALUE-DX

is a unique pan-European project started in 2019 that seeks to provide scientific evidence of the medical, technological and economic value of *in vitro* diagnostics for a more appropriate use of antibiotics. The consortium, 50% financed by the European Commission under the aegis of the IMI[4], brings together 26 partners, which we coordinate with the University of Antwerp and the Wellcome Trust. bioMérieux co-directs one of the project's two clinical trials that uses our BIOFIRE® Respiratory 2.1 *plus* and BIOFIRE® Pneumonia tests to demonstrate the impact of syndromic tests on the care and treatment of severe respiratory infections in pediatric emergencies.

RANDOMIZED CLINICAL TRIAL ON PROCALCITONIN (PCT)

The results of this groundbreaking study that we co-funded were published in Lancet Infectious Diseases[5] in late 2022. They show that low procalcitonin (PCT) levels can be used to identify adults with lower respiratory infections that are not likely to benefit from antibiotic treatment. This is one of the most significant studies conducted in the past few years on the topic of PCT. It shows the value of this biomarker in avoiding unnecessary antibiotic use for patients.

(1) IMmune Profiling of ICU PAtients to address Chronic Critical illNess and ensure healThy ageing.
(2) European Institute of Innovation and Technology for Health, an independent body of the European Union that acts as a catalyst for innovation in the health field.
(3) Diagnosis and Management of Febrile Illness using RNA Personalised Molecular Signature Diagnosis.
(4) Innovative Medicines Initiative, the largest public-private partnership in the world in the life sciences, working to improve health by accelerating the development of innovative solutions and patient access.
(5) Tsalik EL, et al. The Lancet Infectious Diseases. 2022; Published online on Dec 13th, 2022; https://www.thelancet.com/journals/laninf/article/PIIS1473-3099(22)00735-6/fulltext

Focus

TALKING TO RESEARCHERS

DR. LIANMEI JIANG
SENIOR R&D SCIENTIST
(Sydney, Australia)

bioMérieux offers a framework for support and collaboration where scientists, engineers and manufacturers from companies, research institutions and the academic world can work together to create, share, test and mass produce cutting-edge innovations. We firmly believe that we are entering an era where biotechnology will allow us to go from detection and response to more predictive, preventative, personalized and participatory strategies.

With a PhD in Physical and Analytical Chemistry and a graduate of the École Normale Supérieure (ENS Paris), Lianmei Jiang first worked as a scientist as part of a collaboration between bioMérieux and the École Supérieure de Physique et de Chimie Industrielles Paris (ESPCI) to develop a digital droplet-based microfluidic system for microbial diagnostics. She then settled in Australia where she worked for six years as an independent researcher in a research center funded by the Australian government (ARC Centre of Excellence for Nanoscale BioPhotonics).

She joined bioMérieux in 2021 to work on BIOBALL®, a precise and efficient reference solution for microbiological control, conducted using a proprietary cytometry technology. Her projects are mainly focused on developing a new platform and new BIOBALL® products in collaboration with local and international teams.

DR. JEAN-FRANÇOIS LLITJOS
SENIOR DIRECTOR R&D BIOSCIENCES (Lyon, France)

As a physician, I can identify issues important to patients, and as a researcher, I can work to offer innovative solutions to resolve them. I joined bioMérieux specifically to create bridges between these two worlds. It is very important that our Company invests in multi-disciplinary and collective innovation. By positioning itself as an interface between medicine, academics and industry, our joint research laboratory defines the contours of the innovation of tomorrow.

With an MD-PhD in Medicine and Basic Immunology, Jean-François Llitjos completed a double degree in medicine and research at INSERM School and University of Paris. He started his career as an intern in the Paris Public Hospital System (AP-HP), specializing in cardiology then in medical intensive care, before becoming assistant chief resident and then practitioner at the AP-HP. In 2021, he joined bioMérieux as a biosciences expert on the Open Innovation and Partnerships team.

In late 2022, he took over the management of the bioMérieux-HCL-Université Claude Bernard Lyon 1 joint research laboratory (see page 64) at the Edouard-Herriot Hospital in Lyon. His research work is centered on intensive care patients and the host response to infections, focusing on sepsis and immunosuppression. Simultaneously with his research activities at bioMérieux, Jean-François Llitjos practices as a resuscitative physician at the Hospices Civils de Lyon.

BIOFIRE® SPOTFIRE®

Launch of the BIOFIRE® SPOTFIRE® platform and its BIOFIRE® SPOTFIRE® Respiratory (R) Panel test

The COVID-19 pandemic demonstrated the need for healthcare professionals to have diagnostic testing close to patients to be able to provide actionable results quickly. With the innovative new BIOFIRE® SPOTFIRE® system and its BIOFIRE® SPOTFIRE® Respiratory (R) Panel, bioMérieux extends its syndromic testing technology beyond traditional clinical laboratories to local patient facilities such as urgent care centers, physician offices, including pediatricians, and other healthcare establishments directly in contact with patients.

The BIOFIRE® SPOTFIRE® solution makes it possible to care for patients suspected of respiratory infections by delivering their diagnostic test results during an office visit and in approximately 15 minutes. The CLIA waiver(1) enables the BIOFIRE® SPOTFIRE® system and the BIOFIRE® SPOTFIRE® R Panel to be used by people who are not laboratory professionals, directly in point-of-care.

The BIOFIRE® SPOTFIRE® R Panel detects 15 types of bacteria, viruses and viral subtypes most commonly responsible for respiratory infections(2). Small in size, approximately equal to a standard sheet of paper, and with modularity allowing up to four systems to be stacked, BIOFIRE® SPOTFIRE® is designed to meet volume testing needs for all non-hospital healthcare facilities regardless of their size.

"We are proud to provide this innovative syndromic testing technology directly to patients. We believe that the BIOFIRE® SPOTFIRE® solution will be a game changer in patient care, enabling physicians to give patients a precise and fast diagnosis using a single test, during the office visit. Our syndromic line will cover the majority of healthcare establishments in the United States, which will considerably broaden our commercial coverage and opportunities", stated Pierre Boulud, Chief Operating Officer, Clinical Operations, bioMérieux.

15

PATHOGENS DETECTED WITHIN APPROXIMATELY 15 MINUTES

(1) *Clinical Laboratory Improvement Amendments.*
(2) ***Viruses:*** *Adenovirus, coronavirus (seasonal), SARS-CoV-2 coronavirus, human metapneumovirus , human rhinovirus/enterovirus, influenza A, influenza A subtype H3, influenza A subtype H1-2009, influenza B virus, parainfluenza virus, respiratory syncytial virus.* ***Bacteria:*** *Bordetella pertussis, Bordetella parapertussis, Chlamydia pneumoniae, Mycoplasma pneumoniae.*

Sepsis and other critical cases: the urgency of diagnosis

In situations where a patient's life is threatened, such as when sepsis is suspected, every minute counts. Diagnosis must be established and the treatment administered to them as quickly as possible. The challenge is to limit the first-line prescription of broad-spectrum antibiotics. In the face of these public health challenges, bioMérieux develops even faster tests with even more actionable results for clinicians.

Every year on a global scale, 49 million people suffer sepsis and 11 million of them do not survive. One in five deaths worldwide is associated with sepsis[1]! Defined as a life-threatening organ dysfunction, sepsis is induced by an excessive immune response to a serious infection. As a result, any delay in administering the appropriate treatment could be fatal for the patient.
To avoid fueling antimicrobial resistance, clinicians must have fast and accurate diagnostic test results that are easy to interpret. This is exactly what is offered by the latest instruments marketed by bioMérieux, such as VIDAS® KUBE™ (immunoassay), VITEK® MS PRIME (mass spectrometry), or the SPECIFIC REVEAL® system (fast antimicrobial susceptibility testing), as well as the BIOFIRE® panels which detect multiple resistance genes.

These high-tech automated solutions help clinicians to make appropriate medical decisions and optimize treatments to save patients' lives.

Diagnostic tests provide essential information to confirm the presence of sepsis, assess its severity and identify the nature of the pathogen. Tests such as blood cultures, other suitable cultures, and procalcitonin can provide crucial information to guide optimal patient management in the event of suspected and proven sepsis and to monitor the course of the pathology.

MARK MILLER
Executive Vice President, Chief Medical Officer of bioMérieux

A NEW SYNDROMIC PANEL TO DETECT JOINT INFECTIONS

The BIOFIRE® Joint Infection (JI) panel received *De Novo* approval from the Food and Drug Administration (FDA) as well as CE marking.
This panel makes it easier to diagnose agents specifically responsible for joint infections (septic arthritis). These serious infections can involve native or prosthetic joints and in certain cases can be considered medical emergencies. Our BIOFIRE® JI panel provides an innovative response: in approximately one hour and with a single test, it detects 31 pathogens involved in the majority of acute joint infections as well as eight genes for antimicrobial resistance, directly from synovial fluid coming from the joint concerned, in order to better guide antibiotic treatment.

(1) Rudd, K. et al. Global, regional, and national sepsis incidence and mortality, 1990–2017: analysis for the Global Burden of Disease Study. The Lancet. 2020 – 295 200–11.

Two major initiatives related to antimicrobial resistance

SPECIFIC REVEAL®, a fast and innovative AST system

In May 2022, bioMérieux finalized the acquisition of the American company Specific Diagnostics. Its fast antimicrobial susceptibility testing system completes our microbiology portfolio to combat sepsis and antimicrobial resistance. In 5.5 hours on average(1), SPECIFIC REVEAL® provides actionable results in Gram-negative bacterial infections directly from positive blood cultures. This helps clinicians to address the challenge of bacteremia (bacteria in the bloodstream), allowing either timely de-escalation to a focused, more appropriate, and lower-cost therapy, or life-saving rapid escalation to more effective therapy where a multidrug-resistant infection is present. In August, the US Food and Drug Administration (FDA) granted the Breakthrough Device designation to the SPECIFIC REVEAL® AST system. This designation is reserved for medical devices that offer significant advantages relative to existing authorized solutions; these devices are considered as breakthrough innovations and/or their availability has substantial benefit for patients.

AMS(2) Centers of Excellence: a new cooperation initiative to combat antimicrobial resistance

In 2022, bioMérieux initiated partnerships of a new type with hospitals and their laboratories to develop antimicrobial stewardship and demonstrate the value of diagnostic solutions.

bioMérieux has selected several hospitals from among its historical partners in which to set up AMS Centers of Excellence, where our employees work alongside healthcare professionals for antimicrobial stewardship.

By relying on data from diagnostic results, the teams contribute to improving practices, reducing turnaround times and facilitating the laboratory routine. In this way, they show the full medical and economic value of diagnostics in the fight against antimicrobial resistance. Diagnostic tests help clinicians to identify bacterial, viral and fungal infections and determine the most appropriate treatment.

Through these AMS Centers of Excellence, bioMérieux wishes to highlight the advantages of a comprehensive approach, integrating data/IT solutions, laboratory guidance and medical training as a supplement to diagnostic solutions, by building customized partnerships.

The first Center of Excellence was created in China, at Zhuihang Hospital. To date, 13 centers have been created worldwide that vary considerably in terms of type of establishment (public or private), maturity, geographical location and size.

(1) Tibbetts et al., ECCMID 2020 and in review.
(2) Antimicrobial Stewardship.

Pharmaceutical quality control: an enriched product portfolio to support industry

The innovative quality control solutions developed by our experts provide fast, accurate and reliable results that respond to the performance and patient safety challenges of the pharmaceutical industry. We also develop strategic partnerships in order to accelerate our development and expand our product line.

The pharmaceutical industry has experienced significant waves of innovation, especially with the emergence of messenger RNA vaccines, personalized medicine, and cell and gene therapies (CGT).
In order to support the manufacturers in the many challenges encountered during production, our experts offer innovative solutions suited to their requirements.
In particular, we have enriched our portfolio of quality control solutions for the pharmaceutical industry with a product line offering digitization and automation of environmental control – 3P® ENTERPRISE – and have supplemented our line for detecting mycoplasmas in CGT products. The strategic partnership signed in 2022 with the innovative company InDevR enriches our product line and advances our expertise in efficacy testing.

CELL AND GENE THERAPIES: MAJOR ADVANCES FOR BIOMÉRIEUX

Arising from human genes, tissues or cells, from the patient themselves or a donor, CGT is a very promising medicinal treatment in critical cases.
In 2022, we accelerated our development in this new activity with the launch of a new protocol for our BIOFIRE® FILMARRAY® mycoplasma detection test to adapt it to the specific needs of these therapies. We also signed a cooperation agreement with the Dutch startup NecstGen for the integration of our quality control solutions into its production processes, with a view to codeveloping a solution suited to the production of this type of treatment.

Securing the food industry through predictive diagnostics

Our diagnostics solutions, in particular those based on genomic and metagenomic sequencing, are an innovative and comprehensive response to the contamination problems encountered in the food industry. Our complete range of products makes it possible not only to protect the food industry from the hazards of contamination by a pathogen, but also to make their production more efficient. This is the full value that our solutions guarantee for consumer safety and product organoleptic quality, while they also enable manufacturers to secure production, improve performance and limit financial risks.
With predictive diagnostics, we serve very varied markets: processing of food, beverages, dairy products, including powdered infant milk, nutraceuticals (or functional foods) as well as therapeutic cannabis in the United States.
This unprecedented and innovative approach is hailed by professionals in the sector: in May 2022, bioMérieux won the Food Safety Innovation Award presented by the International Association for Food Protection (IAFP) during its event held in Pittsburgh (United States).

xPRO, OR HOW TO INNOVATE BY INVOLVING OUR CUSTOMERS

Developing molecular biology technologies requires a great deal of time and capital expenditure. This is why bioMérieux invented xPRO, a new partnership approach with its customers in the food industry. We start with the specific needs of the partner to create an appropriate test that we then mass produce to make it accessible to other players on the market.
In 2022 for example, we launched BOTTLESAFE™, in partnership with a wine company in the United States.

How we are reducing our energy consumption

bioMérieux did not wait for the surge in energy prices in 2022 to be part of a sustainable policy of decarbonization and reduction of energy consumption, in line with our CSR ambitions.

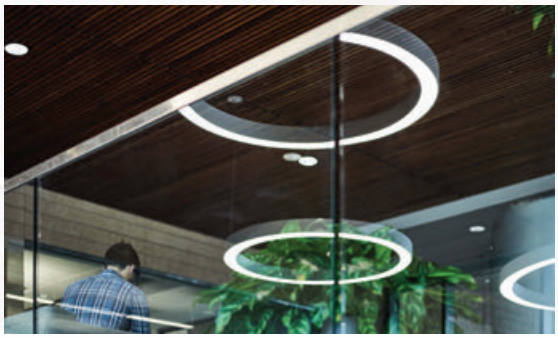
To respond to our commitments to reduce energy consumption, we are working on both the energy efficiency of our installations and the sobriety of our usage.

First, new construction technologies make it possible for us to reduce our consumption. Our new site for the production of blood culture bottles in Suzhou (China) is an example of the scheme that we have launched. Sized as closely as possible to our needs, it received LEED certification attesting to building environmental quality.

Energy sobriety is our priority, ahead of decarbonization, because the best energy is that which is not consumed. This sobriety is everyone's business and we are in the process of building a network of "climate energy" specialists active on all our sites. The challenge is to build the strategy best suited to the actual situation in the countries where we operate.

OUR COMMITMENT **-50%**

OF ENERGY CONSUMED PER € MILLION OF SALES. THIS IS THE GOAL THAT BIOMÉRIEUX HAS SET FOR 2025 (RELATIVE TO 2015)



PRODUCING AND PURCHASING GREEN ENERGY

Our two main avenues for decarbonizing are producing our own photovoltaic electricity on site and, in addition, purchasing renewable energy. Initiated more than 15 years ago, the installation of photovoltaic panels on our sites has been stepped up in the past few years. These installations can cover up to 20% of our site consumption, such as currently in La Balme. Signing a framework contract with a specialist in solar self-consumption will enable us to eventually achieve more than 10% solar self-consumption per year in Europe. All our European sites are subject to contracts guaranteeing renewable energy supply certified by Renewable Energy Certificate System (RECS) certification, in an amount of 50% in France and 100% in Italy and Spain. On our St. Louis site in the United States, we are committed to purchasing 55% of our total consumption from renewable sources as part of a partnership with a local power and gas supplier. All of these efforts started to bear fruit in 2019. Our Company's annual emissions are equivalent to those of 2015, despite the strong growth in our business, especially in Europe in 2022, where the energy consumption on our sites decreased by 8%[1].

(1) In absolute value relative to 2019.

More sustainable products thanks to ecodesign

The question of protecting the planet is present at every stage of the life-cycle of our solutions, starting from the design phase, which is critical.

Ecodesign is taken into account in the development of new products. Any new product must be subject to at least three ecodesign activities. The environmental assessment of each project is performed by means of 60 questions. Ecodesign is also integrated into existing products. For example, teams work to extend reagent shelf life to prevent waste related to premature expiration of our products and allow them to be transported by boat instead of by plane.

In 2022, we strengthened our ecodesign network by working with eco-partners from each of our European sites. The goal: to promote the concept of ecodesign, stimulate feedback from our teams and foster links between Manufacturing and R&D.

At the same time, to help our employees develop their skills on the subject, we created and rolled out an *e-learning* training program.

VIDAS® KUBE™, A NEW ECO-DESIGNED AUTOMATED SYSTEM

The development of VIDAS® KUBE™, our next generation immunoassay automated system, was carried out on the basis of lessons learned from the life-cycle analysis of the VIDAS® range (instruments and reagents). This LCA made it possible to show that energy consumption by the instrument represented its greatest environmental impact, because it must maintain the sample and reagents at a temperature of 37°C during operation. This is why VIDAS® KUBE™ is endowed with an innovative sleep mode that makes it possible to reduce energy consumption by up to 52%. Other ecodesign criteria have been developed such as repairability and modularity.

Concrete initiatives to foster biodiversity on our sites

We diagnosed each of our sites in Europe and implemented concrete actions to develop the space allocated to nature and thus enrich biodiversity.

We believe it is possible to combine an industrial site with biodiversity! Since 2015, we have worked with our partners in charge of green space management to develop areas of natural vegetation, more favorable for accommodating biodiversity. We do not use pesticides or fertilizers and we vary our mowing practices to leave some plots with spontaneous vegetation. We install beehives, birdhouses and insect shelters. We build low walls to accommodate small fauna and ponds to house aquatic plants and various fauna.
As part of our sponsorship actions, in 2021, bioMérieux signed a three-year partnership with *Ligue de Protection des Oiseaux, LPO* for France, Birdlife for Spain and the *Lega Italiana Protezione Uccelli* (LIPU) for Italy. These associations carried out an evaluation of bioMérieux's sites to assess the biodiversity potential of the sites and their specific natural characteristics.

They also provide guidance on making green space management more environmentally sound and perform annual monitoring of biodiversity. In France, our Craponne and Marcy l'Étoile sites obtained "LPO refuge sites" status thanks to all their achievements fostering biodiversity, as part of an action plan carried out in conjunction with the LPO.

CLIMATE FRESK, TRAINING FOR EVERYONE!

Following on from a pilot launch in 2021 and consistent with our CSR strategy, in 2022 we rolled out a process for raising employee awareness of climate change via collaborative workshops called "The Climate Fresk".

Ever closer to patients

Since 2020, we have been working to develop and enrich our relationships with patient associations. The issue is two-fold: making patients aware of the importance of *in vitro* diagnostics in the care pathway and involving them in our thinking and decision-making processes.

We have formalized collaborations with around ten partner associations worldwide and have supported 20 projects for two years!
The collaborations are focused on three public health topics chosen together:

- the value of *in vitro* diagnostics in general, in targeting sepsis, kidney infections and transplants;
- the value of diagnostics for fighting antimicrobial resistance in the area of cystic fibrosis and soon tuberculosis;
- the value of the syndromic approach to diagnostics, especially for respiratory and gastrointestinal infections.

We firmly believe that ensuring the connection between patients and the healthcare industry is essential to create value, both for our Company and for society. By integrating this commitment into our activities, we can better consider their needs when developing our solutions while informing them and making them aware of the important role of diagnostics and the importance of antimicrobial stewardship.

> **We need to play our part as patient and educate ourselves about antibiotics and their use so we don't put ourselves at risk of resistance. It is important not to ask for antibiotics but have conversations with our doctors, based on diagnostics, and be able to know when those medications are going to be useful or not.**

VANESSA CARTER
Survivor of antimicrobial resistance
and defender of the One Health concept

ACTIONS TAKEN IN 2022

Cocreation of an interactive web portal around sepsis in collaboration with the Sepsis Alliance, an American patient association. From this platform, which is part of a social network, sepsis patients can participate in conferences, take physical education classes or even talk about their disease and everyday lives.

Support for the creation of educational content for traumatic brain injury for the *Asociación Daño Cerebral Invisible* in Spain. This action aims to inform the general public about traumatic brain injury. It is part of the BRAINI 2 research project that bioMérieux coordinates, the purpose of which is to determine the performance of biomarkers in the most vulnerable patient populations.

Introduction to our Marcy l'Étoile site during a day for representatives of the France Sepsis Association, *France Rein* and SporLyGref to present our diagnostics solutions to them and engage in discussions to better understand their needs. This visit is part of the first edition of the G5 Santé operation "Au cœur des sites" [At the heart of the sites].

Creation of educational files on gastrointestinal infections (description, detection and treatment) for the general public, patients and healthcare professionals in partnership with the International Foundation for Gastrointestinal Disorders – IFFGD (United States).

Listening to our customers to understand them better and raise their satisfaction

Customer satisfaction is at the center of what we do. Customer service plays a key role on the global, regional and local levels. The other departments of our organization are equally involved in making our customer experience optimal.

Listening to our customers is everybody's business in the Company. This is why, since 2015, we have emphasized raising awareness of the need to focus on customers among the employees concerned. The goal is to improve our customer's experience to increase loyalty. A customer considered "loyal" will continue his partnership with bioMérieux and recommend our solutions and services.

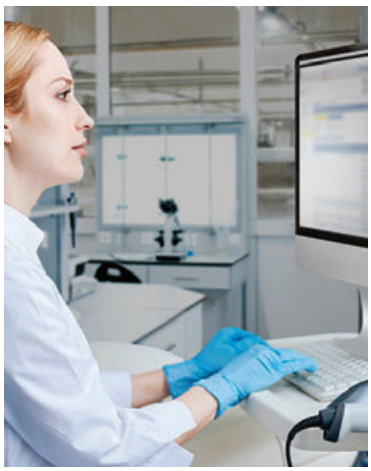
In 2022, we wanted to take this even further. To be more responsive to our customers and understand their needs, we have decided to increase the frequency of our satisfaction surveys, which are now annual. The study conducted in 2022 allowed us to collect more than 3,800 responses in 27 countries. We have chosen to center our questions on the customer pathway rather than the performance of our internal departments.

Our Customer Service department, composed of 1,600 employees, serves to provide customers with a collection of customized and scalable services enabling them to improve their operational performance. Thanks to an international presence and proximity to customers, it fulfills two essential missions:

- to ensure the same level of service quality in all countries, starting with the solution design phase;
- to be present right from pre-sales technical discussions and continue to provide support at each stage: installation, training, qualification processes as well as long-term monitoring, by answering technical questions and providing support.

DID YOU SAY "OMNICHANNEL"?

Email, website, telephone, sometimes even fax. Customers are free to choose their preferred communication channel for interacting with bioMérieux and can change it at any time without impacting the management of their account. This "omnichannel" approach facilitates customer relations and ensures transparency and consistency of discussions. Moreover, thanks to this approach, we are able to respond to the needs of any type of customer, regardless of size, country of operation or even digital maturity.
Our "customer portal," launched in 2019, is now available in 34 countries. In 2022, 10 additional countries were added, making it possible to cover all our subsidiaries. This portal offers many services, such as reporting and managing incidents with technical support, requesting a phone call, keeping an appointment history, creating and monitoring purchase orders, archiving invoices and even access to technical documentation for bioMérieux products.
Given the success of this digital platform, the concept has been duplicated for our distributors.



A key advantage: engaged employees

MORE INFORMATION

bioMérieux ranks 14th in the 2022 ranking of "female-friendly" companies prepared by Forbes magazine, which lists the 400 companies worldwide with the most engaging policies for women.

Our Voice of Employee program aims to listen to and understand our team members in order to have a positive impact on their daily lives. Everyone can express themselves on their personal experience and contribute to improving the collective experience. We understand the need to continuously capture what matters most to each of us. Together, our voices can shape the future. #LifeAtbioMérieux.

TAMELA SMITH
Vice President, Employee Engagement

VOICE OF EMPLOYEE

Listen, understand, act… The key to engaging our teams

Our 13,800 employees are our most important asset. We are committed to cultivating their spirit of innovation and their collective engagement and to creating a unique employee experience. This is why we launched the Voice of Employee program.

The complex world in which we are evolving today leads us to question ourselves. It is important that our teams feel heard and that they evolve in a climate of trust. In fact, according to a study by the Workforce Institute in 2021 in 11 countries, 92% of highly engaged employees feel heard at their workplace (1). Listening, understanding and acting are the foundations of the Voice of Employee program, our international program for engagement. We want to set up a work environment in which our employees feel heard, free to be themselves in their diversity, express their expectations and are proactive in improving their experience at bioMérieux.

In June 2022, a global and anonymous engagement survey was conducted among all our employees. This survey had a participation rate of 75%, a high level that shows that this listening approach is attractive to our teams. The survey related to 30 questions covering six topics linked to employee experience at bioMérieux. Employees wrote more than 60,000 comments and contributions, which reflects their willingness to play a part in change.

As soon as the results were collected and analyzed, an action plan was initiated at two levels: locally, as close as possible to employees, with their managers, and globally, with a view to guaranteeing a common culture. The actions are conducted transparently and in collaboration with our teams. This survey will be repeated regularly in a process of continuous listening, making it possible to monitor the commitment of our employees.

ABOUT DIVERSITY AND INCLUSION

At bioMérieux, we value the differences of our employees, partners and customers. We are committed to creating an inclusive culture where everyone feels respected, supported and considered.
We take care to provide the same services to all of our employees, regardless of their country of operation, such as, for example, our psychological support service accessible 24 hours a day or discussion forums. Since 2013, bioMérieux has had access to an international network, open to all genders, to promote professional equality in management: Women Ready for Leadership Diversity (WoRLD). A women network, called bioBasadi, is also working in Africa since 2019.

(1) www.people-doc.com/hubfs/2021/Content%20WEU/FR21%20-%20EE/UKG-Employee_Voice_Survey-voix-des-collaborateurs.pdf.

Health and well-being: we take care of our employees

We are committed to creating favorable conditions for the fulfillment of our employees in their work environment. Health and well-being are one of the six pillars of the employee experience at bioMérieux.

To achieve this ambition, in 2022, we launched a global audit of our activities related to promoting workplace safety and well-being so as to identify existing initiatives and practices and propose new programs to be implemented to improve well-being, both locally and internationally. Pilot actions rolled out include:

- in France, conferences and workshops on topics related to health and well-being;
- in several countries of Eastern Europe and the Middle East, testing a platform of mindfulness tools.

At the same time, our sites and subsidiaries launch many local initiatives. For example, in Latin America, weekly yoga classes and collective coaching sessions on personal or professional subjects have been very successful. We have also renewed our partnership with Health Advocate in the United States and Eutelmed in other countries worldwide, two platforms that allow employees and their families to have access, voluntarily and free of charge, to assistance with a psychological health and well-being plan.
We constantly strive to provide our employees with the means to take action for their well-being and to develop our collective ability to take care of each other.

GLOBAL RECOGNITION FOR OUR HR PRACTICES

Top Employer
bioMérieux is now recognized as a Top Employer in 15 countries and 3 regions.

Glassdoor
In January 2022, bioMérieux was ranked number 1 among French companies preferred by employees by the Glassdoor ranking for "Best Employers France," with a score of 4.7 out of 5.

Engagement and performance thanks to internal mobility

In dealing with growth and recruitment challenges, internal mobility is a beneficial strategy for bioMérieux, which, as a major player in our sector, seeks to attract the best talent. It is also beneficial for employees, who can evolve and grow.

Since the COVID-19 pandemic, the labor market has tightened in many countries and filling certain positions is a real challenge for companies. This is why bioMérieux has made internal mobility a major focus of its Human Resources policy.

IN 2022 **25%**

PERMANENT CONTRACT OFFERS AT BIOMÉRIEUX FILLED BY EMPLOYEES ALREADY UNDER PERMANENT CONTRACT WITH THE COMPANY

Our advantages are undeniable: as a growing company, with 13,800 employees spread over 45 countries, bioMérieux has the capacity to offer its teams numerous opportunities for change in job position or geographic area, as well as the additional possibilities offered by the Institut Mérieux Group and its subsidiaries. With the help of managers and training programs, we have set up favorable conditions for each employee who so wishes to be able to carry out their development project: annual interviews, dedicated website and regular communications. The effects of this policy are measured over the long term. The number of permanent contract positions filled by employees already under permanent contract at bioMérieux increased by around 4% in 2022 compared to 2021.

> Our Marcy l'Étoile site had trouble recruiting maintenance technicians. In response, HR teams looked internally and launched a training program.
> After 10 years as a production technician for the VIDAS® range, I wanted to expand my skills and redirect my focus toward maintenance.
> I decided to apply and my profile was selected. So, I had the opportunity to obtain a Professional Qualification Certificate via a personalized training program. I was on secondment from the Production department to the Maintenance department for one year, and the training was entirely carried out during my working hours.
> For me, the experience went very well and was very enjoyable.

ROMAIN PAGNON
Maintenance technician
at Marcy l'Étoile (France)

Ensuring a positive effect on communities

bioMérieux Endowment Fund for Education: 26 projects already selected

Created in 2020, this not-for-profit organization aims to promote equal opportunity through and within education.

Because educational support provided to children from the earliest age enables the acquisition of fundamental knowledge, as well as emotional and cognitive development essential for the future, the Endowment Fund supports projects for children from age 0 to 8 years, to give them the confidence, the desire and the means to develop. On the strength of an initial bioMérieux endowment of €20 million, the Fund took off in 2021, launching six projects. In 2022, 20 new projects were selected, bringing the total number of projects selected to 26 for a duration ranging from 1 to 3 years and for a total allocated amount of €4.3 million.
The Fund relies on the engagement of bioMérieux's employees. They can volunteer to take on different roles: regional coordinator, project leader, occasional volunteer or ambassador. To fully carry out these missions, bioMérieux may grant them days off their working time. Sophie Ablott, employee within the Open Innovation and Partnerships department has chosen to be the France coordinator for the Endowment Fund: *"I am extremely proud to be involved in the Endowment Fund's activities and to share bioMérieux's commitment to vulnerable populations. Helping the disadvantaged is important to me. This reflects my values and my history."*

Every year, bioMérieux supports the Fondation Mérieux and the Fondation Christophe et Rodolphe Mérieux in the form of a sponsorship

These foundations work in resource-limited countries to fight infectious diseases and sustainably improve quality of life and the health of vulnerable populations, in particular mothers and children.

In the field of fighting infectious diseases, actions are undertaken to advance research and knowledge in the areas of antimicrobial resistance, tuberculosis and pneumonia. For example, the Congolese Foundation for Medical Research has joined the GABRIEL network, an international scientific collaboration led by the Fondation Mérieux. Furthermore, the Charles Mérieux Infectiology Center in Madagascar has been designated a National Reference Laboratory for the monitoring of anti-leprosy treatments.

As part of our support for vulnerable mothers and children, several actions were undertaken in 2022: the opening of a new building for the faculty of languages of the Akamasoa association (Madagascar), commissioning of a factory container of nutritional supplements with distribution of products in 20 schools to reduce the rate of absenteeism (Madagascar), and construction of a maternity hospital (Congo).

6.5 MILLION EUROS

PAID TO SPONSORSHIP ACTIVITIES IN 2022, INCLUDING 2.7 MILLION PAID TO FOUNDATIONS CREATED BY THE MÉRIEUX FAMILY

Responsible purchasing for sustainable relationships

Responsible purchasing means choosing products and suppliers with the most positive economic, environmental and social impact. This approach is integrated into our CSR strategy and also responds to the real challenge of competitiveness.

The creation of sustainable value is at the center of our collaborations with our suppliers and subcontractors. To select providers, we examine several criteria such as respect for human rights and environmental, social and ethical compliance. We also measure their commitment to a process of continuous improvement. CSR enters into the final purchasing choice, in the same way as quality, distribution performance and risks. In 2018, we established our Responsible Purchasing Charter, which details our commitments and our expectations. We also ask all our partners to respect the principles set forth in the "Business Principles for Third Parties".

We rely on the EcoVadis agency to assess the CSR performance of our suppliers. In late 2022, 536 of them were rated, which represents 55.8% of our purchasing expenditure for 2022, up by 600 basis points relative to the previous year. We ask those who do not meet the minimum rating of 45/100 to submit corrective action plans to us.

80/100

THIS IS OUR 2022 ECOVADIS RATING FOR RESPONSIBLE PURCHASING

The CSR assessment of our suppliers, from the identification phase until the selection, helps monitor their performance and their social and environmental commitments. The involvement of these strategic partners has become a major criterion for their selection.

STÉPHANE DE SAINT JEAN Executive Vice President, Global Purchasing.

Distributors: a network of excellence

bioMérieux relies on distributors to facilitate global access to diagnostics. This vast network of partners allows us to serve 160 countries. They are trained and supported to better serve our customers, for the benefit of patients and consumers.

The partnership with a distributor is assessed well beyond revenue alone. We maintain long-term relationships with our many distributors, based on transparency and trust. We are committed to supporting each of them to enable them to ensure the same level of excellence as that of bioMérieux's own teams in order to guarantee a unique customer experience and optimal satisfaction.

In 2021, we launched the Strategic Teamwork Achievement and Recognition (bioSTAR) program to highlight the successes and contributions of our distributors. This multiyear program recognizes exemplary partners regarding operational excellence in customer service. In 2022, 14 distributors received the bioSTAR trophy.

Since training distributors is essential to involving them in our strategy, each bioMérieux department (Supply Chain, Finance, Legal, Ethics and Compliance, Medical Affairs, etc.) has created e-learning modules for them. Awareness of CSR is also an important dimension of the relationship with our distributors; the social, ethical and environment al impact of our products and services cannot be dissociated from the business practices of our partners. This is why we have designed a specific CSR training module. The goal for 2025 is to reach 55% of our distributors' sales with partners who have completed this training (versus 11% in 2022).
Moreover, in 2022, 10 of our distributors have been certified by the CSR rating organization EcoVadis. Our ambition in 2023 is for 20 additional partners to enter into this external assessment process.

We have been partners of bioMérieux for more than 25 years. Together, we have seen our customers equip their laboratories with cutting edge technology to obtain the most accurate and fastest results. Today, we are facing new challenges to fight antimicrobial resistance and improve public health. We are still growing, with a strong commitment to environmental and social issues. We are proud to be a bioMérieux partner and a game changer!

CARLA BRENES
General Manager,
Tecno Diagnóstica, Costa Rica.

Committed Governance

1 **ALEXANDRE MÉRIEUX** Chairman and Chief Executive Officer[a]
2 **PHILIPPE ARCHINARD** Non-independent director[a] [b]
3 **JEAN-LUC BÉLINGARD** Non-independent director[a] [c]
4 **HAROLD BOËL** Independent director[a] [b]
5 **MARIE-HÉLÈNE HABERT-DASSAULT** Independent director[a] [c]
6 **MARIE-PAULE KIENY** Independent director[a]
7 **AGNÈS LEMARCHAND** Independent director[a] [b]
8 **FANNY LETIER** Independent director[a] [c]
9 **SYLVAIN ORENGA*** Director representing employees[a] [c]

(a) Strategy Committee.
(b) Audit Committee.
(c) Human Resources, Compensation and CSR Committee.
** Successor of Frédéric Besème as of May 23, 2022.*

The Board of Directors *as at December 31, 2022*

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.

- Executive management of major groups/ listed companies
- International environment
- Strategy and M&A
- Health sector
- Finance/Audit
- CSR
- Digitization

59.4 YEARS AVERAGE AGE

88.6 % ATTENDANCE RATE ON BOARD

5 INDEPENDENT DIRECTORS

4 WOMEN ON THE BOARD

9.3 YEARS AVERAGE TERM OF OFFICE

The Executive Committee
as at December 31, 2022

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.

1 **ALEXANDRE MÉRIEUX**
Chairman and Chief Executive Officer

2 **PIERRE BOULUD**
Chief Operating Officer, Clinical Operations

3 **GUILLAUME BOUHOURS**
Chief Financial Officer, Executive Vice President, Purchasing & Information Systems.

4 **PIERRE CHARBONNIER**
Executive Vice President, Global Quality, Manufacturing & Supply Chain

5 **AUDREY DAUVET***
Executive Vice President, Legal Affairs & Integrity

6 **FRANÇOIS LACOSTE**
Executive Vice President, R&D

7 **VALÉRIE LEYLDÉ**
Executive Vice President, Human Resources, Communication and CSR

8 **MARK MILLER**
Executive Vice President, Chief Medical Officer

9 **YASHA MITROTTI**
Executive Vice President, Industrial Microbiology

* *As of January 31, 2023.*

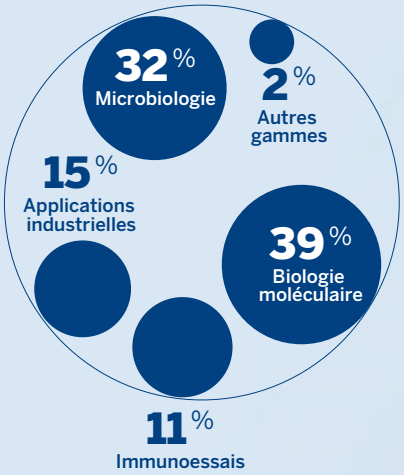
2022 Performance

SALES
IN MILLIONS OF EUROS

3,589 2022

3,376 2021 | 3,118 2020

SALES BY APPLICATION



SALES BY GEOGRAPHIC AREA

51 % AMERICAS

45 % NORTH AMERICA

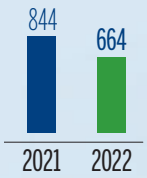
6 % LATIN AMERICA

31 % EMEA
EUROPE, MIDDLE EAST, AFRICA

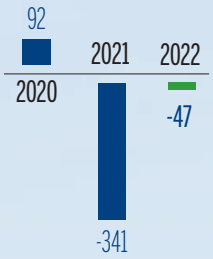
17 % ASIA PACIFIC

FINANCIAL INDICATORS

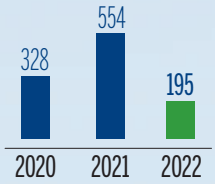
CONTRIBUTIVE OPERATING INCOME BEFORE NON-RECURRING ITEMS[1]
(in millions of euros)



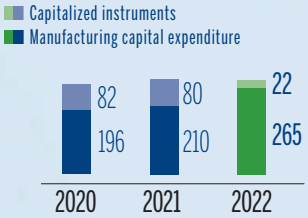
CHANGE IN NET DEBT
(in millions of euros)



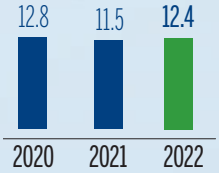
FREE CASH FLOW[2]
(in millions of euros)



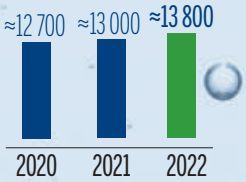
CAPITAL EXPENDITURE
(in millions of euros)



R&D EXPENSES
(as a % of revenue)



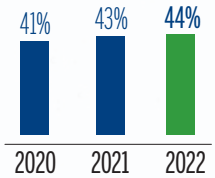
HEADCOUNT AT DECEMBER 31[3]



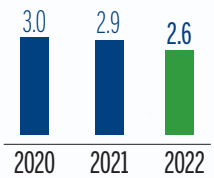
(1) Following the acquisition of Specific Diagnostics, the Company decided to modify the presentation of its financial statements, in order to group all amortization and impairment of intangible assets related to acquisitions, as well as acquisition-related costs on a dedicated line of the profit & loss statement, as well as all expenses incurred in these acquisitions. This line is called "amortization and impairment of intangible assets related to acquisitions and acquisition-related costs" and sits under contributive operating income before non-recurring items. The data in the graph above has been restated according to this new rule for the years 2021 and 2022.
(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

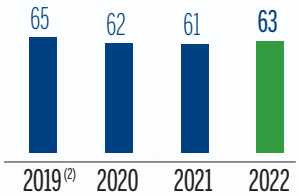
SHARE OF WOMEN IN MANAGEMENT POSITIONS



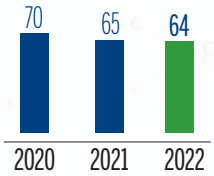
WASTE GENERATION IN RELATION TO SALES
(Metric tons per million euros)



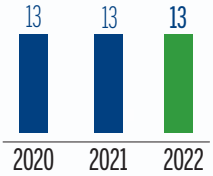
GHG EMISSIONS[1]
(in thousands of tCO_2e)



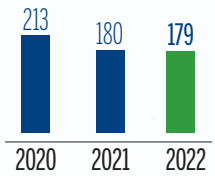
TOTAL ENERGY CONSUMPTION IN RELATION TO SALES
(MWh per million euros)



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.
(2) Reference year.

1

Presentation of bioMérieux and its activities

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.

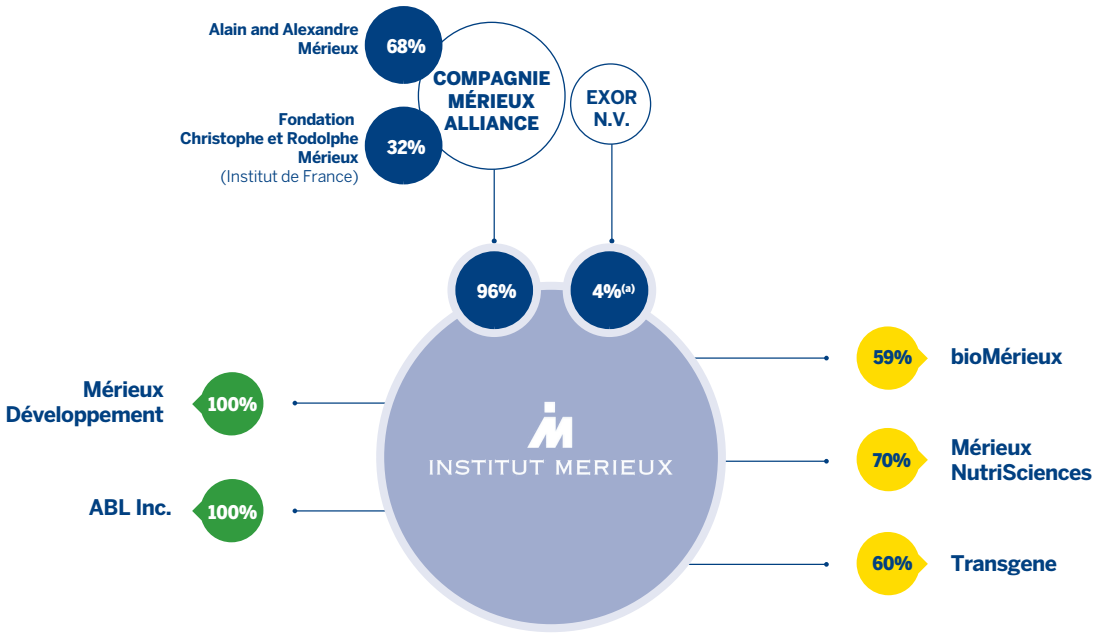
These companies are still major players in the field of public health; in human medicine, Pasteur Mérieux Connaught, which became Aventis Pasteur and then Sanofi Pasteur; and in veterinary medicine, IFFA (*Institut Français de Fièvre Aphteuse*), which became Rhône Mérieux, then Mérial, and is now integrated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

1.1.2 Organization chart within the Institut Mérieux Group

Institut Mérieux is mainly held by Compagnie Mérieux Alliance SAS.

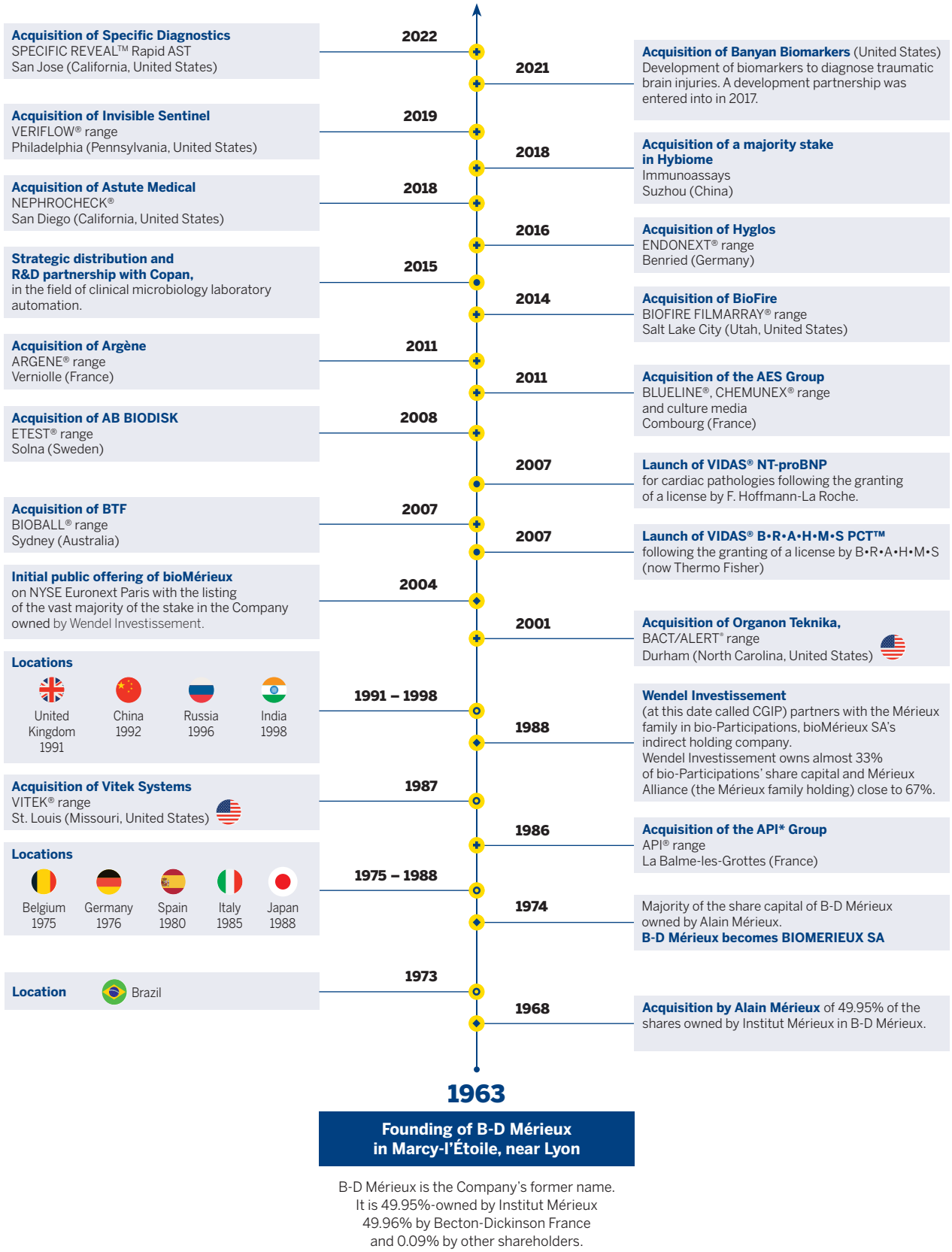
Institut Mérieux holds, in particular:

- 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.
(a) The percentage owned by Exor N.V. in Institut Mérieux is the percentage owned at December 31, 2022. Eventually, this percentage will increase to 10%.

1.1.3 Significant developments



Geographical expansion *Acquisitions* *Change in share capital* *Agreements/Partnerships/Licenses*

* *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.*

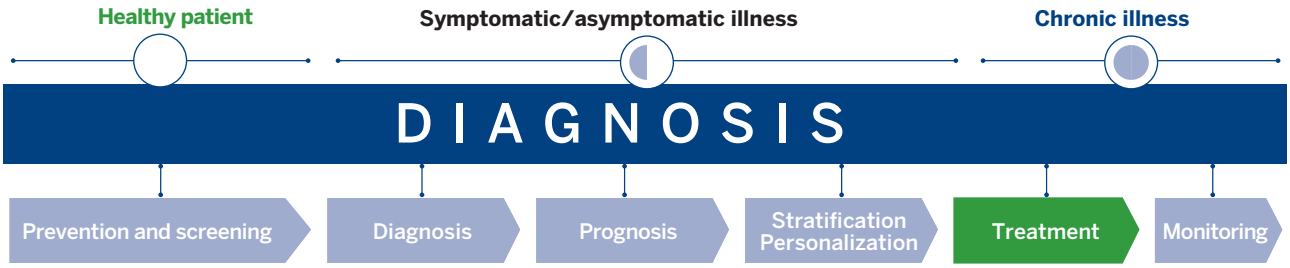
1.2 Organization of activities

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. 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 field, *in vitro* diagnostics technologies are used to monitor the microbiological quality of food, pharmaceutical, cosmetic and veterinary products. 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 revenue for companies in this market is also more regular due to:

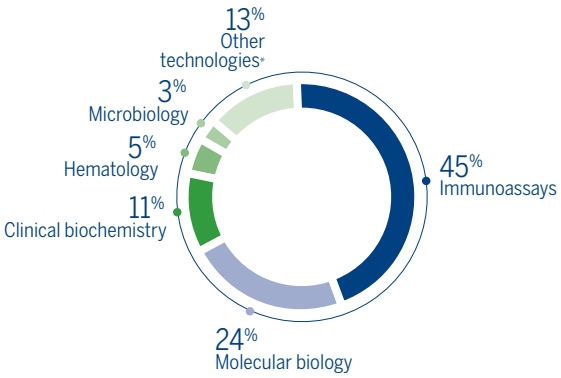
- the significant proportion of reagent sales, because of the "closed" nature of most systems, which function only with reagents developed and marketed by the manufacturers of these systems (captive market);
- the obligation to offer customers a wide selection of reagents per instrument, which leads 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;
- a relatively regular and steady demand in the diagnostics market, compared to 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 2021 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 2021.

1.2.1.3 A global market

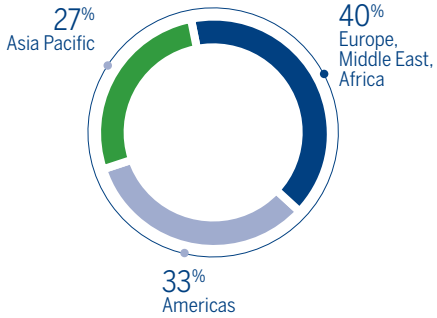
In 2021, the global market for *in vitro* diagnostics was estimated at €107 billion for clinical applications and approximately €3 billion for industrial applications in 2020.

The estimated growth rate of the *in vitro* diagnostics market for clinical applications was approximately 45% in 2021, at constant currencies, driven by the effects of the COVID-19 pandemic.

The market for clinical applications is concentrated at approximately 68% in developed countries (mainly North America, Europe and Japan). For the Company, the breakdown of its revenue 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 of its medical value, as explained in the previous section.

ESTIMATE OF THE GEOGRAPHICAL DISTRIBUTION OF THE GLOBAL CLINICAL *IN VITRO* DIAGNOSTICS MARKET IN 2021



Source: final IQVIA estimates based on company publications in the sector for 2021.

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 32% 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. 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,
  - 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(1)) favors screening tests for the carriers of these bacteria so as to implement the appropriate hygiene measures;

(1) *https://amr.medtecheurope.org/documents/MedTech_Europe_HAI_Brochure.pdf*

- **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 PCR (polymerase chain reaction) 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: 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,
  - bioinformatics, *Big Data* and, more generally, IT and digital applications also make it possible for laboratories to have access to more accurate information in order to make informed clinical decisions and 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, especially with the need to connect instruments to the laboratory information system;
- 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 have the ambition to be able to perform more automated tests or release finished product batches more quickly,
  - 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:**

- 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.);
- 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. 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;
- regulatory 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 65% 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 (QuidelOrtho, bioMérieux, Hologic, PekinElmer, Qiagen and Diasorin).

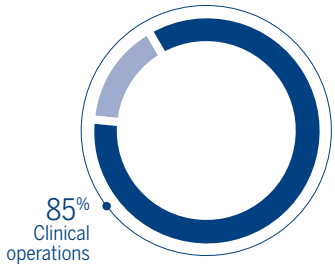
Based on its 2022 revenue, bioMérieux ranks itself in eighth place in the *in vitro* diagnostics market. This ranking reflects the specialized nature of the Company's business; with it not being present in either diabetes testing or clinical chemistry testing.

1.2.2 General presentation of the Company

1.2.2.1 Areas of expertise

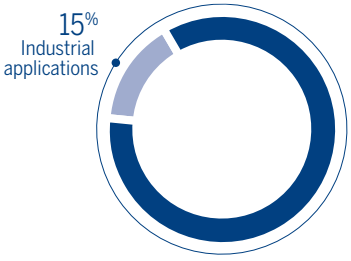
bioMérieux designs, develops, produces and markets systems that are used in two fields:

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 eighth worldwide in *in vitro* diagnostics, but is the world leader in clinical microbiology and syndromic molecular 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). 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 antimicrobial resistance.

Industrial applications



These systems enable microbiological control of production or the production environment, mainly in the food, pharmaceutical and cosmetic industries. bioMérieux is one of the global leaders 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 2022 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 certain markets, clinical applications sales forces can be dedicated to certain product ranges. Likewise, the industrial applications sales forces are becoming increasingly specialized to meet customer needs in the pharmaceutical and food sectors. 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.

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.

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. 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.

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 (outside the period of the COVID-19 pandemic) 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 COVID-19 pandemic, especially tests using PCR technology. This market can be divided into three segments according to the number of pathogens detectable: mono, low (≤ five pathogens) and multiplex. bioMérieux mainly offers a syndromic multiplex product with the BIOFIRE® system, which brings a new standard in 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 2022, the BIOFIRE® range represented more than 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.

Among merger and acquisition transactions in 2022, it is important to mention the merger between Quidel and Ortho Diagnostics, making the combination a player comparable in size to that of bioMérieux.

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/3M and Becton Dickinson and a number of smaller companies in niche segments.

1.2.3 Group 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.

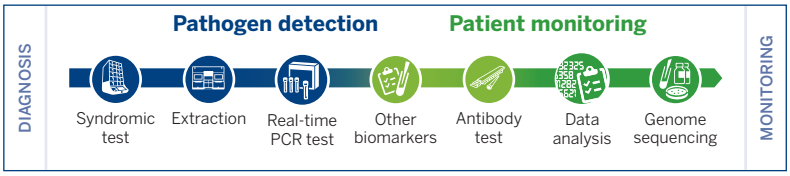
The Company's ten leading products accounted for around 40% of the Company's revenue in 2022.

bioMérieux develops complete offers and specific product lines in order to respond to public health challenges.

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, 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.



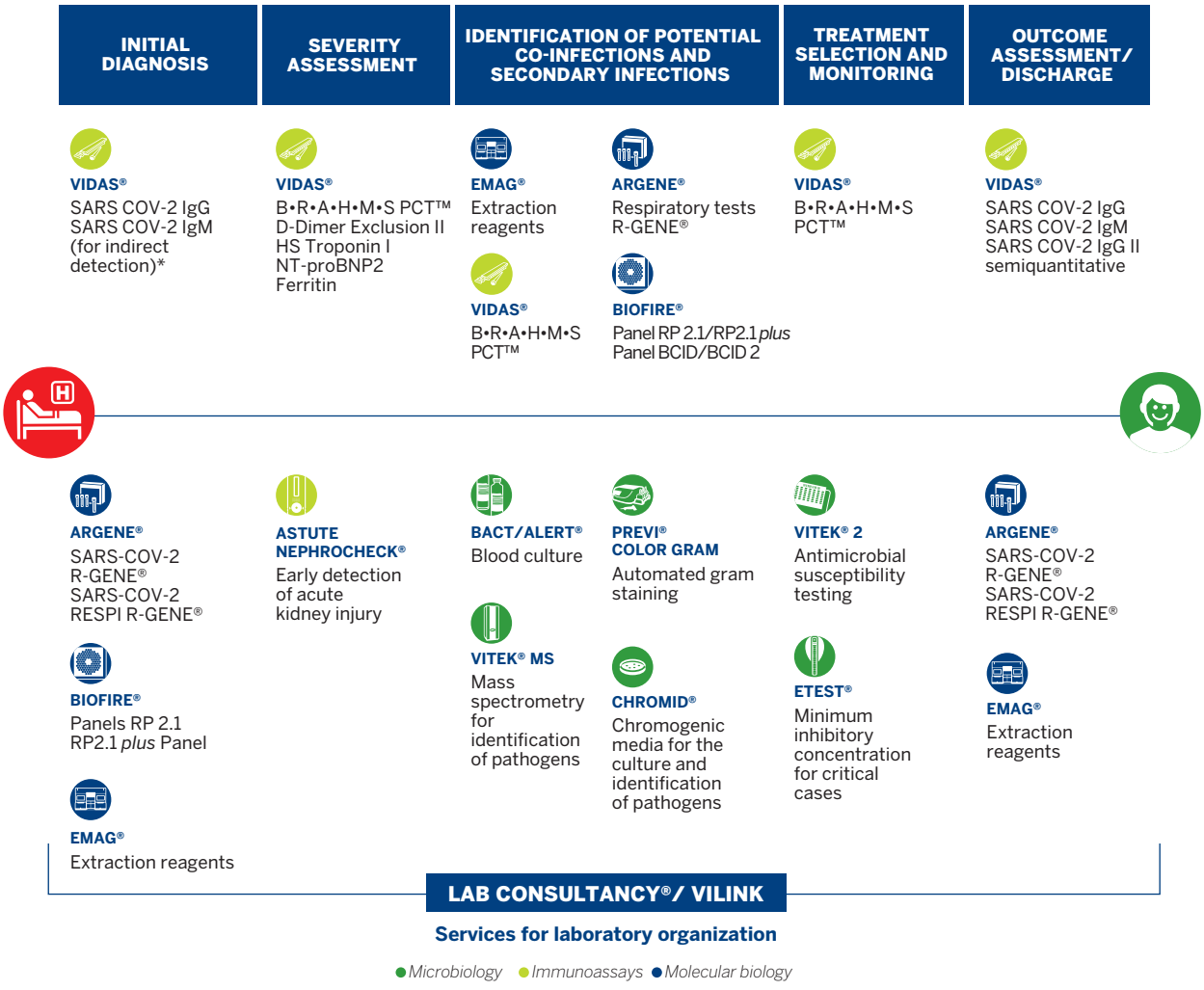
EXTRACTION	PCR TEST	SYNDROMIC	SEROLOGY
			
EMAG® & EASYMAG® Automated extraction of high-quality RNA before amplification and detection	**ARGENE® SARS-COV-2 R-GENE® SARS-COV-2 RESPI R-GENE®** Kits that allow batch analysis on most PCR platforms in real time	**BIOFIRE® RP2.1 BIOFIRE® RP2.1 *PLUS*** Simultaneous test of 22–23 pathogens that cause respiratory diseases, including SARS-CoV-2	**VIDAS® ANTI-SARS-COV-2 IgM VIDAS® ANTI-SARS-COV-2 IgG VIDAS® ANTI-SARS-COV-2 IgG II** Fully automated qualitative test to detect antibodies in patients who have been exposed to SARS-CoV-2

Various tests have been developed:

- molecular biology tests based on PCR (polymerase chain reaction) 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 four to five 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 *plus* 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



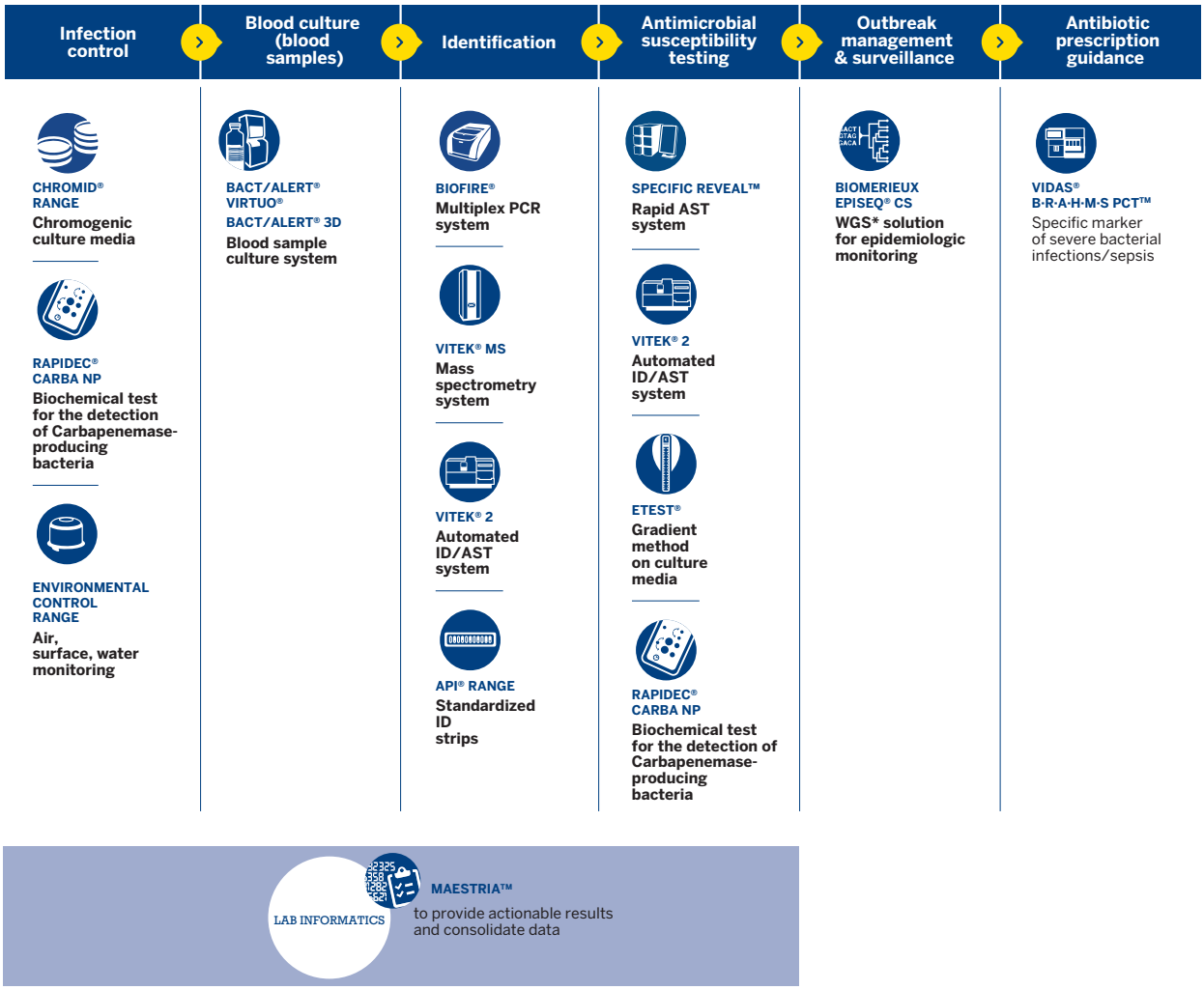
** If the PCR is negative.*

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). The Company's products cover the full range of public health stakeholder needs.

BIOMÉRIEUX SOLUTIONS FOR COMBATING ANTIMICROBIAL RESISTANCE

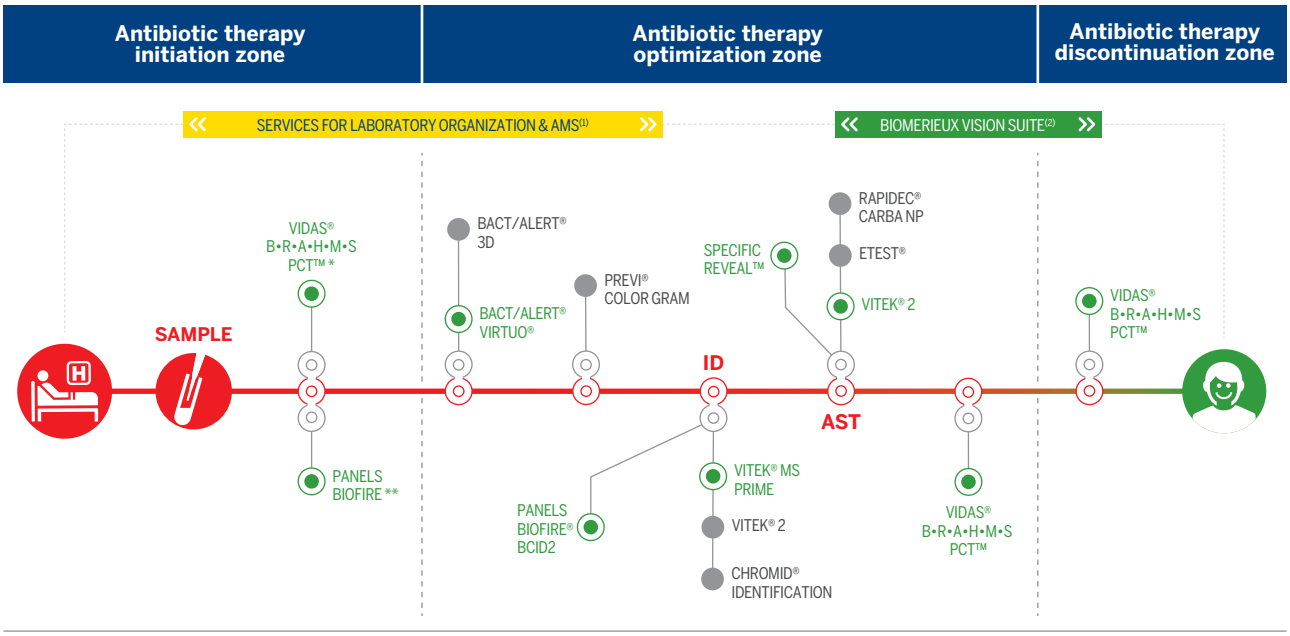


** Whole Genome Sequencing*

Specific solutions for combating sepsis

bioMérieux has a long standing commitment to sepsis control (see Section 3.4.1) and has a comprehensive "sepsis solution" offering.

BIOMÉRIEUX SOLUTIONS FOR COMBATING SEPSIS



- Main hub stations
- * Risk assessment
- ** Meningitis/Encephalitis Pneumonia & respiratory infections

(1) AMS: Antimicrobial Stewardship

(2) MAESTRIA™ CLARION™ – LAB ANALYTICS BIOFIRE® SYNDROMIC TRENDS

1.2.3.2 Description of the main ranges

BIOFIRE®	
EXPERTISE **MOLECULAR BIOLOGY**	TECHNOLOGY **RT-PCR**[a]
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). **Fast:** analysis time of approximately one hour depending on the panels. **Complete:** a line of six panels to identify more than 170 targets.
PORTFOLIO	**Reagents:** • Respiratory infections: BIOFIRE® Respiratory 2.1 *plus* Panel (23 pathogens including SARS-CoV-2), BIOFIRE® FILMARRAY® Pneumonia *plus* Panel (34 targets, including 27 pathogens and 7 resistance genes). • Blood infections: BIOFIRE® Blood Culture Identification 2 Panel (43 targets, including 33 pathogens and 10 resistance genes). • Gastrointestinal infections: BIOFIRE® FILMARRAY® Gastrointestinal Panel (22 pathogens). • Central nervous system infections: BIOFIRE® FILMARRAY® Meningitis/Encephalitis Panel (14 pathogens). • Joint infections: BIOFIRE® Joint Infection Panel (39 targets, including 31 pathogens and eight antimicrobial resistance genes). Variants of these six panels are available, to meet certain regional and local regulatory constraints. **Instruments:** • BIOFIRE® FILMARRAY® TORCH System: modular and scalable. The basic configuration with two modules is able to test 58 samples/day[b] and may be extended to 12 modules, which can process 351 samples/day[b]. • BIOFIRE® FILMARRAY® 2.0 System can receive up to eight individual units and can process 234 samples/day[b]. • BIOFIRE® FILMARRAY® 2.0 System EZ offers a simplified user interface and uses a single BIOFIRE® 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.

(a) Reverse-Transcriptase polymerase chain reaction.
(b) 24 hours.

VITEK® 2

EXPERTISE **MICROBIOLOGY (IDENTIFICATION & ANTIMICROBIAL SUSCEPTIBILITY TESTING (AST))**	TECHNOLOGY **COLORIMETRY AND TURBIDIMETRY**
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 inoculation, 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 used for identification and antimicrobial susceptibility testing (AST). For a faster identification (in a few minutes), VITEK® MS or VITEK® MS PRIME can be used in combination with VITEK® 2. This configuration is fully and transparently integrated by MAESTRIA™, next-generation *middleware* (see page 5 BIOMERIEUX VISION SUITE) for automated and optimized transfer of identification and antimicrobial resistance results to the laboratory information system.
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.

SPECIFIC REVEAL™

EXPERTISE **MICROBIOLOGY (FAST AST)**	TECHNOLOGY **VOLATILE MOLECULE DETECTION**
CUSTOMERS: Clinical	TYPE OF PRODUCT: Reagents, Instruments, Software, Services

REAGENTS

SPECIFIC REVEAL™ SEALER

SPECIFIC REVEAL™

OBJECTIVE	Fast AST from positive blood cultures. The technique relies on very sensitive detection of bacterial growth using nanopore biosensors which detect the emission of volatile organic particles released during bacterial growth.
CHARACTERISTICS	**Fast:** results in five and half hours on average from a blood culture positive for Gram-negative bacteria. **Impactful:** wide coverage of antibiotics for Gram-negative bacteremia. Allows faster targeted antimicrobial therapy with results in real time for minimum inhibitory concentration (MIC)[(a)] and the Sensitive, Intermediate and Resistant (S/I/R)[(b)] category. **Integrated into** bioMérieux's sepsis solution (BACT/ALERT® VIRTUO, VITEK® MS PRIME, BIOFIRE® BCID2 and VITEK® 2). The MAESTRIA™ middleware is a key integrated asset of bioMérieux's sepsis solution for automated and optimized transfer of antimicrobial resistance results to the laboratory information system.
PORTFOLIO	**Reagents:** • SPECIFIC REVEAL™ Panel AST: panel containing 23 antibiotics making it possible to establish the antimicrobial susceptibility for 176 bacterium/antimicrobial combinations. • SPECIFIC REVEAL™ Sensor: microfilm comprising nanopore biosensors making it possible to detect organic volatile compounds released during bacterial growth that occurs in the AST panel. **Instruments:** • SPECIFIC REVEAL™ SEALER: this instrument makes it possible to seal the Sensor onto the AST panel. • SPECIFIC REVEAL™: this instrument makes it possible to incubate and read the panels. Integrated software interprets the analysis result and generates analysis reports. One module has the capacity to process four samples simultaneously. To carry out a fast identification, VITEK® MS, VITEK® MS PRIME or BIOFIRE® BCID2 can be combined. This configuration is fully and transparently integrated by MAESTRIA™.

(a) *Minimum antibiotic concentration necessary for neutralizing the bacterium.*
(b) *Sensitive: the usual dose necessary to kill the bacterium can be administered in humans | Intermediate: the antibiotic efficacy is unpredictable. The result obtained is not predictive of therapeutic success | Resistant: the necessary dose is too high to be supported in humans.*

VITEK® MS/VITEK® MS PRIME

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

VITEK® MS-DS

VITEK® MS

VITEK® MS PRIME

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 species level, 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 specific 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 quick results 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 new samples need to be taken, and checks the quality of blood collection practices with traceability at patient sample level. **Advanced detection algorithms:** Detect positive samples more quickly, 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®, next-generation instrument with a 428-bottle capacity, able to connect up to three additional modules for a total capacity of around 1,700 and a single user interface.
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.

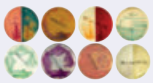
BIOMÉRIEUX VISION SUITE		
EXPERTISE **MICROBIOLOGY**	CUSTOMERS Clinical Industry	TYPE OF PRODUCT Software
OBJECTIVE	All of the software allowing consolidation of hospital and laboratory data. This software provides relevant and actionable information to support diagnosis and clinical decision making.	
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[a] and infection control programs.	
PORTFOLIO	**MAESTRIA™:** *Middleware* product in the form of a web application, connected to the LIS [b] and accessible from any work station in the laboratory. This new generation of business software for the microbiology laboratory allows consolidating the results of the instruments used. Connected to VITEK® 2, VITEK® MS, VITEK® MS PRIME and BACT/ALERT® VIRTUO, it can both control and improve analyses 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) solution designed for users outside of the laboratory. It provides hospitals with useful data and information dashboards to support and improve antibiotic stewardship programs[a] 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.	

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

CULTURE MEDIA AND ASSOCIATED INSTRUMENTS

EXPERTISE **MICROBIOLOGY (CULTURE)**

CUSTOMERS	TYPE OF PRODUCT
Clinical, Industry	Reagents, Instruments, Software, Services



CULTURE MEDIA (PETRI DISHES)

PREVI® COLOR GRAM

WASP®

3P STATION

WASPLab®

OBJECTIVE	To culture bacteria and isolate colonies. To identify bacteria and resistance mechanisms using the CHROMID® range. To culture and detect microorganisms present in the environment. To maximize operational efficiency and reliability of data integrity/traceability.
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. *Clostridioides difficile*, *E.coli*, *Salmonella*, etc.), including resistant bacteria responsible for healthcare-associated infections (HAI) (e.g. MRSA, CARBA, OXA-48, Colistin R, etc.). 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 for staining samples on slides according to the GRAM technique (categorization of bacteria into two groups according to their membrane and wall characteristics). RAL TB STAINER: automated system for staining samples on slides using bath technology for detecting bacilli responsible for tuberculosis. 3P® ENTERPRISE: high-performance culture media with a unique identifier, the Locksure® closing system and transparent design (3P® Smart Plates), digitalization of the environmental control process, services product suitable for a complete solution for environmental control management (3P® CONNECT), and automation of incubation and plate reading (3P® STATION). **Instruments** (distribution contract with the Italian company Copan): • WASP®, automated system for inoculating clinical samples onto culture media (tubes, Petri dishes); • 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 or VITEK®MS PRIME, 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 human 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[(a)] 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: • as a complementary platform for innovative, high medical value tests in consolidated central laboratories; • as a platform for routine testing in unconsolidated laboratories. 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, for complete diagnosis of dengue, composed of three serological tests (NS1: viral marker/IgM/IgG). • VIDAS® CHIKUNGUNYA IgG and IgM to complete the arbovirus detection test panel.

(a) 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 four to five 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 two 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.

A product for automation of the molecular biology laboratory and extraction: NUCLISENS® range

For DNA and RNA extraction, bioMérieux offers the EMAG® system (48 extractions/90 minutes). These systems offer an extraction flexibility making it possible to process samples of very diverse natures.

During the COVID-19 pandemic, 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.

In 2022, ETEST® FOSFOMYCIN (redevelopment) was launched for all markets (United States and outside the United States).

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: 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 obtaining results.

It uses dehydrated culture media to facilitate storage. The TEMPO® FILLER instrument fills the cards and the TEMPO® READER instrument automates their reading. Twelve 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 tests[2]", 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 enables microbiology laboratories to obtain an objective assessment of their current performance and focus on current and future improvements, both in terms of organization and processes.

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 Subsidiaries, branches and minority interests

1.2.4.1 Legal organization chart of the bioMérieux Group as at December 31, 2022

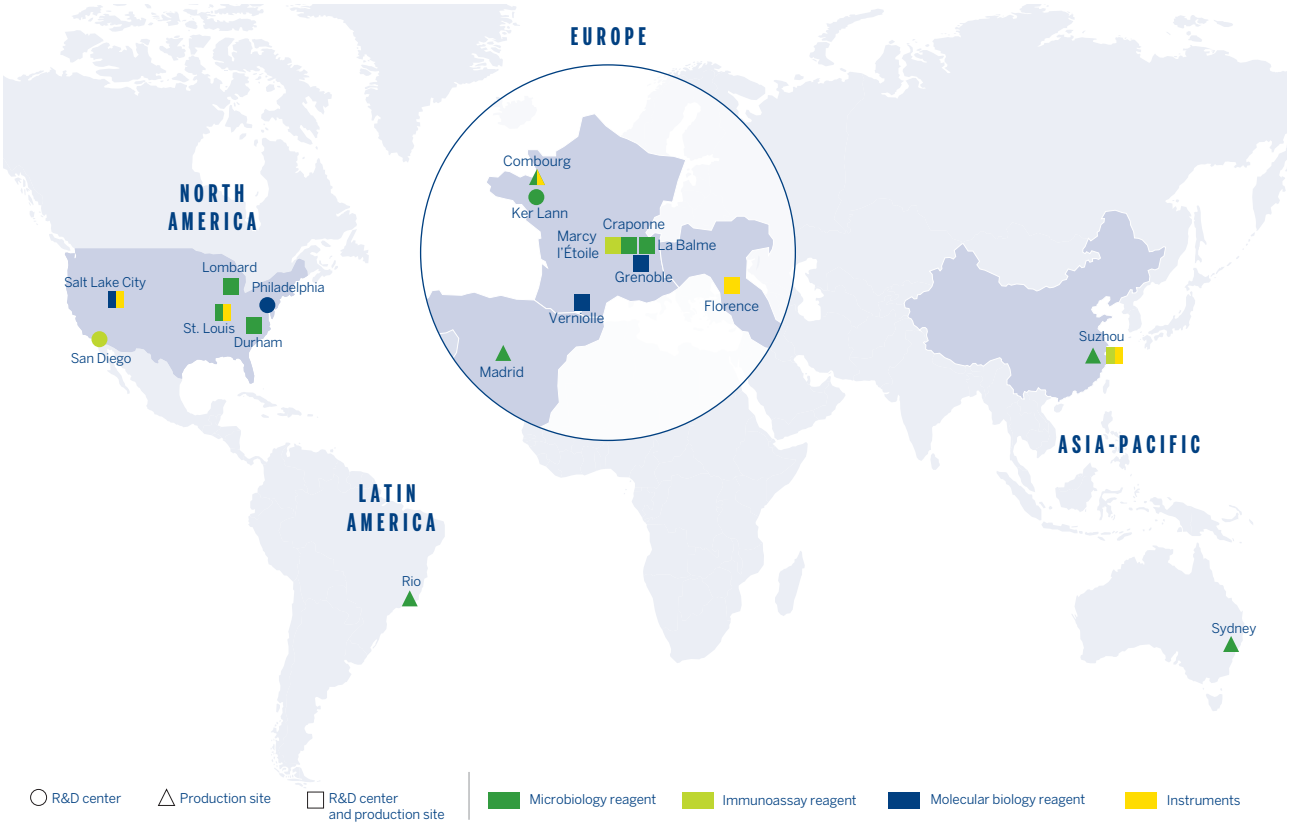
The diagram below represents the organization chart of the main companies held by the Issuer (in percentage of capital and voting rights). The vast majority of the subsidiaries mentioned below have a distribution activity (see Section 1.2.2.2); some of them also have an R&D activity (see Section 1.5.1)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

(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.

The percentage holdings are rounded to the next higher unit.

Main R&D and production sites



1.2.4.2 Miscellaneous information concerning subsidiaries and minority interests

Acquisitions and disposals of investments during the 2022 fiscal year

On May 18, 2022, bioMérieux purchased 100% of Specific Diagnostics for €387 million, which has been paid by a combination of cash amounting to €221 million and the issue of 1.3 million shares for some Specific Diagnostics shareholders.

New subsidiaries

A new subsidiary was set up in Nigeria in 2022.

Branches and representative offices

bioMérieux does not hold any branches directly. bioMérieux has a representative office in Saudi Arabia.

Equity investments

Note 3.3.3 in Section 6.2.2 and Note 35 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 holds substantial assets that have enabled it to carry out its strategy and record strong performances: continuous sales growth, maintenance of satisfactory performance, and successful positioning in technologies of the future:

- majority family shareholder with long-term scientific, industrial and commercial vision;
- a high level of expertise in the diagnosis of infectious diseases, based on nearly 60 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 for its activity, supported by a global distribution network that provides it with extensive marketing opportunities for its products, and a longstanding presence in emerging countries, enabling it to seize market growth opportunities;

- around 85% of its sales generated in three sectors where, based on its estimates, 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, gastrointestinal infections, meningitis and encephalitis and joint infections;
- an installed base primarily made up of closed systems, i.e., designed to only use reagents developed specifically for these instruments and sold by bioMérieux. This installed base requires organizing service activities which combine a team of maintenance engineers and application engineers, who operate in the field or remotely;
- a drive for innovation to enhance the medical value of diagnostics and laboratory efficiency, buoyed by significant R&D capital expenditure. Expressed as a percentage of sales, this capital expenditure is greater than that of any other players in the sector. 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 real capacity to properly manage strategic partnerships and targeted acquisitions especially thanks to a favorable financial position on the date of this document. The Company also has particular expertise in integrating the acquired companies and forming commercial and operational synergies.

1.3.2 Strategy and priorities

Despite the current uncertain economic context, the Company believes that clinical and industrial *in vitro* diagnostics will benefit from dynamic growth engines. The COVID-19 pandemic has highlighted the essential role of diagnostics in infectious disease control and prevention.

bioMérieux's strategy inevitably includes a sustainability dimension to minimize the impact on global resources. This is especially reflected by the optimization of production operations, the ecodesign of the solutions portfolio and the desire to contribute to improving global health, in part thanks to the patient results provided each year, and thereby enabling more efficient healthcare systems.

In clinical microbiology, the Company believes that there are both significant barriers to entry and attractive growth opportunities. According to its estimates, the average annual growth of the market could accelerate slightly, due to the emergence of new technologies enabling faster results, and to the automation needs of laboratories wishing to optimize their workflow, standardize their processes and shorten the turnaround time for results. The global awareness of the risks related to the inappropriate use of antibiotics leading to the emergence of resistant bacteria is also a factor for market growth acceleration.

Thanks to its competitive advantages, bioMérieux is 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 this sense, the Company seeks to extend access to its products in the AMR field globally. 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 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 the geographical rollout of this range and on maintaining the highest quality standards and an extensive test menu for 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®, such as the BIOFIRE® SPOTFIRE® solution, approved by the FDA in February 2023;
- to set ourselves apart in immunoassays. It 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 next-generation VIDAS® KUBE 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 the improvement of patient health as well as increasing consumer safety and the productivity of its food industry customers. 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.

1.4 Product safety, quality systems and applicable regulations

1.4.1 Product quality and safety

Every day, bioMérieux strives to guarantee the quality and safety of its products and thus protect the health of patients and consumers. 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.

1.4.2 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 specific provisions in addition to the global quality manual.

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.

1.4.3 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.). The regulations applicable to this type of product are those for industrial and/or mass consumption 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, certifying bodies that verify compliance with ISO 9001 and ISO 13485 standards and with regulations forming part of the Medical Device Single Audit Program (MDSAP) or 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;
- the Company, by qualified internal auditors according to a program developed each year to identify the margins of progress of its organization.

The majority of subsidiaries are ISO 9001 certified.

The Company's main *in vitro* diagnostics system manufacturing sites are certified as compliant with the standards ISO 9001 and ISO 13485 and the Medical Device Single Audit Program (MDSAP), 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 obtained in a regulatory framework by using a certifying body mandated by the authorities. As part of a voluntary approach, the Company calls on an independent certifying body.

The main inspections by the regulatory authorities on bioMérieux's sites are shown in Section 3.6.4.

1.4.3.1 Clinical *in vitro* diagnostics

Products 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 done *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, increasingly rarely, do not have specific regulations. The deadline for compliance with the new regulations may be immediate or gradual, depending on the authorities.

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, as part of the marketing procedure, the Regulatory Affairs Department creates technical documentation that makes it possible to verify that the new product meets the requirements imposed by the regulations. It is then subject to approval by a regulatory affairs manager before a multidisciplinary marketing committee gives its final approval for product launch.

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 April 5, 2017 (2017/746/EU). After the end of the transitional provisions, this regulation will be the only standard applicable to all medical devices for *in vitro* diagnostics. **Directive 98/79/EC,** transposed into French law, harmonized the *in vitro* diagnostics market. It standardized marketing procedures. This directive has been replaced by the IVDR regulation since May 26, 2022 (application date). **The European IVDR regulation** (2017/746/EU) ("the Regulation") 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 individual who ensures compliance with regulations. They are in charge of vigilance, the declaration of compliance with the regulations, batch release, and the declaration on the performance evaluation of the products most at risk. To take advantage of the IVDR transition period, the Company obtained the renewal of all CE marking certificates under the Directive for the products concerned. According to the IVDR, the manufacturer chooses the appropriate evaluation procedure depending on the risk classes and options proposed. The involvement of a Certified Body is now required for CE marking of the majority of devices. Under the regulation, the first certificates of compliance were obtained in 2022. They cover more than 30% of the products sold by bioMérieux and require the involvement of a notified body (Classes B, C and D). All low-risk devices (Class A), representing 25% of the products sold by bioMérieux, are currently CE marked according to the Regulation. bioMérieux has made arrangements to continue to sell its products on the UK and Swiss markets.
United States	The FDA becomes involved in the examination of the files submitted to it in proportion to the risk for the patient 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) that entails 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. It 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 NMPA (National Medical Products Administration), 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, enabling the manufacturer to intervene voluntarily by correcting or recalling the products concerned.

1.4.3.2 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 fulfill 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.

1.4.4 Management and monitoring of customer complaints

The Company has a procedure for the management, monitoring and resolution of customer complaints. It provides the Company with the necessary information for continuous improvement of its products.

Complaints are processed on three levels:

- level 1: the majority of complaints are processed locally, close to the customers, by subsidiaries and distributors in order to respond to their demands as quickly as possible;
- level 2: complaints can be transferred to the Global Customer Service (GCS) Department. They are then handled by a specialized team;
- level 3: This level requires a series of investigations involving the production sites and/or R&D teams. An analysis of causes that could not be identified by levels 1 and 2 is then conducted in order to set up corrective and preventative actions to avoid similar complaints in the future.

1.5 Research & development, patents and licenses

1.5.1 Research & development

Innovation is a pillar of bioMérieux's strategy in the service of public health. R&D is an important foundation for the Company's growth and serves its long-term vision. Technological breakthroughs fuel our business and contribute to improving patient and consumer health worldwide.

For purposes of efficiency, bioMérieux's 14 R&D centers are located near bioindustrial sites. They employ 1,500 scientists with varied and complementary profiles: biologists, engineers, software developers, bioinformaticians, biostatisticians, specialists in clinical affairs and regulatory affairs, mechanics, optical specialists, etc. Of these scientists, 90% are dedicated to clinical applications (instruments, systems and reagents) and 10% to tests for industrial applications.

An open innovation model

bioMérieux's model is based on five levers:

- internal innovation programs;
- international collaborations with academic and private research, the medical and scientific community and leading biotech companies;
- joint research laboratories with hospitals, closer to patients;
- core strategic acquisitions for mastering new technologies;
- an active scientific and technological watch at the international level, in collaboration with Business Development.

This model, by making it possible to forge close ties with the international medical and scientific community, is an indicator of enhanced creativity. It offers the possibility of adapting innovations to patient needs and comparing them with the actual uses of healthcare professionals. It also allows for knowing how to pick up on, identify and develop original approaches to enhance *in vitro* diagnostics capacities in order to better respond to major health challenges.

HCL-bioMérieux: 20 years of collaboration in the fight against infectious diseases

With the *Hospices Civils de Lyon* (HCL), the Company created its first joint research laboratory in 2002. In 2009, a second laboratory dedicated to oncology was set up at the Lyon Sud hospital. Starting in 2014, the two laboratories refocused their activities on sepsis and understanding immunity mechanisms in patients with severe infections. In 2016, the *Université Claude Bernard Lyon 1* joined this innovative public/private research partnership, providing an additional dimension by training the future generation of physicians and scientists specializing in infectious diseases.

These laboratories bring together numerous clinicians, scientific researchers and students who work closer to patients. They foster numerous scientific interactions to respond to public health challenges. Currently, about a dozen thesis or master's students work in the two units.

1.5.1.1 Medical value of diagnostics and laboratory efficiency: priorities in clinical applications

In clinical applications, R&D efforts support two pillars:

- strengthening the medical value of diagnostics with tests capable of increasingly accurately and rapidly identifying and characterizing microorganisms responsible for infections as well as biomarkers related to the host response during infection;
- improving laboratory efficiency and contributing more broadly to optimizing its operational performance.

Most R&D capital expenditure – more than 75% – is dedicated to combating antimicrobial resistance, one of the essential components of the Health pillar of the CSR strategy. A pioneer in this field, bioMérieux develops tests to identify pathogens and analyze their antimicrobial sensitivity in order to help physicians precisely determine the appropriate treatment.

SPECIFIC DIAGNOSTICS, AN ACQUISITION THAT STRENGTHENS BIOMÉRIEUX'S COMMITMENT TO COMBATING ANTIMICROBIAL RESISTANCE

In May 2022, the company finalized the purchase of Specific Diagnostics, a US company in which it has held a non-controlling interest since 2019.

Specific Diagnostics developed the SPECIFIC REVEAL™ solution, a fast AST system which provides, in less than five to six hours on average(1), actionable results in Gram-negative bacteria infections directly from positive blood cultures. This system helps clinicians to address the challenge of treating bloodstream infections, by making it possible to progress the therapy to a more appropriate and lower-cost treatment, either by adjusting the dosage or by using a more targeted antibiotic in the event of a multidrug-resistant infection.

In August 2022, the US FDA granted the Breakthrough Device designation to the SPECIFIC REVEAL™ system. This designation is reserved for medical devices that offer significant advantages compared to existing approved solutions and which are considered as breakthrough innovations and/or innovations whose availability provides major patient benefit(2).

The Company is also active in combating sepsis, acute diseases such as myocardial infarction and acute kidney injury, areas in which fast and reliable results are essential to optimize patient care and increase their chances of recovery.

Finally, the Company's research also targets emerging pathogens, potentially responsible for epidemics. The COVID-19 pandemic highlighted its capacity to mobilize to deal with a global health emergency: six additional molecular biology tests and three serological tests were quickly marketed by bioMérieux.

These strategic orientations have led bioMérieux to double its R&D capital expenditure in molecular biology in the past five years, especially in its BIOFIRE® molecular range. This multiplex PCR solution makes it possible, with a single test and within 45 to 75 minutes, to simultaneously identify the microorganisms most frequently responsible for an infection for a given clinical syndrome.

R&D, a pillar for growth

In clinical applications, the R&D department is involved in the entire value chain and interacts with all of the Company's operations. It helps fuel the Company's strategy and has a direct impact on its business. Accordingly, the share of revenues generated by recently marketed products (less than five years) has greatly increased since 2020, with a goal of maintaining a rate of 25%. A substantial amount of the R&D budget is invested in breakthrough innovation to prepare for the future, such as researching new concepts or studying the feasibility of a technology, for example. The R&D department also manages development projects in bioMérieux's fields of expertise (biology, molecular biology, microbiology, immunoassay, information technology and data analysis), interacting with Medical Affairs, Marketing, *Business Development*, Customer Service, Production, etc. This multidisciplinary dimension currently also makes it possible to integrate ecodesign aspects in all projects in response to the climate crisis as well as *Design-to-Cost* aspects seeking to control the overall cost of products throughout their life cycle. The R&D department makes every effort to launch solutions within the appropriate timeframes, while respecting the long development cycles specific to the *in vitro* diagnostics business. Five to seven years are required, on average, to develop a complete system and two to six years to develop reagents.

The R&D department includes Clinical and Regulatory Affairs which participates in creating the development strategy for systems and products. It is also involved in the entire product development life cycle to adapt and optimize the validation strategy with national agencies such as the US FDA and the NMPA in China. In addition, the IVDR now requires CE marking.

At later stages, the R&D department works closely with Customer Service to maintain the performance level of products throughout their life cycle, improving them to take into account changing practices and new regulations, as well as developments in microbiology and microbial ecology.

bioMérieux currently intends to limit the number of projects in portfolio to strengthen its capital expenditure capacity in key projects, relying on an agile and flexible organization that empowers employees in decision making.

(1) *Tibbetts R, et al. Performance of the Reveal Rapid Antibiotic Susceptibility Testing System on Gram-Negative Blood Cultures at a Large Urban Hospital. Journal of Clinical Microbiology, 2022./Clinical evaluation of the SPECIFIC REVEAL™ with Gram-negative bacteremia samples in 6 hospitals in France and England – 2021.*
(2) *https://www.fda.gov/medical-devices/how-study-and-market-your-device/breakthrough-devices-program*

"OUR AMBITION IS TO HAVE A DIVERSIFIED PORTFOLIO OF R&D PROJECTS TO MEET THE NEEDS OF LABORATORIES AND PHYSICIANS, BY DEVELOPING STANDOUT SOLUTIONS AND OFFERING INNOVATIONS THAT WILL BE TRUE BREAKTHROUGH TECHNOLOGIES."

François Lacoste, Executive Vice President, Research & Development

1.5.1.2 Industrial applications: a specific R&D approach

In the industrial microbiology field, bioMérieux invests around 7% of its revenue in R&D, a rate well above the sector average. Its ambition is to create value through innovation and to manage a proactive strategy in penetrating new markets, rolling out new products in new segments.

Due to the high specificity and diversity of microbiology industrial applications, R&D teams work closely with the Marketing, Sales and Major Accounts departments to develop research programs capable of rapid iterations that meet particular needs. One the one hand, they are based on the equipment and systems developed by the clinical R&D department (VIDAS®, BIOFIRE® FILMARRAY®, BACT/ALERT®, VITEK® MS), whose applications are suited to industrial microbiology. On the other hand, specialized teams develop and maintain platforms specific to industrial applications (GENE-UP®, ENDONEXT™, 3P® ENTERPRISE, TEMPO®, etc.). Since these are not subject to the same regulatory constraints as those in clinical applications, their development cycles are faster.

Predictive diagnostics, a tailored solution for the food industry

Expectations related to managing contamination of manufacturing sites have increased due to globalization and the increasing pressure on costs.

bioMérieux meets this challenge by developing and rolling out predictive diagnostics solutions. This innovative and personalized approach makes it possible to anticipate the contamination risk of a manufacturing site and optimize supplier risk management. This product relies on collecting and systematically analyzing all the data generated by a manufacturing line and requires substantial R&D resources. It is based on a good understanding of the customer's specific needs, expertise in molecular biology, whole genome sequencing and metagenomics, and in the field of predictive computer models.

NEW MARKET SEGMENTS THANKS TO INVISIBLE SENTINEL

In 2019, bioMérieux acquired Invisible Sentinel, a US start-up specialized in innovative and easy-to-use molecular diagnostics solutions for fast, accurate and reliable detection of pathogens and other contaminants in food and beverages (beer, wine and fruit juice). This external growth made it possible for bioMérieux to strengthen its position in food pathogen screening and detecting organisms responsible for altering products with new customer segments. Its molecular diagnostics product line is therefore completed by GENE-UP®, used for food quality control. The capacity of Invisible Sentinel to develop personalized tests for factories according to their production, combined with its expertise in data management, plays a key role in the rollout of bioMérieux's innovative approach to predictive diagnostics.

Sustained capital expenditure to support the momentum of the pharmaceutical sector

The pharmaceutical sector is enjoying strong momentum. In particular, a great deal of capital expenditure is concentrated on cell and gene therapies. These next-generation treatments, derived from patient or donor tissues or cells that can be genetically modified, require complex quality control. The bioproduction sector is also experiencing strong momentum, following the recent acceleration of new vaccine development and sustained growth in immunotherapy.

To meet environmental control needs specific to pharmaceutical industries, bioMérieux concentrates its R&D costs on three priority areas of focus: automation, digitization and optimization of the turnaround time for results. bioMérieux is therefore accelerating its molecular biology capital expenditure in research to determine the efficacy of cell and gene therapies. This capital expenditure also seeks to provide information, in an automated way, relating to the quality and purity of these pharmaceutical products. Cytometry, a technique for measuring cell characteristics, is at the heart of quality control for cell therapies and is also the subject of specific capital expenditure.

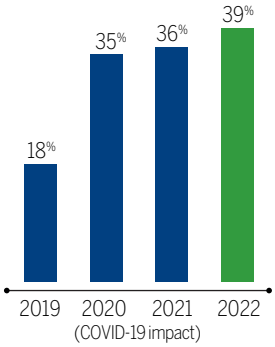
THE STRATEGIC PARTNERSHIPS BEHIND THE 3P® PRODUCT

Launched in 2021–2022, the new 3P® range of culture media solutions for optimizing pharmaceutical industry processes is the fruit of strategic partnerships undertaken with two companies. The first is Interscience, an expert in incubation and digitalization of Petri dish reading, and the second is Mirrhia, specialized in process digitalization.

Their know-how, combined with bioMérieux's expertise in microbiology, has given rise to a product line consisting of three devices: 3P® SMART Petri dishes, dedicated to securing and digitizing environmental control, and offering better quality culture media; the 3P® CONNECT software suite; and the platform for incubation and digitalization of Petri dish reading, 3P® STATION.

1.5.1.3 Key figures

SHARE OF NEW PRODUCTS[(a)] IN BIOMÉRIEUX'S REVENUE

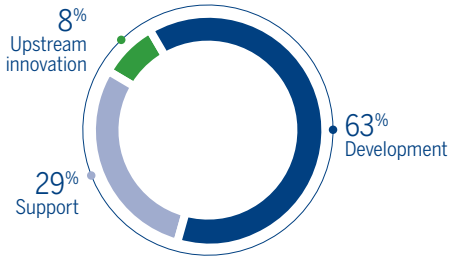


(a) Products marketed within the last five years.

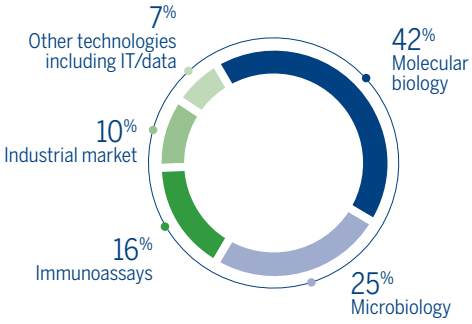
IN 2022:

DISTRIBUTION OF THE R&D BUDGET

12.4% of 2022 revenue invested in R&D



DISTRIBUTION OF R&D CAPITAL EXPENDITURE BY TECHNOLOGY



1.5.1.4 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 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;
- 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 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 3.4.3). 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.

1.5.2 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

The intellectual property broadly applies to diagnostics systems since they cover various fields: instrumentation, informatics and biology.

Companies of the *in vitro* diagnostics sector are less exposed than pharmaceutical companies regarding the risks triggered by patent expiration, the later having to face the arrival of generic drugs. Indeed, the manufacturing know-how, installed instrument base and number of menu parameters developed during the protection period make this sector less accessible to potential new players.

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

The Company actively protects its research results through patents (around 20 new applications per year) and monitors its competitors to actively defend its rights.

As at December 31, 2022, the Group owned 546 patent families, the majority of which are in effect in Europe, the United States, and China (511 patents granted in the US and 246 in Europe).

Licenses

In the context of its business, the Company can benefit from licenses granted by third parties to develop or market reagents or technologies. When it regards third-party licenses with sublicensing rights, a portion of the revenue from the sublicensing agreements is paid to the patent owner. The Company can also grant licenses for its technologies to third parties.

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.

At December 31, 2022, the portfolio includes 278 trademark families, and these have been registered in most countries.

Domain names

At December 31, 2022, the Company owns more than 620 recorded domain names, including those with the "bioMérieux" name, and over 150 different extensions.

Dependence on patents and licenses

The Company benefits from patent licenses, which it needs to sell certain products. Losing these patents could have an impact on revenue, however the Company believes that it has put the necessary resources in place to control this and does not consider it as a major risk to the Company.

1.6 Production sites and logistics

Historically based in the Lyon region of France, the Company has expanded its geographical presence over the years by acquiring 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 2022, the Group operated 16 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. Economies of scale can thus be achieved by concentrating production. There are two exceptions to this principle:

- culture media 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 was built and is undergoing qualification 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.

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

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 regional 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.

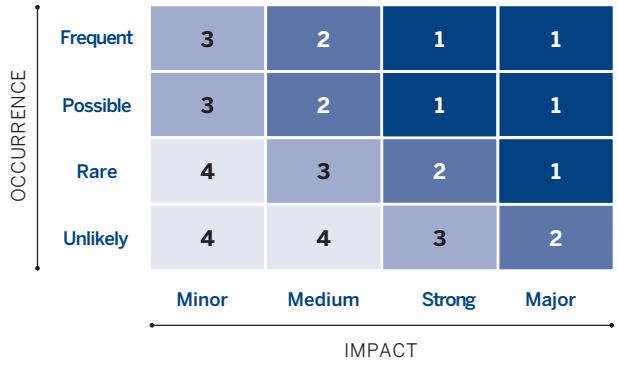
The Risk Department steers the risk identification process based on a methodology described below.

With regard to the scopes covered, all 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 Risk 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.

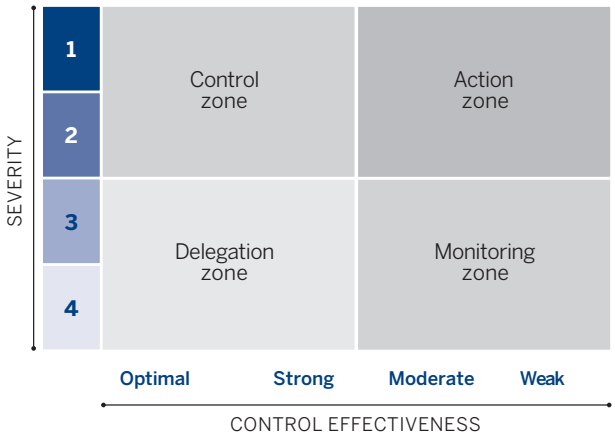
Risk analysis and assessment

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

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. A certain number of important factors can imply that the Company's growth and profitability objectives are not achieved.

The risks and uncertainties presented hereafter 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 risks described hereafter on 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 portfolio and decentralization of tests		↗
	NFPS	Defective and/or insufficient product quality		↘
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		→

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 Challenges (see Section 3.3).

The ongoing conflict between Russia and Ukraine and the consequences thereof have exacerbated some of the aforementioned risks, such as dependence on certain suppliers and partners and the embargo and economic sanctions policies. The system for managing existing risks, which is part of the Group's crisis management process, has minimized the impact of this crisis by:

- quickly setting up a crisis unit;
- securing supplies of raw materials and finished products;
- monitoring and implementing U.S. and European sanctions policies.

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 customer portfolio;
- lose volume, thus having an unfavorable effect on revenue 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 portfolio 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 portfolio and the accompanying reduction in selling prices could have repercussions for the revenue 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 management system and policy by which it ensures compliance with applicable quality standards (see Section 3.4.4). The main manufacturing sites are certified compliant to ISO 9001 and ISO 13485.

Moreover, 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).

2.2.2 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 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 has 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.

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.

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 or unavailable if the suppliers decide to modify the composition of their products/materials or are no longer able to provide them. 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. The Purchasing Department works with the R&D and Industrialization departments to reduce supply risk and supplier dependency.

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).

2.2.2.3 Loss of a major industrial site

Net impact **Likelihood of occurrence ↘**

RISK DESCRIPTION

The Company operates 16 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 climate change-related 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 revenue 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 3.6.5.2).

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 3.6.5.1).

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 (e.g. Invisible Sentinel, BioFire, Specific Diagnostics) or external partnerships (such as Copan and Thermo Fisher Scientific) (see Section 1.1.3).

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. The process for integrating companies is adjusted to each situation in order to meet three main 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 and 2030 (see Section 3.5).

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

This plan is integrated in the Company's CSR strategy (see Section 3.1) and is subject to regular reviews by the Executive Committee to monitor 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.

2.2.3 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 3.6.6).

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 3.6.6).

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 that may result in financial loss or damage to 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. This is described in Section 3.6.6. **The Company has produced a corruption risk mapping, in order to identify the risks inherent in its activities and implement global and regional improvement plans to mitigate them.**

The Ethics and Compliance Department is represented within the Executive Committee by the Legal Affairs Department, responsible for 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, 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 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, particularly by way of 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 3.6.6).

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 1.4.3.1).

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 3.6.4). 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.

2.3 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.

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.
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 the Company 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. It is also responsible for managing exchange rate risks on the Group's net exposure for currencies where hedging instruments are available at a reasonable cost.
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).
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 29 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.

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.

In addition, the regional, functional and corporate departments are responsible for reviewing the work carried out within each subsidiary and for ensuring that internal control procedures are implemented effectively.

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. In 2022, the manual was expanded to cover other areas (supply chain, human resources, data protection).
Launch of an integrated management software application	The Company has an integrated management software application in 42 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

Risk management and the implementation of internal control are 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. In 2022, the department launched its first annual testing campaign, involving 17 controls from the manual. These include anti-corruption controls on 40 entities. The tests are conducted by the operational teams of another Group company and by the regional and corporate teams.
Internal Audit Department	The Group Audit Department of Institut Mérieux carries out internal audit activities in collaboration with the Management of bioMérieux and in accordance with identified risks. With help from employees in different roles and departments, the teams dedicated to internal audit ensure that the procedures defined by the Group are correctly applied in the subsidiaries and corporate departments. The conclusions are shared with bioMérieux's Internal Control and Risk Department. A risk analysis and advisory services system helps to continually improve operational processes. A charter defines the role of internal audit, its duties, its remit and the methodology used, in compliance with professional standards. From the basis of a central risk analysis, the internal audit and risk teams establish an annual audit plan as well as a summary and conclusions regarding the work carried out, which are 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 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 strategy regarding insurance is designed to ensure that the Company and all its subsidiaries have access to sufficient and uniform coverage, taking into account their size, activities and location. Any new company acquired by the Group will be added to the insurance policies unless its existing cover is more suitable.

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 international 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 related to deductible amounts and premiums, and the terms of coverage, to avoid this information being used prejudicially. For example, only insurance certificates are provided to third parties or partners who request proof of the Company's coverage.

The main insurance policies are described below.

Civil liability

The Company and all of its subsidiaries are insured under an umbrella policy covering the various forms of civil liability: operating liability, liability after delivery, liability for experimentation and clinical trials, professional liability (for the services performed by the Company and its subsidiaries independently of product sales) and liability for environmental damage.

Civil liability insurance considers the nature of the business of the Company and its subsidiaries pursuant to insurance-specific rules or special regulations (professional nature of most of its customers and batch manufacturing processes that reduce the likelihood of multiple risks). Some activities carried out by the Company and its subsidiaries, such as biomedical research, require specific coverage from certain categories of civil liability insurance. The Company also has an insurance program covering the liability of its corporate officers, senior executives and representatives.

Property and casualty

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. For non-EU subsidiaries, a local policy is in place so that the guarantees of the Master policy can be applied to the subsidiary with guaranteed and deductible amounts adjusted to the size of the subsidiary if needed. Lastly, in some cases, the subsidiary may take out a stand-alone local policy pursuant to a particular regulation or if there is a very specific local risk.

Transport

"Ordinary" risks related to the transport of goods by land, sea and air are covered by an umbrella insurance policy. Some specific risks may also be insured by way of extension.

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

Corporate Social Responsibility

bioMérieux is 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 in all countries.

3.1 Ambitions

Materiality analysis, serving bioMérieux's CSR ambition

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.

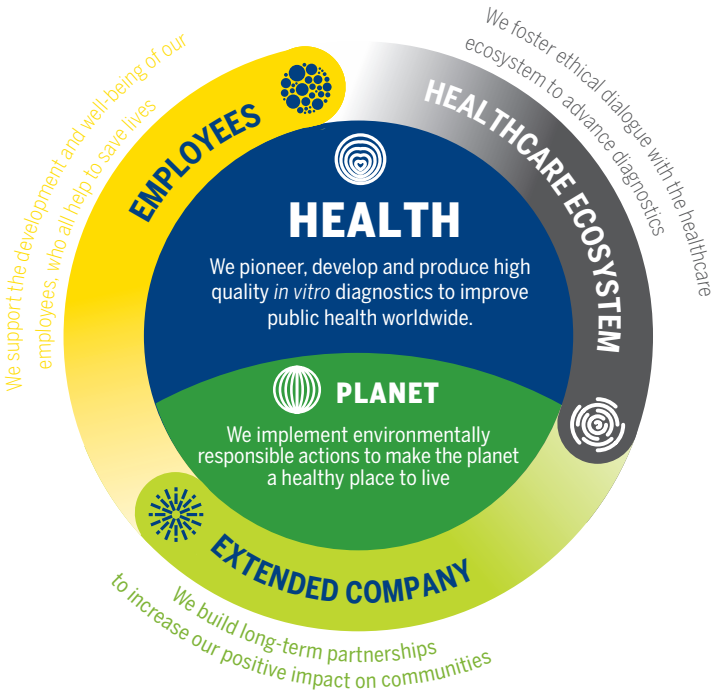
bioMérieux plans to update its materiality analysis every three years. Therefore this analysis will be repeated in 2023.

This analysis is concluded by creating a materiality matrix and enabled bioMérieux to update its CSR policy. It is based on five pillars represented in the diagram below.

Company purpose

In line with this, in 2021, bioMérieux defined its company purpose which expresses the vision of its executives and which has also been the subject of a consultation with a representative group of its stakeholders (see page 2 of this document).

Presentation of the five pillars and major commitments of the CSR strategy



Major commitments have been defined for each of these pillars, with a goal of reaching the targets defined by 2025 or 2030, depending on the topic. These goals are set out in the table below.

HEALTH Antimicrobial Resistance and Stewardship (AMS)	PLANET Carbon & environment footprint	HEALTHCARE ECOSYSTEM Stakeholder dialogue	EMPLOYEES Safety, Diversity & Inclusion	EXTENDED COMPANY Partners & Communities
+30% **of patient results**(1) supporting AMS by 2025 **≥80%** of referenced antibiotics addressed by our **AST solutions**(2)	**-50%** GHG absolute emissions in 2030 vs. 2019 Scopes 1&2 **-45%** water consumption(3) **-50%** energy consumption(3) **-50%** waste generation(3)	Collaboration projects with patient associations **x2** by 2025 vs. 2021 **Materiality assessment** updated every **3 years**	Lost Day Incident Rate **÷2 to 0.6** in 2025 vs. 1.2 in 2020 Corporate leadership team in 2025(4) **>40%** women **>35%** international profiles	**≥1%** of net income attributable to the parent company dedicated to Philanthropy (Endowment Fund excluded) Distributors covering **55%** of sales(5) trained on CSR by 2025

(1) 2019 estimate: 183 million results.
(2) At least 80% based on EUCAST list and 90% based on CLSI cat A, B, U list.
(3) In 2025 vs 2015, per € million of revenue.
(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.

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
September 2022
Renewal of the certificate of inclusion on the index
=

Gaïa Rating
October 2022
Score 81/100
↗ *In 2021* Score 80/100

CDP Disclosure Insight Action
December 2022
Score C
= *In 2021* Score C

Vigeo Eiris
September 2022
No. 1 in our sector – 62/100
Top 6% of assessed companies
↗ +5 points

EcoVadis
July 2022
Score 78/100 – Platinum
Top 1% of assessed companies
↗ *In 2021* Score 75/100

Gender Equality Index
March 2023
Score 93/100
= *In 2022* Score 93/100

Dow Jones Sustainability Index
September 2022
Score 72/100
↗ *In 2021* Still listed in the DJSI World and Europe 68/100 +4 points

Feminization of SBF 120 management bodies
November 2022
No. 44/120
Overall score: 70.83/100
↘ *In 2020* No. 87/120 score: 50.22/100
In 2021 No. 37/120 score: 69.83/100

PRIZES

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

RECOGNITION

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

3.2 Framework and governance

3.2.1 Framework of the CSR policy

bioMérieux is committed on a daily basis to respecting human rights, international labor laws and conventions, to promoting diversity, women's rights, the right of peoples to freely dispose of their natural resources, and the right to health.

Since 2003, bioMérieux has renewed its commitment to the United Nations Global Compact 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, the main focus of bioMérieux's activity is contributing 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).

3.2.2 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 created a Human Resources, Compensation and CSR Committee (see Section 4.2.6.7).

Since 2018, the Company has had an Operational Steering Committee dedicated to CSR. This CSR Steering Committee brings together all of the Company's functions, who engage in the process of co-constructing CSR goals, which involves all functions within the Company and ensures integration of CSR goals into the action plans rolled out. At the same time, local teams define their priorities for action to increase the Company's positive impact in the countries where it operates. Accordingly, the Company's CSR strategy and development strategy are closely linked and deployed at all levels of the Company. The CSR Committee is coordinated by the CSR Department.

3.2.3 Stakeholder dialogue

For many years, bioMérieux has maintained a continuous dialogue with its internal and external stakeholders in order to make decisions taking their expectations into account. This dialogue enriches the Company's thinking and nurtures a dynamic and open CSR strategy on its ecosystem.

bioMérieux organizes consultations of its stakeholder groups on specific subjects, especially with employees, customers and patients.

In 2022, bioMérieux established and published its **Dialogue with Stakeholders Charter**. This charter aims to:

- promote better understanding of the CSR issues that are the responsibility of bioMérieux;
- formalize the main rules of dialogue to facilitate stakeholder trust and ensure the quality of discussions;
- sustain this dialogue.

Through this charter, the bioMérieux Group is committed to:

- staying connected to changes in stakeholder expectations;
- studying the recommendations contributing to achieving the Sustainable Development Goals to increase the Company's positive impact;
- publishing the results of these discussions.

The implementation of this policy is managed by the CSR Department.

bioMérieux also set up a **Stakeholder Committee** in 2022. Representing the Company's stakeholders, this committee meets at least once a year. It is composed of four permanent members:

- a patient representative;
- a customer representative;
- a climate and environment expert;
- an expert in research and responsible investment;
- and two non-permanent members who are experts that can vary according to the subjects covered.

The Stakeholder Committee strives to respect parity and diversity criteria.

The first session, which was held in October 2022, related to product environmental impact. The two non-permanent members participating in this session were experts in ecodesign and life-cycle performance.

A summary of the discussions and expectations expressed by stakeholders on that day has been presented to the Executive Committee and is taken into account in the action plans, as part of a process of continuous improvement of the environmental impact of the Company's products.

3.2.4 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	pages 8 and 9 of this document
Description of the main non-financial risks	Sections 3.3 and 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. bioMérieux calls on the firm EY & Associés as an independent third party (see Section 3.10).

3.3 Analysis of risks and challenges

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.

Table of risks and challenges in the context of NFPS

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 risks and challenges map is presented to two committees of the Board of Directors: the Human Resources, Compensation and 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 challenges to the pillars defined in its CSR strategy.

ISSUES	DESCRIPTION	POLICIES IMPLEMENTED	INDICATORS	2022 RESULTS	OBJECTIVES	PARAGRAPH AND PAGES
			HEALTH			
Public health mission	Help protect the health of patients and consumers from infectious diseases	Provide healthcare professionals with diagnostic solutions to combat antimicrobial resistance	• Number of patient results supporting efforts to combat AMR • Share of antibiotics covered by our antimicrobial susceptibility testing (AST) solutions	• +8.6% of the outcomes returned • 80.7% of antibiotics covered by our solutions according to the Eucast reference and 90% according to the CLSI reference cat. A, B, U	2025 objectives: • 30% increase in the number of patient results contributing to rational use of antibiotics relative to 2019 • At least 80% of antibiotics useful in human medicine included in our antimicrobial susceptibility testing (AST) solutions	Section 3.4.1 Section 3.4.2 Section 3.4.3 Pages 101, 102
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 2022 as in 2021 • ISO 13485 certifications: 18 sites and subsidiaries in 2022 versus 15 in 2021 • All products are made on sites with an ISO-certified quality management system		Section 3.4.4 Page 104
			PLANET			
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	• -2.6% (62,764 tCO_2e) compared with 2019 (reference year) (64,432 tCO_2e)	2030 objectives: • 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) • Scope 3: 67% of our suppliers engaged in a trajectory validated by SBTi in 2026	Section 3.5.1 Section 3.5.2.1 Pages 104, 105
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	• LCA performed for VIDAS® and VITEK®	2025 objective: • 90% of the product portfolio will be covered by a Life-Cycle Analysis (by quantity sold)	Section 3.5.2.2 Page 108
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 water consumption • Total energy consumption/ revenue • Total quantity of waste/revenue • Percentage of recycled waste	• Water: -41%[c] (638,219 m^3 compared with -40% (602,745 m^3) in 2021. • Energy: -39%[c] (228,467 MWh) compared with -38% (217,647 MWh) in 2021 • Waste: -54%[c] (9,097 metric tons) compared with -45% (9,884 metric tons) in 2021 • Waste: 52.9% of waste recovered	2025 objectives: • 45% reduction in water consumption compared with 2015 (ratio of water consumption to revenue) • 50% reduction in energy intensity compared with 2015 (ratio of energy intensity to revenue) • 50% reduction in waste generation intensity compared with 2015 (ratio of waste generation to revenue)	Section 3.5.2.3 Section 3.5.2.4 Section 3.5.2.5 Pages 110, 111, 112

(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) Ratio in relation to revenue and compared with 2015.

ISSUES	DESCRIPTION	POLICIES IMPLEMENTED	INDICATORS	2022 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	• Audit and inspection findings	• The inspections were all successfully completed and contribute to the Company's continuous improvement plans		Section 3.6.4 Page 116
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	• There were no data breaches that required reporting to the competent authorities		Section 3.6.5 Page 117
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 ◦ confidentiality; ◦ Code of Conduct	The training completion rate was: • 88.99% for anti-corruption measures (by distributors) • 92% for confidentiality • 84% for the Code of Conduct (versus 86% in 2021)		Section 3.6.6 Page 119
			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	• Frequency rate of lost-time occupational accidents: -21% compared with 2020 (2022 frequency rate: 0.94) • Frequency rate of total reportable occupational accidents: -1.5% compared with 2020 (2022 frequency rate: 2.57)	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 3.7.2 Page 124
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 54% F 46% • Manager headcount: M 56% F 44% • In France, 49% of managers are women • Women account for 52% of internal promotions • Employees with disabilities: ◦ Europe: 0.79% ◦ Americas: 4.24% ◦ Asia Pacific: 0.00% ◦ In 2021, France: 6.25%[c]	2025 objective: • For at least 40% of the N-1 Executive Committee global positions to be filled by women[d] and 35% by people with an international profile[e]	Section 3.7.3 Page 126

(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) The employment rate for 2022, 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 stated on its website that employers will have to declare their obligation to employ disabled workers (DOETH) during their April 2023 salary declaration. The 2022 rate will be published in the 2023 Universal Registration Document.

(d) Reporting directly to the Executive Committee with a global Corporate mission.

(e) Defined as non-French (or other minority in the countries where applicable).

ISSUES	DESCRIPTION	POLICIES IMPLEMENTED	INDICATORS	2022 RESULTS	OBJECTIVES	PARAGRAPH AND PAGES
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: 281,723 hours, or an average of 21 hours per employee (compared with 19 hours in 2021) • Employee training rate: 93%[(c)]		Section 3.7.5 Page 131
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 • Engagement score according to the global engagement survey	Arrivals with permanent contracts: 2,120 Arrivals with fixed-term contracts: 373 Voluntary departures: 1,390 Dismissals: 367 Promotions: 1,168 employees Absenteeism rate: • Americas: 1.6% • Asia Pacific: 0.5% • EMEA: 6.4%	• To be in the top 25% of companies in our sector for employee engagement	Section 3.7.6 Page 132
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	• 536 mainly strategic suppliers were rated by EcoVadis, representing over 55.8% of spending on purchases	• Engage providers representing 67% of its purchasing volume to adhere to SBTi targets	Section 3.8.1 Page 137
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 2022, 90% of distributors were assessed on their performance and skills • 9 distributors representing 7% of sales made through this channel are EcoVadis certified	2025 objective: • Provide CSR training to distributors representing 55% of sales from the indirect model	Section 3.8.2 Page 138
Philanthropy	Enhance regional solidarity	Participate in social and cultural initiatives, in partnership with local associations and NGOs	• Percentage of net profit attributable to the parent company dedicated to philanthropy	• 6.5 million or 1.08% of net profit attributable to the parent company dedicated to philanthropy in 2022	• Dedicate 1% or more of net profit attributable to the parent company to philanthropy	Section 3.8.4 Page 140

(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) Total number of employees over total number of employees trained.

3.4 Our impact on health

bioMérieux's mission is to help improve patient care and protect consumer health in the face of infectious diseases. Diagnostic tests provide essential information to clinicians and enable bioMérieux to address public health challenges such as antimicrobial resistance, sepsis and combating emerging pathogens.

3.4.1 Antimicrobial resistance: observations and issues

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 phenomenon is accelerated by inappropriate or excessive use of antibiotics in humans and animals, especially in the case of viral infections, for which antibiotics are inactive.

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.) will become very risky.

Antimicrobial resistance (AMR) and sepsis are the same fight.

Sepsis is a life-threatening organ dysfunction. It is induced by an excessive immune response to a serious infection. There are 49 million sepsis cases worldwide each year and 11 million deaths[3].

The fight against AMR and the fight against sepsis are linked. The stakes are high because patients with sepsis with resistant pathogens have a mortality risk twice that of those whose pathogens are not resistant[4]. Diagnostics is essential to identify the nature of the pathogen, adapt the treatment and monitor the patient's response to prevent any deterioration in their condition, especially development into sepsis. If sepsis is suspected, antibiotic therapy must be administered very quickly. Any delay in treatment initiation may have fatal consequences[5]. The prescription of broad-spectrum antibiotics as a first-line treatment contributes to the development of AMR. It should therefore be reserved for patients in a situation of septic shock and, once sepsis is diagnosed, the clinician should be assisted in determining the most appropriate antibiotic treatment for the patient.

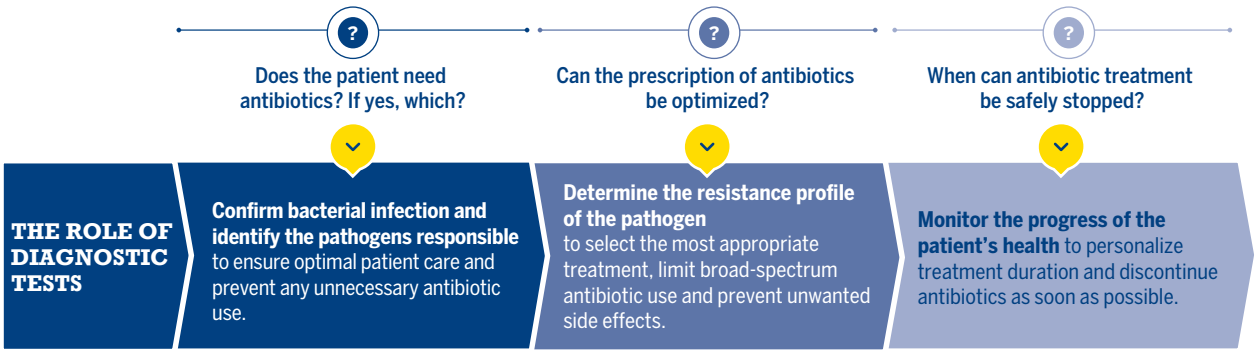
The complete "Sepsis Management" range is dedicated to patient care at all stages of the disease.

The implementation of antimicrobial stewardship (AMS) policies is an essential tool for combating AMR[6]. The key role of *in vitro* diagnostics is reflected in this approach.

- Diagnosis can be used to differentiate between viral and bacterial infections. By quickly indicating that a person is infected with a virus and does not need antibiotics, it becomes possible to reduce overall antibiotic use safely and significantly. At the patient 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.
- At the community level, diagnostics is the only tool capable of providing surveillance data (human, veterinary and environmental) to monitor the status and progression of antimicrobial resistance and thus to construct and update antimicrobial stewardship recommendations. Screening of patients who carry antimicrobial-resistant pathogens also allows appropriate isolation measures to be taken to limit their spread.
- 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.

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) by means of tests to identify pathogens and detect their antimicrobial resistance and sensitivity profile (see Section 1.2.3.2).

(1) *2016 O'Neill Report.*
(2) *Kings Fund, What if antibiotics were to stop working? (accessed May 2, 2018).*
(3) *https://apps.who.int/iris/bitstream/handle/10665/334216/9789240010789-eng.pdf*
(4) *Hanberger et al. Int J Antimicrob Agents. 2011 Oct. Increased mortality associated with methicillin-resistant Staphylococcus aureus (MRSA) infection in the intensive care unit: results from the EPIC II study.*
(5) *Kumar A, Roberts D, Wood KE, et al. Duration of hypotension before initiation of effective antimicrobial therapy is the critical determinant of survival in human septic shock. Crit Care Med. 2006;34(6):1589-1596.*
(6) *WHO 2014: https://web.archive.org/web/20150402144927/http://www.who.int/drugresistance/events/Oslomeeting/en/*



3.4.2 bioMérieux's commitments in the fight against antimicrobial resistance

As a pioneer in the diagnosis of infectious diseases, bioMérieux develops tests that can identify pathogens, detect their potential antimicrobial resistance, and analyze their antimicrobial sensitivity in order to help physicians precisely determine the appropriate treatment. bioMérieux assesses its impact on healthcare by monitoring the number of results provided to clinicians with an effect on the prescription of antibiotics. The aim is to help reduce the inappropriate use of these treatments and preserve their efficacy both now and for future generations.

For this reason, bioMérieux has committed to increase the number of results provided in the fight against AMR by 30% between 2019 and 2025.

In addition, bioMérieux's AST solutions provide clinicians with crucial information enabling them to adjust antibiotic therapy based on the resistance of bacteria and their sensitivity to these treatments. bioMérieux has therefore committed to ensuring that its AST solutions include at least 80% of listed human antibiotics.

HEALTH	Major commitments:	2022 Results:
• We pioneer, develop and produce high quality *in vitro* diagnostics to improve public health worldwide	• **+30% of patient results** supporting AMS by 2025 • **≥ 80%** of referenced antibiotics addressed by bioMérieux's **AST solutions**	• **+8.6%** of results returned • **80.7%** of antibiotics covered by our solutions according to the Eucast reference and **90%** according to the CLSI reference cat. A, B, U

3.4.3 The multiple actions undertaken by bioMérieux in this fight

In addition to its portfolio of solutions, bioMérieux's contribution takes the form of several initiatives described below.

Creation of Aurobac

In 2022, bioMérieux joined with Boehringer Ingelheim and Evotec to create the Aurobac joint venture for the purposes of creating the next generation of antibiotics as well as new diagnostics solutions to combat antimicrobial resistance. Aurobac aims to advance the strategy related to current treatment regimes, which are based on empirical approaches using non-targeted, broad-spectrum antibiotics. The goal is to move toward a precision approach, using efficient and targeted new solutions combined with fast and actionable diagnostics.

Training of healthcare professionals and public awareness of the importance of antimicrobial stewardship

The Company is also developing a range of open access educational manuals on topics related to antimicrobial resistance and antimicrobial stewardship. These practical handbooks are available in English on bioMérieux's website:

Furthermore, bioMérieux supports continuing education sessions leading to accreditations for healthcare professionals (webinars and workshops) (see Section 3.8.4.3).

In 2019, bioMérieux opened a training center in Abidjan dedicated to healthcare professionals. Since then, more than 156 laboratory technicians have received special training in blood culture, identification and antimicrobial susceptibility testing (AST) to combat microbial resistance. In 2022, bioMérieux also supported awareness-raising and educational activities regarding antimicrobial stewardship in several countries including Ivory Coast, Burkina Faso, Kenya, Benin, Mauritania, Nigeria and Algeria.

Scholarships are also awarded to scientific societies for medical education activities (ESCMID, ISID, ESICM, Africa CDC, ASEAN, the Latin American ALADDIV).

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

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. In 2021, over 90 countries participated, involving over 1,000 hospitals and more than 450,000 patients.

By regularly participating in this survey, each hospital can assess its performance and compare its practices with those of other sites in order to improve them. 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). The results of this work were reported in more than 21 publications and participation in various conferences during the year.

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, executive vice president, chief medical officer, sits on the Board of Directors of AMR Industry Alliance as a representative of the diagnostics industry. bioMérieux participated in the survey that formed the basis of the 2021 Progress Report on the life science industry's commitment to combating antimicrobial resistance.

Started in 2019, **VALUE-Dx** is a unique pan-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 and to combat antimicrobial resistance. The project is led by a public-private research consortium of 26 partners, and coordinated by the University of Antwerp, bioMérieux and Wellcome Trust. Half of the funding for VALUE-Dx comes from the European Commission and 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). This trial uses our BIOFIRE® Respiratory 2.1 *plus* and BIOFIRE® Pneumonia tests to demonstrate the impact of syndromic diagnostic tests on the emergency management of severe respiratory infections. ADEQUATE is focused on the pediatric population with the goal of enrolling 500 children, and will contribute to creating a clinical sample bank on nine hospital sites distributed over six European countries. In the data management field, the project recently made it possible to define and test a concept for collecting antimicrobial resistance data arising from a federation of laboratories, where data safety and confidentiality are maximized.

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.

The **cooperation agreement** with the Center for Infectious Disease Research and Policy (CIDRAP) was renewed. In 2021, it gave rise to the production of podcasts regarding the results of three major scientific studies related to the health economic value of diagnostics.

In **Nigeria,** in 2021, bioMérieux signed a collaboration agreement with the German Agency for International Cooperation (GIZ) in order to support the Nigerian Center for Disease Control (NCDC) in the fight against AMR. The goal is to promote and implement antimicrobial stewardship programs. This is the first time that bioMérieux has carried out a partnership of this type in Africa.

As a global leader in diagnosis of infectious diseases, bioMérieux has made responsible antimicrobial management one of its priorities. On the strength of this expertise, the Company was chosen by the **Fleming Fund** as a partner in a UK investment program endowed with £265 million to combat antimicrobial resistance in 21 resource-limited countries. bioMérieux, chosen for the performance of its diagnostics solutions, its organizational capacity in the targeted countries and its expertise in training healthcare professionals in microbiology and antimicrobial resistance, thus has become responsible for deploying its solutions in 15 countries of this program. In each of these countries, a clinical laboratory and a veterinary reference laboratory have been equipped with the VITEK® MS, VITEK® 2 and MAESTRIA™ systems. Since 2021, bioMérieux has equipped laboratories in Laos, Malawi, Nepal, Tanzania, Senegal, Swaziland, Zambia, Zimbabwe, Bhutan, Bangladesh, India, Indonesia, Nigeria and Vietnam. The facilities in Sierra Leone and Senegal have completed this first phase of the program. This program contributes to the third United Nations Sustainable Development Goal, which is that of health and well-being, in which antimicrobial resistance (AMR) has been recently officially added.

Research collaborations

From the perspective of better characterization of the health economic benefits of diagnostics, bioMérieux has supported the Toulouse School of Economics to encourage research into models supporting the economic viability of new antibiotics and the healthcare products arising from them.

Establishing AMS Centers of Excellence

bioMérieux has selected several hospitals from among its historical partners to establish AMS Centers of Excellence. In the establishments concerned, including laboratories that already have bioMérieux equipment, bioMérieux's employees are committed alongside healthcare professionals to developing antimicrobial stewardship.

By relying on data from diagnostic results, the teams contribute to improving practices, reducing time to execution and facilitating the laboratory routine, thus showing the full medical and economic value of diagnostics in the fight against antimicrobial resistance.

Each bioMérieux AMS Center of Excellence is supported by a cross-disciplinary team dedicated to managing the relationship with the participating hospitals. These teams are composed of employees from different functions such as marketing, medical affairs, IT, customer service, legal affairs and integrity.

With these AMS Centers of Excellence, bioMérieux wishes to highlight the advantages of a comprehensive approach, integrating data/IT solutions, laboratory advising and medical training in addition to diagnostic solutions. In practice, the teams adapt to the realities of each establishment by building tailored partnerships for a three-year duration.

The very first Center of Excellence was created in China, in Zhuihang Hospital, and to date, 13 centers have been established around the world. These centers are of various types: private or public institutions, different degrees of maturity, different geographic locations and different sizes.

75% of R&D capital expenditure is dedicated to the fight against microbial resistance (see Section 1.5.1.1).

3.4.4 Product quality and safety

Every day, bioMérieux strives to guarantee the quality and safety of its products and thus protect the health of patients and consumers. 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 (see Section 1.4).

ISO 9001 certifications: 56 sites and subsidiaries in 2022 as in 2021
ISO 13485 certifications: 18 sites and subsidiaries in 2022 versus 15 in 2021
All products are made on sites with an ISO-certified quality management system.

3.5 Preserving the planet, our greatest resource

3.5.1 Objectives and governance

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

In the context of its CSR strategy reviewed in 2020, bioMérieux has made new commitments to reduce its environmental footprint by 2025 and 2030.

PLANET
We implement environmentally responsible actions so the planet is a healthy place to live

Major commitments:
- 2030 objective: reduce **Scope 1 and 2 absolute greenhouse gas (GHG) emissions** by 50% compared with 2019 to contribute to the fight against global warming
- 2025 objectives:
  - Reduce **water** consumption by 45% compared with 2015 (ratio of water consumption to revenue)
  - Reduce energy intensity by 50% compared with 2015 **(ratio of energy** intensity to revenue)
  - Optimize production (-50%) and recycling of **waste** (>85%), raw material use and consumption of energy (-50%) and water (-45%) compared with 2019

2022 Results:
- **GHG:** -2.6% (62,764 tCO_2e) compared with 2019 (reference year) (64,432 tCO_2e)
- **Water:** -41%* (638,219 m^3) vs 2015 compared with -40% (602,745 m^3) in 2021
- **Energy:** -39%* (228,467 MWh) vs 2015 compared with -38% (217,647 MWh) in 2021
- **Waste:** -54%* (9,097 metric tons) vs. 2015 compared with -45% (9,884 metric tons) in 2021

* *Ratio in relation to revenue*

Organization and operations

bioMérieux assesses its impact on the environment (soil, water, air, noise, energy, waste, etc.). Its initiatives are part of an approach based on non-wasteful and responsible use of natural resources and primary raw materials.

The Company has introduced a Health, Safety and Environment 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.

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 the Chairman and CEO and several members of the Executive Committee (representing global quality functions for manufacturing & supply chain, R&D, human resources & CSR, finance, purchasing, information systems, and 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 (HSE 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 3.5.2.5).

In late 2022, the North Ryde industrial site in Sydney obtained initial ISO 14001 certification. As such, it joins the sites of Craponne, Combourg, Marcy-l'Étoile, La Balme, Saint-Vulbas, Grenoble and Verniolle (France), Tres Cantos (Spain), Florence (Italy) and Durham, St. Louis and Lombard (United States), bringing the total number of certified production sites to 86%.

3.5.2 Taking action for the climate and the environment

3.5.2.1 Greenhouse gas emissions: a goal validated by the Science Based Target initiative

In order to reduce its greenhouse gas emissions throughout the value chain and for the long term, in compliance with the Paris Climate Agreement, the Company has determined objectives 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*.

Roadmaps have been deployed in various business lines (manufacturing, *packaging*, R&D, purchasing, *supply chain*, etc.) so that each contributes to reducing scopes 1, 2 and 3 CO_2 emissions. Specific monitoring enables each business line to track its own performance.

To accomplish this initiative, bioMérieux relies on:

- an analysis of its greenhouse gas emissions (scopes 1, 2 and 3);
- a governance based on a Steering Committee made up of the directors of the global functions concerned (m*anufacturing*, vehicle fleets, purchasing, s*upply 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 with Fresque du Climat.

Furthermore, bioMérieux is also involved in the Carbon Disclosure Project (CDP) (see Section 3.1) and uses the results to structure its approach.

Actions implemented

Renewable energies: the various achievements of recent years are set out in Section 3.5.2.4.

Reducing CO_2 emissions in the transport of finished products:

- integration of requirements relative to greenhouse gas emissions generated by services carried out by its co-contractors in **international transport and logistics contracts**: the Company works continuously to reduce 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 is 60% (as a reminder, it was: 62% in 2021, 59% in 2020 and 48% in 2019. The slight decrease in this ratio is mainly explained by the difficult logistical context in 2022 (e.g. various tense geopolitical situations, COVID crisis in China, etc.);
- other modal transfer actions are regularly initiated, and are continued when they demonstrate their effectiveness. Thus, domestic transport in the United States, for example, is gradually being transferred to road freight instead of air. In 2022, products were routed by the Turkish subsidiary in Iraq by truck, replacing planes;
- domestically, subsidiaries are gradually switching to transporters who offer a "last mile" *via* low carbon vehicles. After France, bioMérieux's Brazilian teams have implemented this organization;
- in 2022, the purchase of sustainable biofuels complying with the RED II European Directive has been initiated for international maritime transport of its finished products and will be continued in 2023. This action has avoided the emission of 1,000 metric tons of CO_2;
- the location of various logistical centers making it possible to route finished products from sites to subsidiaries and then from subsidiaries to customers is one component of the CO_2 emissions of our supply chain. Accordingly, projects for relocating these logistical centers are regularly being studied and then implemented. In 2022, an additional center was opened in China and will make it possible to increase domestic distribution efficiency in this country and thereby reduce associated emissions.

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 Company is pursuing the development of the VILINK™ IT solution, providing bioMérieux customers with remote incident resolution, maintenance and upgrade services. 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 for 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.

Soft mobility: in France, bioMérieux encourages the use of soft mobility for its employees. A use test phase for electric bicycles has been initiated to encourage employees to use this method of transport. In order to enable a larger number of employees to participate in it, in 2022, bioMérieux made a fleet of electric bicycles available free of charge via an application on the Marcy l'Étoile, Craponne and Grenoble sites. The primary goal is to reduce the carbon footprint of travel between home and work. The targeted employees are those who live less than 15 minutes by bicycle from the bioMérieux sites concerned. This initiative foresees the possibility of employees renting an individual electric bike long term, for which bioMérieux would bear a part of the costs.

Employee commitment: the Company has chosen to raise awareness of climate change among its employees, in particular with the Fresque du Climat tool. After first training coordinators and holding the first training sessions in-house in the second half of 2021, bioMérieux has rolled out an initial program mainly with functions or roles in the organization related to the Company's Climate Action Plan (Supply chain, Purchasing, energy and HSE teams on production sites) in around 20 countries. 1,158 employees have been trained in 137 training sessions in 2022 (bringing the total number of employees trained to 1,207). These training sessions were conducted by a team of 51 internal coordinators located in several countries, e.g. Australia, Belgium, China, France, India, Italy, Mexico, United States, etc.). The entire bioMérieux Executive Committee as well as nearly 80% of the 200 top managers have participated in a Fresque du Climat.

2022 Achievements

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

Scope	Significant emissions categories	2022 emissions in thousands of tCO_2e (± uncertainty)	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)	25 (good)	24 (good)	23 (good)	26 (good)
Scope 2	Energy purchases (Scope 2)	38 (good)	37 (good)	39 (good)	39 (good)
Scope 3		1,076 (high)	996 (high)	975 (high)	869 (high)
Annual change percentage Scopes 1, 2 and 3		*7.8%*	*1.9%*	*11.0%*	

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

Over the period from 2019 to 2022, bioMérieux exhibited very strong business growth while keeping its scope 1 & 2 emissions constant, mainly through energy efficiency actions implemented each year and the installation of photovoltaic panels in 2021. In 2022, the planning of decarbonization actions has been established and is being pursued. Some decarbonization actions in 2022 will continue to be deployed in 2023.

Scopes 1 and 2 emissions

The methodology for calculating scope 1 & 2 emissions has been reviewed in 2022 in order to:

- reinforce the consideration of the Market Based methodology of the GHG Protocol applied at the beginning of 2022 on scope 2 emissions for 2019 to 2021;
- change the basis of scope 2 emission factors to ensure it is updated dynamically This new basis was used to recalculate the emission volumes from 2019 to 2022;
- change the basis of scope 1 emission factors that included upstream emissions until 2021, when a specific calculation of these emissions was integrated for the first time in the Company's scope 3. The volumes of scope 1 emissions have been recalculated with this new basis for emission factors for the years 2019 to 2022.

bioMérieux will file an update file with SBTi during 2023, taking into account volume variations for 2019 to 2022.

Scope 3 emissions

Scope 3 emissions reported in the table above include estimates made since 2021 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 2019 to 2022. They account for the majority of the Company's Scope 3 emissions, a feature shared by companies in the same 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.

Capital goods

Emissions in this category are assessed for the years 2019 to 2022.

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

Emissions in this category are assessed for the years 2019 to 2022.

Employee commuting

Emissions in this category are assessed for the years 2019 to 2022.

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. In 2022, travel has resumed, but with a 23% reduction in emissions compared to 2019. This decrease partially results from a gradual recovery over the year, but also from changes in how work is organized and an increasing awareness of the environmental issues associated with plane travel for employees.

Use of sold products

A change in the basis of emission factors related to electricity consumption by country performed in 2022 (see comment on scope 1 & 2) this year leads to a revision of the emission volumes from 2019 to 2022.

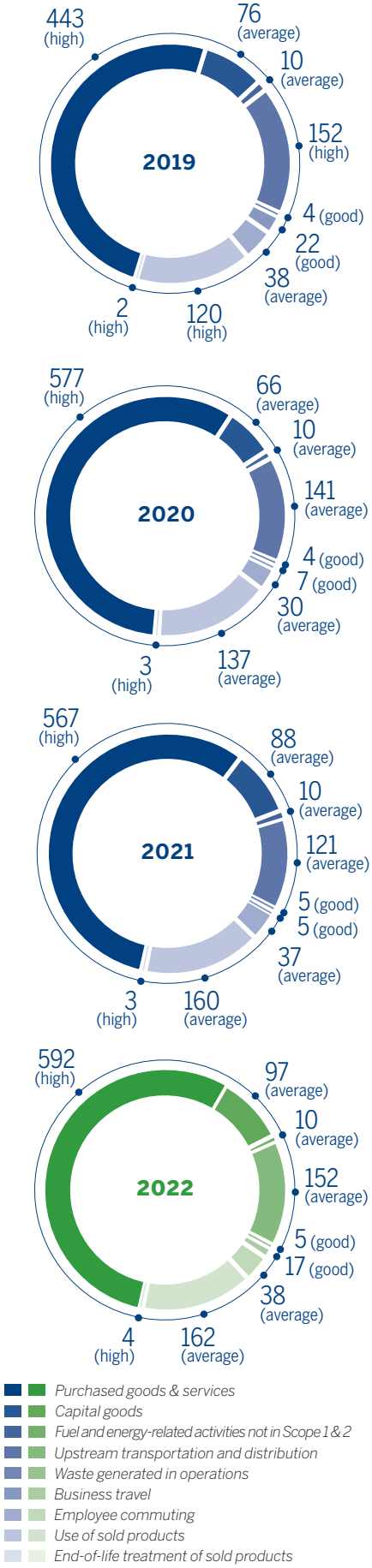
Upstream leased assets

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.

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



3.5.2.2 Ecodesign of products

Ecodesign involves incorporating environmental criteria from the product (or service) design stage. The aim is to reduce its impacts on the planet and increase its environmental performance throughout its life-cycle.

The product life-cycle includes 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.

bioMérieux's ecodesign approach covers the environmental performance of new projects as well as products that are already on the market. It should enable bioMérieux to optimize the environmental impact for its activities, as well as for its suppliers and customers.

Actions implemented

To better understand and classify product environmental issues in priority order, bioMérieux conducts Life-Cycle Analyses(1) (LCA) of two major ranges (VIDAS® and VITEK®), relating to complete solutions (instrument, reagents and consumables).

These LCAs highlighted that:

- the use of the instrument by the customer, through electricity consumption, is the life-cycle step that contributes the most to the environmental footprint of these two solutions;
- the distribution of reagents to customers is the step generating the second-highest environmental impact, followed by their production (for the VITEK® range).

These first LCAs enabled the Company to classify its actions in order of priority, in order to make its ecodesign approach as effective as possible. The following aspects now guide all the decisions relative to the environmental performance of products:

- energy performance of instruments;
- optimization of packaging and reduction of single use plastics;
- establishment of a circular economy.

Ecodesign has been integrated into the development process for new products. Thus, any new development project for a product is subject to at least three ecodesign actions. The environmental assessment of each project is carried out by means of sixty questions.

Ecodesign is also applied when existing products are reviewed. For example, teams are working on extending the shelf life of certain reagents. In order to deploy the environmental progress plan across all of the Company's business lines, holistic governance has been put in place based on:

- a dedicated steering committee composed of members of the Executive Committee representing the R&D, manufacturing & supply chain, marketing and HSE functions, which meets three times a year;
- around thirty contact points covering the main functions of the Company in the different regions, both for clinical and industrial activities;
- a network of eco-partners, each representing our sites in Europe whose objective is to promote the concept of ecodesign, foster the expression of innovative ideas by teams on the ground and foster connections between production and R&D.

At the same time, in order to strengthen employee skills, bioMérieux has developed and rolled out remote training. The program includes two modules: a "basic" level that explains the life-cycle of a product and its environmental impacts, accessible to all employees, and an "advanced" level intended for key functions directly involved in ecodesign (R&D, production, purchasing, supply chain, etc.).

(1) according to a methodology complying with ISO 14040 and 14044 standards.

2022 Achievements

2025 objective: perform **LCAs** on 90% of the product portfolio (by quantity sold, 2022 basis).
2022 result: **LCAs** were performed for the VITEK® and VIDAS® ranges.

Moreover, two specific actions have borne fruit during fiscal year 2022, as detailed below:

VIDAS® KUBE™, A NEW ECODESIGNED AUTOMATED SYSTEM

The development of VIDAS® KUBE™, the next generation immunoassay automated system, was carried out on the basis of lessons learned from the life-cycle analysis of the VIDAS® solution (instruments and reagents). Since energy consumption has the greatest environmental impact, VIDAS® KUBE™ has been equipped with a sleep mode: it can be paused overnight when it is not in use and programmed to start again in the morning at the time desired by the operator. Energy consumption was reduced by up to 52%. Other ecodesign criteria have been introduced, such as repairability to extend its useful life, and modularity, which facilitates adapting its capacity to the needs of the laboratory.

MORE ENVIRONMENTALLY SOUND PACKAGING

After replacing white boxes with brown boxes in the production line for VIDAS® reagents and Petri dish culture media in 2022, bioMérieux has undertaken to adopt this ecopackaging for the TEMPO®, NUCLISENS® and GENE-UP® ranges as well as for the tubes and bottles produced on the Combourg site. Simultaneously, cardboard packages are optimized (reduced thickness and flap size), which has already achieved a saving of 110 metric tons of cardboard per year.

The Company has also set up a program seeking to improve its tertiary packaging practices. Annual improvement actions are sought in each country where packaging operations are carried out. For example, in 2022, the Brazil subsidiary conducted actions to eliminate polystyrene foam as thermal insulation for finished products that must be kept at a controlled temperature. A saving of six metric tons of material will therefore be achieved each year. An action plan has been developed for 2023. Since the footprint of finished products is also partially due to CO_2 emissions for their transport, actions are also being taken in this area (see Section 3.5.2.1).

3.5.2.3 Water management

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

Actions implemented

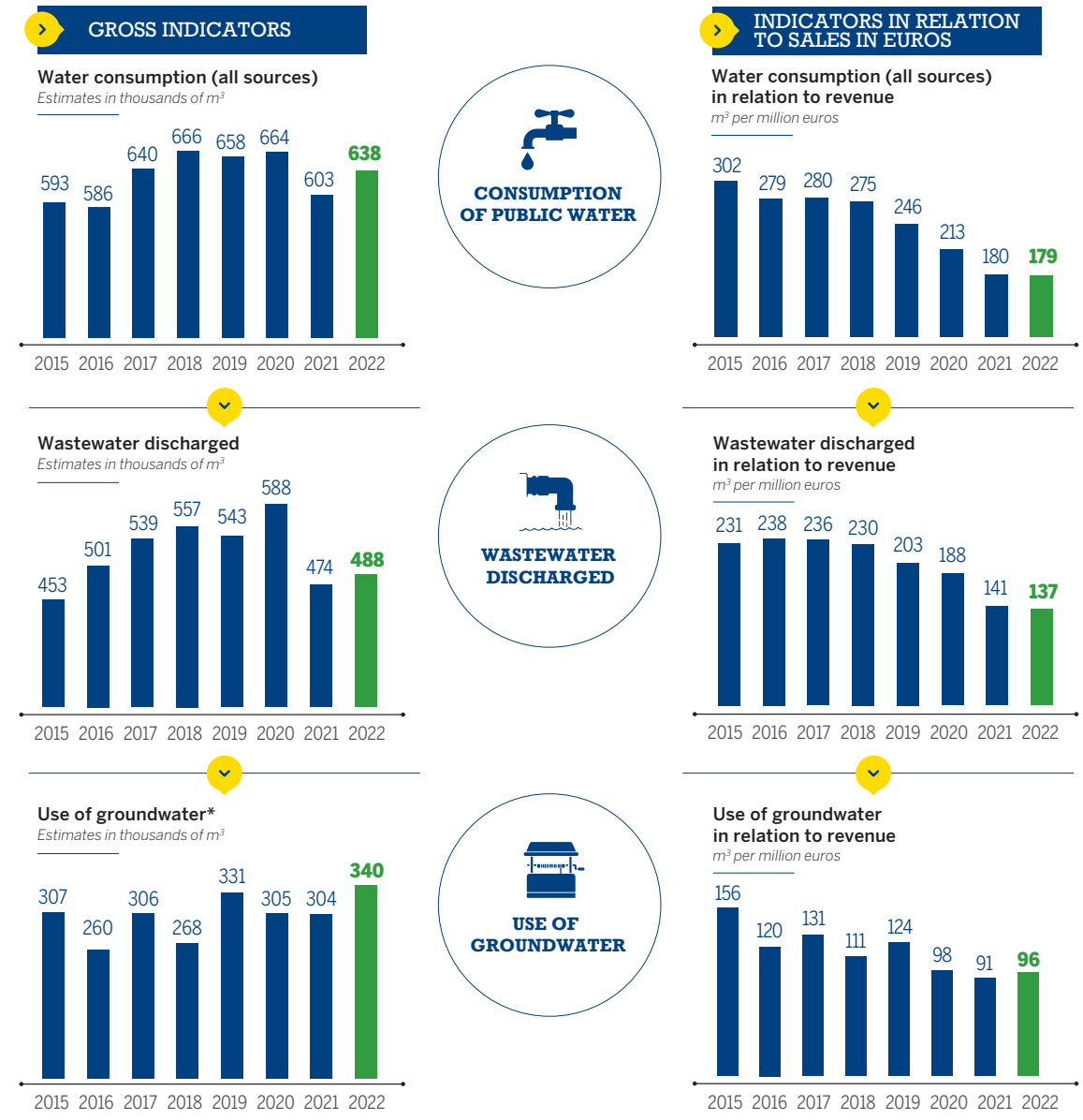
For the water needs of its manufacturing sites, bioMérieux uses the local water supply. The Company does not directly extract water from the natural environment, except for the cooling requirements of its logistics platform located in Saint-Vulbas (France). At this site, a heat exchanger makes it possible to use the temperature difference with the local groundwater. Water extracted from the groundwater is discharged after heat exchange, and has no direct contact with the cooling circuit 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 occasional water-use restrictions issued by local authorities in the event of drought, for example, regarding watering green spaces.

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).

2022 Achievements

In 2022, the consumption of public water and groundwater and the amount of wastewater discharged by the Company are detailed below, according to the organizational scope covered (see Section 3.9):



** 97% of this water is reinjected into the groundwater.*

3.5.2.4 Energy management

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

Actions implemented

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 (guarantee of origin), and that rate is 100% for the Florence (Italy) and Madrid (Spain) sites;
- between 2015 and 2020, the industrial sites of Grenoble, Durham and Salt Lake City were gradually equipped with photovoltaic panels. In 2021, photovoltaic panels were installed on the La Balme, Saint Vulbas (IDC) and North Ryde (Sydney) sites;
- in 2022, the photovoltaic panel installation in Durham was completely modified and its production capacity was increased.

Furthermore, at the request of the French government, the Company implemented a sobriety plan over the winter period to allow an effective reduction of 10% of its energy consumption over this period. The plan integrated one-off measures in addition to the ongoing measures already planned; on certain sites, it was even possible to close buildings to completely shut down their energy supply.

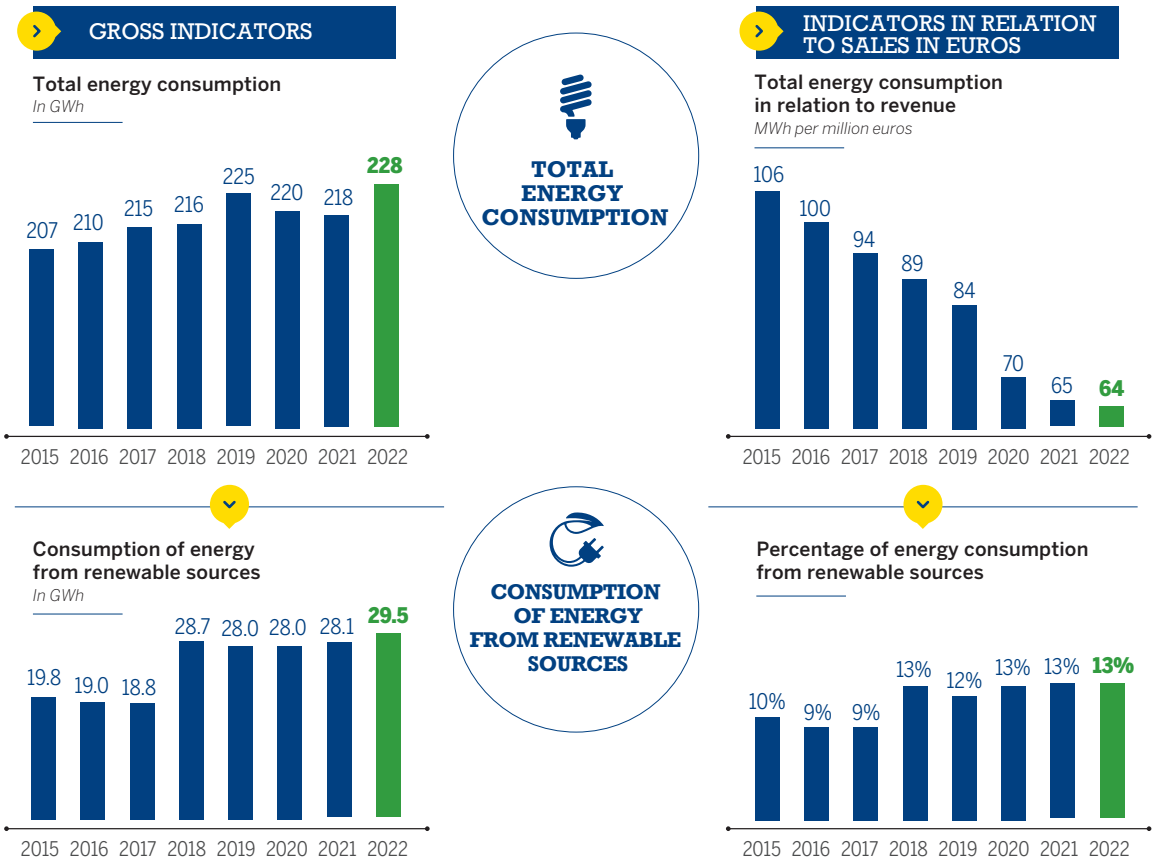
Since 2021, the industrial project teams have implemented the planning of new projects for the next few years with the commitment to reduce emissions of scopes 1 and 2 by a trajectory of +1.5°C. These projects focus on significantly increasing the share of renewable electricity in overall consumption (through the installation of on-site generations facilities, such as photovoltaic panels or through the implementation of PPA-type renewable electricity supply contracts), and reducing the use of fossil fuels by implementing low-carbon technologies. Some actions were initiated in 2022 and will be pursued in 2023.

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.

2022 Achievements

In 2022, the Company's total energy consumption and the percentage of consumption of energy from renewable sources are detailed below, according to the organizational scope covered (see Section 3.9):



3.5.2.5 Waste management

The Company optimizes waste management, sorts waste at source and develops 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. All of the Company's sites have waste storage facilities.

Actions implemented

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

Waste reduction: the Company optimizes 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, are "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. bioMérieux's Salt Lake City site has been recognized by the Thomas A. Martin Business Recycler of the Year award. Each year, the Recycling Coalition of Utah (RCU) recognizes the efforts of the "best of the best" recycling programs.

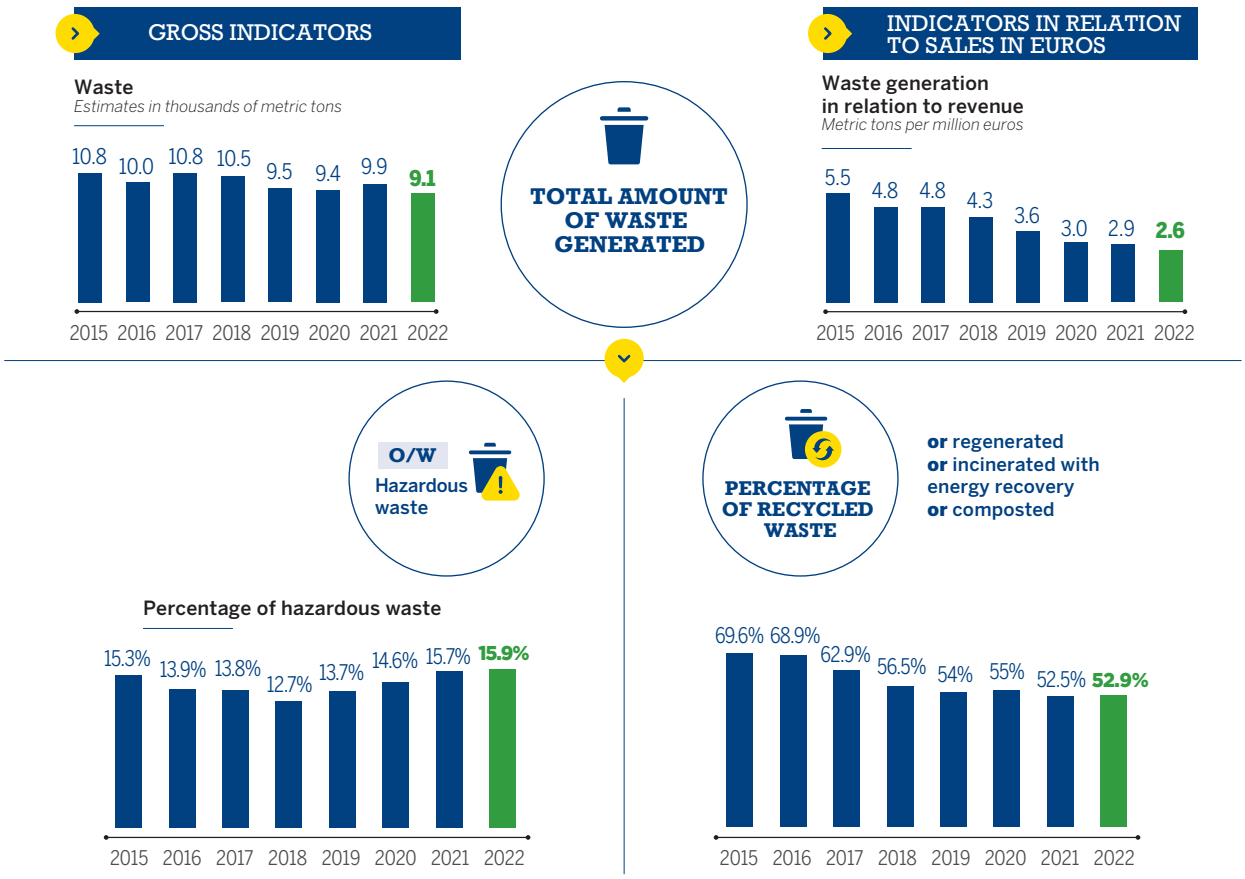
Waste sorting: sorting and recycling guides are available to employees. The Company raises awareness among employees of best practices in this area at events such as the National Sustainable Development Week in France. Containers for sorting waste (electronics, batteries, masks, etc.) are provided to employees who can use them for personal waste.

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.

Sustainable Development Week: to mark Sustainable Development Week, bioMérieux educated all of its employees regarding the best practices to adopt for daily travel and business trips in order to reduce the GES emissions that they generate.

2022 Achievements

In 2022, the waste generated (including hazardous waste) by the Company is detailed below, according to the organizational scope covered (see Section 3.9):



3.5.2.6 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.

bioMérieux's facilities are located in industrial and urban areas and are not in natural areas where 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 through, for example, 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. Moreover, bioMérieux has installed bird or bat nests, as well as insect shelters and has built low walls to accommodate small fauna and ponds to house aquatic plants and a variety of fauna. The Company also fosters the development of endemic flora.

As part of sponsorship actions for fostering biodiversity preservation, in 2021, bioMérieux signed a three-year partnership with the French League for the Protection of Birds (*Ligue de Protection des Oiseaux*, LPO) for France, Birdlife for Spain and the Lega Italiana Protezione Uccelli (LIPU) for Italy. These associations conducted a diagnostic analysis of bioMérieux's sites to assess the biodiversity potential of the land and its specific natural features. They also provided advice on making green space management more environmentally sound and performed annual monitoring of biodiversity within bioMérieux. In France, the Craponne and Marcy l'Étoile sites obtained "LPO refuge sites" status thanks to all their achievements fostering biodiversity, as part of an action plan carried out in conjunction with the LPO. Other sites are in the process of acquiring this status. Simultaneously bioMérieux, as part of its philanthropic actions, supports several projects led by associations specialized in the preservation of endangered species, animal welfare, and understanding and protecting biodiversity.

3.5.2.7 Global warming and health: contributing to the fight against the spread of new epidemics

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[(1)] 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.

(1) *Cavicchioli, R., Ripple, W.J., Timmis, K.N. et al. Scientists' warning to humanity: microorganisms and climate change. Nat Rev Microbiol 17, 569–586 (2019). https://doi.org/10.1038/s41579-019-0222-5*

3.6 Our impact on the healthcare ecosystem

3.6.1 Interacting ethically with the healthcare ecosystem

bioMérieux attaches a great deal of importance to dialogue with its stakeholders and holds regular discussions with them in order to meet their expectations through various actions and projects. From an innovation perspective, the Company, on the strength of its open innovation approach, collaborates with private or public scientific partners in the regions in which it operates.

Furthermore, the Company, with a presence in 45 countries and whose products are accessible in 160 countries, is especially committed to complying with the most stringent ethics and integrity standards in the conduct of its business, as well as standards on the protection of personal and patient data, and cybersecurity.

To uphold its commitment to patients, physicians, scientists, partners, investors, employees and society in general, bioMérieux has put robust governance in place and applies clear rules in compliance with the applicable legal framework in each country where it operates.

HEALTHCARE ECOSYSTEM

We foster ethical dialogue with the healthcare ecosystem to advance diagnostics.

Major commitments:

- Double the number of **collaborations with patient associations** by 2025.
- Repeat **the materiality analysis** every three years.

2022 Results:

- Collaboration projects with 12 patient associations, **1.6 times more than in 2020**.
- A materiality analysis was conducted in 2020 and will be conducted again in 2023.

3.6.2 Dialogue with the healthcare ecosystem

For many years, bioMérieux has maintained a continuous dialogue with its internal and external stakeholders in order to make decisions taking their expectations into account. This dialogue enriches the Company's thinking and nurtures a dynamic and open CSR strategy on its ecosystem.

Dialogue with patient associations

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

Actions implemented

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 the innovation strategy and product development process;
- sharing patient involvement and testimonials in internal and external communications.

bioMérieux has defined a set of ethics rules that apply to all its employees who deal with patients. Training sessions in these rules are offered regularly.

In 2022, bioMérieux has established partnerships with around ten patient associations in several countries. These partnerships take the form of concrete actions such as:

- creating an interactive portal around sepsis in collaboration with the Sepsis Alliance, an American patient association. On social media, patients with sepsis have the opportunity to participate in conferences and physical education classes designed for sepsis survivors or to discuss their disease and the impact on their daily live;
- support in the creation of educational content to inform the public about Traumatic Brain Injury (TBI).

Dialogue with customers

Since customer satisfaction is a priority for bioMérieux, it is regularly measured.

In the 2021 survey, the net promoter score (NPS[1]) was 47, up four points from 2018, despite the challenging pandemic situation for nearly two years.

In 2021, actions were undertaken at the local level to try to improve the points raised by customers.

In 2022, a new survey was conducted, on the basis of a questionnaire that focused on the customer experience throughout their interaction with the organization. More than 3,800 responses to questionnaires were collected across 27 countries. Its results are being analyzed.

Dialogue with public decision makers

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 and integrity and in accordance with the Company's 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, through legislation, regulations and support that reflect the specific characteristics of the sector.

Actions implemented

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.

This charter is binding on all persons, internal or external, expressly mandated for this purpose. They must certify their awareness of it through a training module. This charter is published on the bioMérieux website (*www.biomerieux.com*). It is revised and updated regularly.

In order to strengthen this approach, in 2021, bioMérieux launched a training program for mandated persons. Its goal is to share a common knowledge base, to improve understanding of the local ecosystem and establish quality relations, in compliance with the Public and Government Affairs Charter. In 2022, this program made it possible to train the managing directors of bioMérieux's subsidiaries and clusters as well as medical advisors.

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. The purpose of this working group is to make practical, evidence-based proposals to French health authorities in order to unite the industry around fighting "antimicrobial resistance", allow existing health products to remain on the market, support the launch of new products under regulatory and pricing conditions that are satisfactory and sustainable for all players, and 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.

In taking action, the Company is supported by these trade associations: The Advanced Medical Technology Association (Advamed), the *Syndicat de l'Industrie du Diagnostic in Vitro* (SIDIV), Medtech Europe and AMR Industry Alliance.

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. It is also a founding member of the Filière Nationale du Diagnostic *In Vitro*.

In 2022, the Company paid €985,000 in trade association fees.

Finally, 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) and its activities in Europe in the EU Transparency Register.

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

3.6.3 Dialogue with players on the ground serving innovation

In its open innovation strategy, bioMérieux conducts several collaboration projects with private or public scientific partners in the regions in which the Company operates. The following initiatives were launched in this spirit.

Actions implemented

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.

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 (see Section 1.5.1).

In China

Since 2019, bioMérieux and the Shanghai Children's Medical Center have collaborated within a common research laboratory. This laboratory 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 1.5.1.4).

Other collaborations

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.

Diagnosis and Management of Febrile Illness using RNA Personalised Molecular Signature Diagnosis (**DIAMONDS**) is a consortium of 28 partners funded by the European Commission as part of the Horizon 2020 research program. bioMérieux is the sole diagnostics manufacturer involved in this project, whose goal is to identify, using a prototype of its FILMARRAY® platform, specific molecular signatures of infection sources (viral, bacterial, parasitic, etc.) in cases of fever in order to guide the diagnosis and direct patients to emergency services. The aim is to recruit 5,000 patients worldwide and conduct a pilot study on 2,000 patients that will start in mid-2023 for a duration of 18 months.

VALUE-Dx (see Section 3.4.3).

3.6.4 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 the Medical Device Single Audit Program (MDSAP), Unique Device Identifier (UDI), the *In Vitro* Diagnostics Regulation (IVDR) and Post-Market Vigilance;
- local and international regulations, particularly those associated with import and export management.

At the same time, bioMérieux is engaged in a proactive approach of ISO certification, especially 9001 and 13485.

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).

Actions implemented

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

- definition and quarterly monitoring of key performance indicators 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.

2022 Achievements

The main inspections by regulatory authorities in 2022 are described in the table below. They were all successfully completed and contribute to the Company's continuous improvement plans.

	SITE	ORGANIZATION
EUROPE	Marcy l'Étoile, Craponne, La Balme, Grenoble, Verniolle, Saint Vulbas, Combourg (France), Florence (Italy), Tres Cantos (Spain)	GMED[(a)]: based on a Medical Device Single Audit Program (MDSAP), ISO 9001 and ISO 13485 certifications
	Craponne and Combourg (France)	COFRAC[(b)]: based on ISO 17025 certification
	Tres Cantos (Spain)	ENAC[(c)]: ISO 17025
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
	Specific Diagnostics – San Jose (United States)	Perry Johnson Registrars Inc[(a)]: based on ISO 13485 certification
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.

3.6.5 Data protection

3.6.5.1 Personal data

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

bioMérieux has created an international network of business representatives in its subsidiaries and global functions. This network includes around 72 people, who act as a link with the data protection officers. This network of business line representatives is in charge of ensuring compliance with data protection regulations including the General Data Protection Regulation (GDPR) in Europe. It documents all processing of personal data within each person's perimeter.

The systems and services marketed by the Company process patient data on a daily basis. In designing and supporting these systems, the Company ensures data confidentiality, integrity and availability and upholds the basic rights of the affected patients (see Section 2.2.2.4).

Actions implemented

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

- the general personal data protection policy approved by General Management;
- the appointment of a Data Protection Officer (DPO) reporting to the Executive Vice-President, Legal Affairs, Intellectual Property and Compliance; and registered with the French Data Protection Authority (*Commission Nationale de l'Informatique et des Libertés* – CNIL);
- the appointment of a privacy officer in the United States to ensure multi-state regulatory compliance (California, Virginia, Colorado, Utah, Connecticut);
- the appointment of a privacy officer for the Asia-Pacific region to ensure compliance with the regulations in this geographic area, in particular for the new Chinese personal data protection regulation (PIPL);
- the appointment of a privacy analyst in support of the global DPO;
- an online GDPR training to educate employees about their rights;
- online training for employees who have access to patient data.

The methodology applied to ensure GDPR compliance has been expanded to other companies of the Group in order to apply a level of protection at least identical to that imposed by European regulations.

In 2022, the Company implemented:

- an interactive access rights management form for persons concerned translated into 17 languages;
- a cookie management module for complying with the various applicable regulations (ePrivacy);
- a new page dedicated to aspects of privacy and personal data protection on the Company's new corporate website.
- personal data processing information notices:
  - accessible on the Company's corporate website for third parties,
  - accessible on its Intranet for employees.

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 strengthened its compliance tool (One Trust) in order to meet various current regulatory requirements on personal data protection. It enables in particular to:

- document more precisely personal data processing; 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 from concerned persons seeking to exercise their rights.

2022 Achievements

The tool currently covers 70 bioMérieux subsidiaries processing personal data.

In 2022, two training modules for employees with access to patient data were conducted regarding:

- the American federal regulations (HIPAA); assigned to 1,691 employees, nearly 94% of them completed the course;
- the protection of patient data at the global level; assigned to 644 employees, nearly 96% of them completed the course.

In 2022, no data breaches required reporting to the competent authorities

3.6.5.2 Patient data

As a major healthcare player, bioMérieux pays special attention to the protection of patient data, which it considers to be particularly sensitive. Protecting patient health data is an integral part of the bioethics compliance approach of the Company, which has set up an appropriate training course intended for employees who have access to health data (often associated with biological samples). Employees must apply local or international bioethics standards and laws, in particular in the context of clinical research activities.

Moreover, the Code of Conduct, distributed to all employees, emphasizes bioMérieux's commitment to respect confidentiality and apply the current regulations when accessing, using and/or disclosing such data.

3.6.5.3 Cybersecurity

Cybersecurity is an essential activity at bioMérieux in order to ensure protection of its information assets and protect its customers. bioMérieux's General Management is committed to protect data via an Information Systems Security Policy (ISSP).

bioMérieux has put in place cybersecurity governance in charge of applying the Company's ISSP. This Governance is organized according to standard ISO 27001, with, in particular, an Information Systems Security Management System.

This governance is under the responsibility of a chief information security officer (CISO). The CISO relies on security directives written in accordance with the ISSP.

The CISO heads two teams, one in charge of bioMérieux's product security, the other in charge of bioMérieux's information system security globally.

bioMérieux has set up an IT charter that must be applied by all users of its information system.

A Security Operation Center (SOC) ensures cybersecurity and monitors all the information systems. It is able to intervene in the event of an alert 24 hours a day, 7 days a week.

A data privacy officer (DPO) is in charge of personal data protection. He works in close collaboration with cybersecurity. He is especially responsible for applying and monitoring the GDPR.

The cybersecurity governance team relies on operational teams associated with cybersecurity.

Actions implemented

The CISO has implemented a training and awareness raising policy for all of bioMérieux's employees. He also organizes false phishing campaigns to assess the effectiveness of this training.

In 2022, bioMérieux conducted three test campaigns, simulated one attack, organized one vulnerability test and one phishing campaign.

bioMérieux pays special attention to protection of its information system, in particular through specific processes such as:

- protection from malware with EDR solutions;
- updates of its systems and applications;
- data management and backup;
- protecting data by workstation encryption;
- risk and IT crisis management;
- continuity plan management;
- monitoring project security;
- management of security incidents and vulnerabilities and monitoring new threats;
- obsolescence management;
- protection of email and Internet access;
- protection of its company network by a Network Security team;
- management of identities and access to bioMérieux's services and applications (by default, users are not administrators of their workstation).

The cybersecurity governance team evaluates the robustness of its facilities and processes yearly by means of vulnerability test and penetration test exercises.

The CISO monitors the Company's security level by means of security indicators presented to him each month. He controls his organization via security committees depending on the department (IS, R&D, Production, DPO, etc.).

The data privacy officer (DPO), in charge of personal data protection, works closely with cybersecurity. He is responsible in particular for applying and monitoring the GDPR.

3.6.6 Business ethics

Governance and Ethics and Compliance program

Through the ethics and compliance 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. It is designed for all employees in order to prevent unethical behavior and also reminds them of the applicable lobbying regulations (see Section 3.6.2).

Actions implemented

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

In 2022, 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.

This program is under the responsibility of the Executive Vice-President, Legal Affairs, Intellectual Property and Compliance, through the Ethics and Compliance Department. The global compliance officer draws on regional and local managers, as well a team responsible for import and export control.

bioMérieux's ethical principles extend to everywhere it operates. Consequently, each site or subsidiary has its own local ethics and compliance team which forms the Local Compliance Team (LCT) network, acting as a link to the Corporate team. It is responsible for ensuring local distribution and application of the program. It also ensures 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 brings together several members of the Executive Committee under the coordination of the chief operating officer. It meets quarterly to supervise the rollout 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 mandatory online training that is updated annually. This training aims to make employees aware of the applicable internal rules and procedures.

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 2022, more than 25,000 online training sessions were assigned to employees across all subsidiaries, including courses on the Code of Conduct, confidentiality and the alert investigation process. Furthermore, online training in anticorruption has been assigned to all distributors.

bioMérieux's compliance program is part of the global program of the Institut Mérieux Group, led by the Audit, Risk and Compliance Department. This department ensures seamless rollout in all entities and provides methodologies, tools and supports for constructing compliance systems in its subsidiaries.

To this end, the training module "Institut Mérieux Rules of Conduct" has been assigned to approximately 10,000 bioMérieux employees in 2021, attaining a completion rate of nearly 90% by the end of 2021.

The Group's "Confidentiality" training module was also launched for all Company employees in 2022, with a completion rate of nearly 92% by the end of the year.

Code of Conduct

The current version of the Code of Conduct[(1)] covers the risks included in the latest regulations. These rules especially concern respect for human rights, freedom of association and negotiation, the fight against slavery, human trafficking, corruption, influence peddling, and money laundering. This version of the Code of Conduct also deals with practices to adopt regarding relationships with healthcare professionals and the protection of personal data. It is available in 17 languages (Arabic, English, French, German, Greek, Italian, Japanese, Korean, Polish, Portuguese, Russian, Serbian, Simplified Chinese, Spanish, Thai, Traditional Chinese and Turkish). 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.

(1) *https://www.biomerieux.com/content/dam/biomerieux-com/04---our-responsibility/global-code-of-conduct/fr/2021%20CODE%20OF%20CONDUCT%20-%20FRENCH%20-%20WEB%20(1).pdf*

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.

The Group asks its external partners to comply with the ethical business principles set forth in the Code of Conduct and in the guide "Business practices applicable to third parties". These documents or their Internet reference are appended to the main contracts that bioMérieux enters into with its suppliers and distributors in order to ensure they are committed to respecting business ethics.

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 an approach of protecting patients while preserving its reputation and shareholder interests. bioMérieux operates within a framework of ethical principles, directives, procedures and standards which corresponds to current ethical standards. 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(1). This manual, which is available on the Company's corporate website and on its Intranet, describes the Company's expectations in its relations with its partners.

The Company has also developed a guide describing the "Business practices applicable to third parties" in order to make partners aware of the Company's rules of ethical conduct in business. The prevention program for corruption and influence peddling includes a procedure for third party approval, based on specific questionnaires. A dedicated team of analysts within the Ethics and Compliance Department is responsible for due diligence regarding potential third parties. In addition, a monitoring program for the Company's commercial partners is also implemented by means of software that enables it to quickly and automatically identify service providers and isolate those that could be detrimental for bioMérieux, with regard to their profile or history related to risks 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.

In 2021, 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 in 2021 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 in 2021 by 4,419 employees worldwide. The Ethics & Compliance Department and a consulting firm worked on defining employee awareness of compliance 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/content/dam/biomerieux-com/04---our-responsibility/03---healthcare-ecosystem/040268_-_att_2_-_manuel_de_prevention_de_la_corruption_-_fr_2.pdf.coredownload.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 also 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.

Any reporting done via this hotline is examined by the Ethics and Compliance Department, which deals with it confidentially and is responsible for the necessary due diligence to respond to each message and deploy the appropriate measures. The Ethics and Compliance Committee is responsible for reporting and monitoring the cases handled.

The whistleblower system has been audited by the Institut Mérieux Internal Audit Department. The conclusions of this audit showed that the system is clearly communicated to employees and third parties worldwide and that in 2022 a total of 94 reports have been submitted by this means. The audit demonstrated that all the alerts received are carefully examined and that the non-reprisal and confidentiality policies are applied at all times.

The Company has a zero-tolerance policy concerning threats to employees who, in good faith, have reported something, 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.

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;
- to the extent possible, consider the environmental and societal challenges of its activities and their consequences;
- comply with the right to privacy, right of ownership and right of access to confidential information.

2022 Achievements

In 2022, the Compliance training completion rate was as follows:

- 84% for the Code of Conduct (versus 86% in 2021);
- 92% for confidentiality;
- 88.99% for anti-corruption measures (by distributors).

3.7 Our social impact

At bioMérieux, employees contribute to improving health worldwide. Health and well-being are a pillar of the employee experience. The Company is committed to foster the growth of each employee.

EMPLOYEES

We care about the well-being and development of our employees, who all help to save lives.

Major commitments:

- **2025 objectives:**
  - **Lost Day Incident Rate ÷2 to 0.6** vs 1.2 in 2020
  - **Gender equality >40%** of N-1 Executive Committee global positions to be filled by women
  - **Diversity >35%** of N-1 Executive Committee global positions to be filled by people with an international profile

2022 Results:

- Lost Day Incident Rate: **0.94**
- **33.75%** of N-1 Executive Committee global positions filled by women
- **33.75%** of N-1 Executive Committee global positions filled by people with an international profile

3.7.1 Our culture: promoting the well-being and development of our employees

The activities described below mainly refer to the United States and France, which represent 73% of employees. They are pilot programs and serve as a reference before being extended to the other countries of the Group, while taking into account local legislation and cultures. Many procedures, especially recruitment, salary practices, training policy and annual performance reviews apply to all employees.

By supporting the organization, management and employees, the Human Resources (HR) teams offer a unique experience that embodies the Company's "Belong – Dare – Impact" mindset, strengthen the sense of belonging and commitment, harness the necessary skills, and thus increase the impact of each employee to contribute to bioMérieux's mission.

To achieve this goal, the HR teams rely on an internal network of local HR partners (on a site, in a country, a cluster or globally), who are the preferred points of contact for employees and managers on all subjects relating to human resources.

Actions implemented

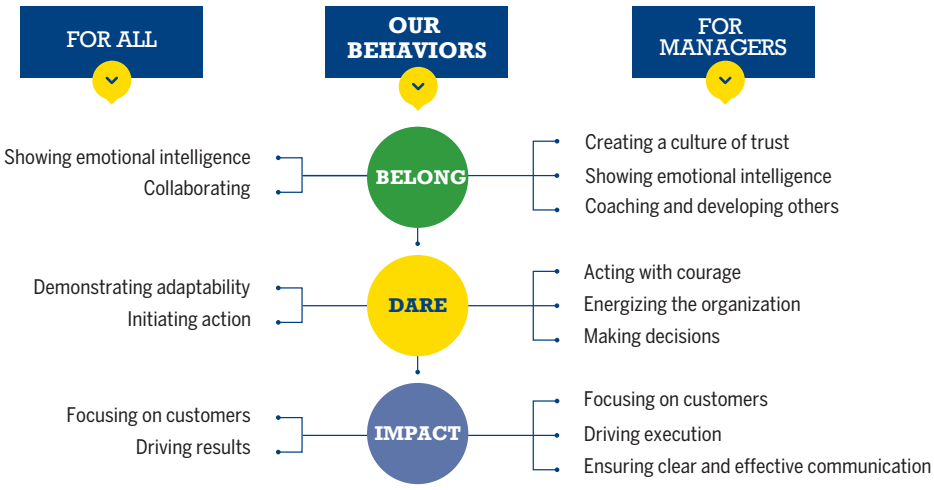
Global and regional Centers of Expertise (CoEs) are set up to support the main strategic HR issues:

- Talent attraction CoE to identify, attract and select the candidates that meet bioMérieux's needs;
- Employee engagement CoE to ensure a stimulating experience throughout all the key stages of their professional life (integration, compensation and benefits, recognition, travel and international mobility experience);
- Training & development CoE to support employee development (skills, behaviors, career development);
- HR performance CoE to support the activities of the HR and Communication teams (project management, performance indicators, processes, etc.).

These CoEs also ensure harmonious collaboration with new teams joining the Company following acquisitions.

Our Behaviors

To reinforce its culture of inspiration and differentiation, bioMérieux relies on a model called Our Behaviors. This model includes a collection of behavioral skills shared by all employees and managers. bioMérieux firmly believes that the combination of technical and behavior skills is a prerequisite for sustainable performance. The Our Behaviors model defines a leadership framework applying more specifically to the roles of executives and management. This model was rolled out internally by means of a reference guide available in six languages that enables the Company's values to be translated into action. It was designed to promote the alignment between corporate culture and action, especially globally.



2022 results

bioMérieux obtained Top Employer certification, awarded by the Top® Employers Institute for 15 countries and three regions. 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 83.82% in January 2023, compared with 83.77% the previous year, the Company's performance is well above the average for certified companies in all business sectors.

Top Employer Europe: Belgium, France, Germany, Italy, Poland and Spain, since 2020.

Top Employer Africa: Egypt, Ivory Coast, Kenya and South Africa, since 2021.

Top Employer China since 2019.

Top Employer Latin America: Brazil since 2021 and Argentina, Chile and Colombia in 2022. 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 fourth year running, bioMérieux appeared in the Universum France list of the most attractive French companies for future engineering and management school graduates. This 2022 ranking is the result of a survey of over 31,568 students from 17,069 schools and universities and 128 different areas of expertise. bioMérieux is ranked in the Top 100 for students in engineering and computer science schools. Furthermore, for the fourth consecutive year, bioMérieux appeared in the Palmarès Universum France 2022 list of the most attractive French companies for executives. The survey was conducted with more than 9,994 executives, alumni of 170 business and engineering schools/universities. In this classification, bioMérieux is positioned in the Top 100.

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 progressed to 41st place 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.

bioMérieux received a score of 4.2 out of 5 on the list of Best Employers 2023 in France. The assessment is based on the comments of employees or former employees, submitted over a year, between the end of October 2021 and the end of October 2022.

3.7.2 Employee health and safety

3.7.2.1 Health and Safety policy and organization

The Company's health and safety approach is integrated into the overall Health, Safety and Environment (HSE) policy, which is signed by bioMérieux's Chairman and CEO.

The Company undertakes to:

- provide all employees around the world with a safe and healthy working environment;
- prevent occupational diseases and injuries by eliminating danger and reducing risk, particularly in relation to musculoskeletal disorders;
- minimize the use of dangerous substances in procedures and products;
- preserve resources, particularly energy and water;
- protect the environment by preventing pollution risks, reducing the carbon footprint of its activities, and reducing waste production;
- fulfill legal and other requirements;
- factor health, safety and environmental protection into product life-cycle processes;
- continually improve its health, safety and environment management system and performance;
- consult with and engage workers and their representatives, where applicable.

This policy applies to all bioMérieux employees.

It is available to all stakeholders, both inside and outside the Company.

Actions implemented

bioMérieux has implemented an occupational health and safety management methodology that enables it to obtain international certifications.

2022 Achievements

In 2022, 86% of its main industrial sites were ISO 45001 certified.

3.7.2.2 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. An occupational accident report is created and analyzed each month by the Executive Committee and displayed throughout the Company.

Actions implemented

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.

bioMérieux's performance results from the global rollout by the HSE Department of many processes and tools. 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. using 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);
- specific training programs:
  - 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.

2022 Achievements

In addition to the key indicator of reducing the rate of lost-time occupational accidents relative to 2020, the Company has set the goal by 2025 of reducing the rate of reportable occupational accidents relative to 2020 by 50%, or a rate less than or equal to 0.6. In 2022, the reduction was -1.5%, or a frequency rate of 2.57.

The 2022 occupational accidents score is in line with the previous year's score, confirming a real improvement over 2019 and prior years. The progress of these indicators is detailed in the table below:

Main safety indicators[(a)]	2022	2021	2020
Frequency rate of lost-time occupational accidents	0.94	1.3	1.2
Frequency rate of total reportable occupational accidents	2.57	2.7	2.6
Severity rate of occupational accidents	0.03	0.04	0.02
Number of occupational diseases	19	10	12

(a) See Section 3.9 for the organizational scope covered.

3.7.2.3 Well-being at work and promotion of healthy living

Health and well-being is one of the major focuses of the employee experience at bioMérieux. To support this pillar, in 2022 the Company initiated a review of its activities for promoting workplace health and well-being. This analysis consisted of an examination of existing initiatives and practices, with proposals for new programs suitable for implementation locally and regionally to improve well-being.

Actions implemented

Two pilot programs were rolled out as part of this analysis:

- in France, conferences on topics related to health and well-being (connection between stress and the immune system, impact of intermittent fasting on health, testimonial from a team member treated for breast cancer) and workshops (sophrology, qigong, reflexology);
- in several countries of Europe and the Middle East, test platform for mindfulness tools available in 12 languages, to help employees deal with stressful situations and events.

The company has put specific tools and initiatives in place related to employee health:

- health insurance coverage (national, private or both);
- vaccination coverage on most sites (seasonal flu, COVID-19, etc.)
- providing sports facilities or subsidies for access to a gym;
- providing a medical service desk and remote consultation service in France and the United States. Services include access to a physician 24 hours a day, seven days a week. In France, since March 2020, a "second medical opinion" service has been deployed 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;
- in the United States, access to reduced-cost healthcare services for employees and their families. For example, the St. Louis site (United States) provides its more than 800 employees and their families with a dedicated on-site medical center for free medical services. The confidentiality of medical data is strictly observed, and the Company does not have access to personal data;
- extension in some countries, especially the United States and China, of the duration of parental leave;
- in China, employees receive legal maternity and paternity leave depending on the workplace, and 5 to 15 days of childcare leave a year until the age of three or six years.

Other initiatives and events bring employees together by offering them innovative products and services:

- Service desk: on the majority of French sites, bioMérieux opened a multi-service desk;
- Local organic market: some sites offer access to a local farmer's market;
- Family Days and meetings with local residents: bioMérieux's sites regularly hold events to welcome employee family members and local residents.

In addition, bioMérieux 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 3.7.4).

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 HealthAdvicare and Eutelmed platforms 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). These services allow all Group employees and their families and friends to receive free consultations with a psychologist.

The Health Advocate program offers free access to services such as a 24/7 NurseLine and telemedicine, solutions for chronic care management, in-person and virtual behavioral health visits, etc.

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.

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.

Furthermore, to support staff members through the most critical points of the COVID-19 pandemic, bioMérieux initiated remote work policies that evolved into a remote work guide and webinars available on the global intranet. It focuses on improving employee engagement via in-person or digital collaboration, while encouraging flexibility and a work-life balance.

3.7.3 Diversity and inclusion

The subject of diversity and inclusion is regularly discussed at meetings of the Board of Directors and the Executive Committee. The Company ensures that its employees and managers are made aware of this issue, through actions taking into account the specific local characteristics of the various countries in which the Company operates. The Human Resources Department measures progress in this area.

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.

Promoting gender equality

Actions implemented

In France, bioMérieux relies on "Workplace gender equality" agreements. They are renegotiated every three years and have enabled various measures to be put in place 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 was signed in France in January 2021. At this time, its scope was broadened to include diversity and inclusion. This agreement emphasizes the implementation of tools for monitoring performance indicators reviewed by a commission 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. Finally, this agreement sets a specific target for increasing the representation of women at senior executive levels and creates a second period of parental leave.

The Company also holds events on specific topics such as women's leadership and well-being in the workplace, various training sessions and forums on diversity and inclusion in the United States and raising awareness of gender equality 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.

2022 Achievements

As a reminder, in 2022, bioMérieux set the goal of reaching at least 40% women and 35% international profiles (non-French) by 2025 for N-1 Executive Committee global positions.

In 2022, the results were 33.75% women and 33.75% international profiles out of 81 people (managers with global roles).

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 five indicators:

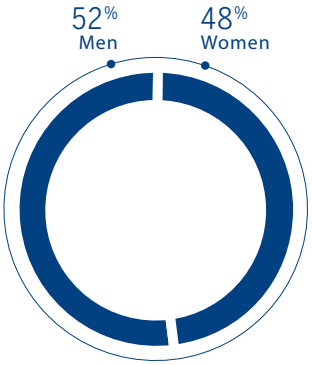
- the gender pay gap;
- the pay increase gap;
- the promotion gap (only in companies with over 250 employees);
- the number of employees receiving a pay increase on their return from maternity leave;
- and parity in the 10 highest compensation bands.

The index was published on the Company's website in March 2023. It was 93/100 in March 2022.

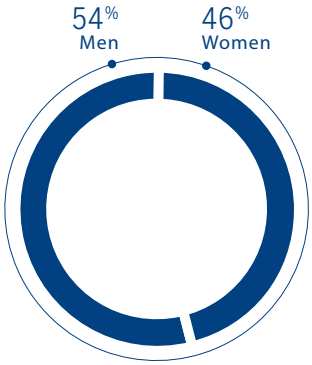
THE RIXAIN LAW

In France in 2022, the share of women on the Executive Committee was 19% and among executive directors was 21%.

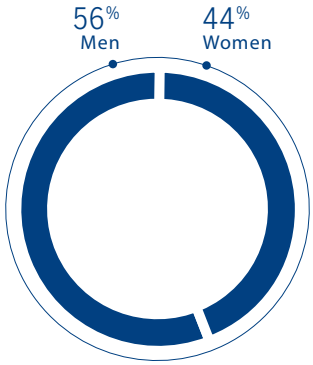
Gender breakdown of manager and team manager headcounts



OVERALL HEADCOUNT



EXECUTIVE HEADCOUNT



MANAGER HEADCOUNT
In France, 49% of managers are women

Rate of internal promotion (women/men)

	2022			2021		
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	284	64%	441	273	62%	441
Europe & Middle East	61	52%	117	38	58%	65
Africa	5	100%	5	4	80%	5
Americas	240	43%	562	144	44%	328
Asia Pacific	23	53%	43	13	43%	30
TOTAL	**613**	**52%**	**1,168**	**472**	**54%**	**869**

N.B.: employees who change salary levels without changing grades are no longer included in the calculation of these indicators.

Promoting the workplace inclusion of employees with disabilities

For more than 20 years, bioMérieux has been committed to a policy of promoting inclusion of people with disabilities, first initiated in France with the signing of a first company agreement on the subject in 1997 at the La Balme site.

Actions implemented

In France, a Company-level agreement covering all of bioMérieux's French sites is signed every four years. For 2022, bioMérieux renewed its commitment in France by signing a collective four-year agreement, unanimously signed by trade union organizations. Approval of this agreement was not required because bioMérieux in France has exceeded the legal minimum employment rate since 2020. This agreement reinforces the actions already undertaken and adds to measures to foster the inclusion of employees with disabilities within the Company.

It especially reinforces the following actions:

- a commitment to recruitment, all contract types combined;
- a voluntary budget of €260,000 dedicated to employees with disabilities that particularly promotes keeping them in their position;
- increased awareness and training of those involved in accommodating people with disabilities;
- end-of-career arrangements (possibility of leaving employment three months before retirement, without loss of pay);
- more rights for employees holding recognition as a disabled worker (*reconnaissance de qualité de travailleur handicapé*, RQTH): Two paid days a year to undertake procedures related to the disability, possibility of using their personal training account (*Compte personnel de formation*, CPF) on working time to improve their employability, one day a year offered on the time savings account, end-of-career arrangements (possibility of leaving employment three months before retirement, without loss of pay).

Awareness raising activities by means of "Handibio" days are also provided for all employees.

Each French site has a Disability correspondent and there are also some at the company level (France).

bioMérieux also renews the #HandiBioRecrutement program each year, the goal of which is to raise manager awareness and organize a day dedicated to recruitment, with the support of local partners such as Cap'Emploi and the Groups of Employers for Workers with Disabilities, (*Groupements d'Employeurs Travailleurs Handicapés*, GETH).

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.

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.

2022 Achievements

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 2021, the gross percentage of employees with disabilities stood at 6.25%, compared with 6.12% in 2020. This employment rate is constantly rising and has enabled the Company to exceed the legal minimum of 6% required in France. The 2022 employment rate will be published in April 2023.

Geographic areas	% employees with disabilities/ 2022 headcount	% employees with disabilities/ 2021 headcount
France	NA[(a)]	6.25%
Europe (excluding France) & Middle East	0.79%	0.99%
Americas	4.24%	4.02%
Asia Pacific	0.00%	0.00%

(a) The employment rate for 2022, 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 stated on its website that employers will have to declare their obligation to employ disabled workers (DOETH) during their April 2023 salary declaration. The 2022 rate will be published in the 2023 Universal Registration Document.

Anti-discrimination measures

Acts of discrimination are serious human rights violations. Discrimination related to gender, sexual orientation and gender identity, disability, family situation, age, political and philosophical opinions, religious beliefs, union activities or related to ethnic, social or cultural origins or national origin are prohibited, as are intimidation and sexual harassment. Discrimination related to pregnancy is also prohibited.

Actions implemented

bioMérieux takes allegations of discrimination or harassment seriously. In the event of a discrimination issue, bioMérieux advises employees to freely express themselves and report cases of non-compliance. The Company's Code of Conduct emphasizes the prohibition of any form of discrimination and therefore any employee who witnesses a breach should report it to their supervisor and/or contact the Human Resources Department, the Legal Department and the Compliance Department.

The whistle-blowing procedure is identical to that detailed in Section 3.6.6. All cases of discrimination reported are processed and investigated.

3.7.4 A corporate culture based on social dialogue

Since its inception, bioMérieux has always a promoted a high level of social dialogue with employee representative bodies, both in France and in its subsidiaries.

This social dialogue is expressed at all levels of the Company: for example, locally on each site with bodies such as the Social and Economic Committee, and in France at Company level with collective bargaining agreements.

Actions implemented

The Social and Economic Committees

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 global strategy, R&D policy, industrial strategy, organizational changes, social balance sheet and gender equality report. During the COVID-19-related crisis, social dialogue has been especially steady. The Central CSE (CSEC) met 19 times in 2020 and 16 times in 2021. The frequency of meetings returned to a normal level in 2022, with nine meetings in 2022.

There are five commissions at the central level which depend on the CSEC, all composed of elected and non-elected employees and management representatives which meet between once and four times a year:

- the workplace equality committee;
- the health/provident committee responsible for monitoring the accounts of the mutual insurance and provident scheme. It votes for any increase in fees;
- the housing committee in charge of monitoring the housing solutions offered to employees with the social worker and Action Logement;
- the training committee;
- the Central Health and Safety Committee (CSSCT) responsible for issues relating to team member health and working conditions.

There are also committees on each of the five sites in France with the same joint composition:

- the disability committee;
- the catering committee;
- The local CSSCT, which exists on all sites although it is only required on sites with more than 300 employees.

Furthermore, since 2008, all bioMérieux subsidiaries in Europe have a European Works Council (EWC). Despite the health crisis, the EWC met twice in 2021 and twice in 2022.

2022 results

The Company's collective agreements

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 number of agreements proposed for negotiation each year is very high (between five and 10 agreements or addendums per year are negotiated and entered into each year).

For example, the main agreements and addendums signed at bioMérieux since 2019 are detailed below:

CURRENT AGREEMENTS	DATE SIGNED	AGREEMENT END DATE
2019 elections of members of the Social and Economic Committee (SEC) of bioMérieux SA.	07/04/2019	10/31/2023
Addendum to the agreement for the election of members of the SEC of 07/04/2019	07/12/2019	10/31/2023
Organization of the Social Dialogue	07/04/2019	10/31/2023
Addendum to the agreement on the organization of the Social Dialogue of 07/04/2019	05/27/2020	10/31/2023
Gender equality for the fiscal years 2021-2022-2023	01/15/2021	12/31/2023
Employment of workers with disabilities 2022-2025	02/15/2022	12/31/2025
Discretionary profit-sharing scheme for the fiscal years 2022-2023-2024	04/06/2022	12/31/2024
Discretionary profit-sharing supplement	03/27/2020	12/31/2024
Memorandum of understanding concerning the 2022 annual negotiation on wages, working conditions, professional equality & sustainable mobility (négociation annuelle obligatoire, NAO)	02/16/2022	12/31/2022
Addendum to the Annual Mobility Negotiation (NAO) of 02/16/2022	03/29/2022	12/31/2022
Quality of Life at Work	01/31/2019	01/31/2022
Seniors: End-of-career support agreement	05/26/2020	01/01/2024
Transport compensation for commuting	07/18/2022	Undetermined
Remote work	10/26/2021	10/25/2023
Addendum to the Remote Work agreement of 10/26/2021	07/28/2022	10/25/2023

In the course of 2022, bioMérieux SA and its European subsidiaries negotiated the renewal of the establishment of a European Works Council (EWC). These negotiations led to a new agreement being signed in late 2022, establishing an EWC with improvements, such as one more meeting per year (three per year versus two per year) as well as greater national representation. Thus, when this new agreement goes into effect, each country will be able to designate a representative to sit on the EWC, regardless of its headcount.

In the United States, annual All-Hands meetings are held for the purposes of sharing information. During these meetings, employees have the chance to express their viewpoints and ask the American management team about initiatives in progress. All-Hands meetings are also an integral part of the American culture. It is a chance for employees to make a contribution and ask questions directly to the American management team.

The Company recognizes the value and importance of being able to resolve any difficulties encountered and encourages communication among employees at all levels. A process for communicating with the manager and/or HR officer is in place for discussing any work-related problems or feelings of being treated unfairly regarding work assignments or the application of company policies, processes and practices (including corrective measures). All employees may communicate directly with Human Resources at any stage of the process. All concerns will be treated respectfully and appropriately. Employees may also report problems by contacting the ethics hotline by telephone or online. All reports to the ethics hotline can be done anonymously or in the name of the reporter. This process can be initiated in complete confidentiality and without fear of reprisal.

3.7.5 Managing skills and headcount

Professional development is a strategic and social matter for bioMérieux. It is built on a relationship of trust and dialogue between employees, managers and human resource teams.

Actions implemented

Performance and career management

All Group employees take part in a specific Performance Management Process (PMP). This is a system for assessing team member 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 3.7.1 Our Behaviors). The goal of the mid-year review is to define the employee development plan, in particular the training plan.

The Executive Committee and the Human Resources Department redefined the Process Talent Management ambition in 2022, which targets key positions and employees for the success of the Company's current and future business strategy. Identifying high-potential employees allows succession plans to be developed for key positions. In collaboration with Mérieux Université, the Company has designed specific programs and courses to support their development.

More generally, the policy implemented by bioMérieux consists of cross-referencing the organization's skills needs resulting from the strategic roadmaps with team member skills profiles, experience and desire for development. This takes place through active internal promotion for vacant positions, through appropriate managerial and HR support to advise the team members on their project, and finally by implementing the necessary training and development activities for the success of the project.

In France, bioMérieux has implemented Strategic Headcount Planning (SHP). This is a headcount planning process that aims to identify quantitative and qualitative trends in skill requirements in order to guide the training and development strategy.

The main areas of focus are:

- the management of new job skills (sales, supply chain, medicine), which meet the requirements of evolving markets, digitization technologies and company needs;
- strengthening managerial practices, with the deployment of the Our Behaviors Leadership Competency Model.

This approach is based on several steps:

Step 1: identify the impact of changes in the environment and the Company strategy regarding jobs and skills.

Step 2: identify, design and implement various actions to find the right match (development of training programs to help employees adapt to new roles, jobs and realities, and ensure the transmission of knowledge, particularly in terms of scientific expertise).

Step 3: communicate, involve and monitor with a view to making managers and employees aware of the training priorities required by their job. Encourage regular discussions on development between the team member and the manager, and enable employees to play an active role in their development within the Company. bioMérieux offers various development opportunities based on a 70/20/10 approach: 70% of actions are performed "in everyday life", 20% by "learning with others", and 10% through "continuing education".

The Learning portal digital space facilitates access to training resources.

Each team member has a personalized and dedicated space called My Learning and Development which offers resources to facilitate independent learning in line with individual professional needs, an improved learning experience and reporting functions for HR administrators to benefit from reports and dashboards, ensuring better management of the activity.

Individual assessments were developed in 2021 and make it possible to identify an individual development plan on the dimensions of knowledge, know-how and interpersonal skills.

In 2022, bioMérieux has been developing the employee performance and development management process. Currently in the pilot phase, a new system called Growth, Performance and Shared results (GPS) will replace the Performance Management Process (PMP) in 2023. It consists of a change in philosophy, moving from PMP, an individual performance management process, to GPS, a process which further enhances corporate culture. The goal is to contribute to strengthening the sense of mission of employees by replacing it in concrete terms in line with the Company's priorities.

This new system provides:

- the introduction of collective team priorities, in line with the priorities of the Company and each department;
- reinforcement of the development component, in particular through the promotion of feedback from colleagues and peers within the Company;
- cross-sectional evaluation of Behaviors with the manager and peers and through self-assessment.

Training

bioMérieux relies on two tools to respond to employee development needs. One the one hand, Mérieux Université, the company university which aims to train the employees of the Institut Mérieux Group. On the other hand, bioMérieux has a team dedicated to Learning & Development which works as closely as possible to specific and local needs within the organization.

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 ninth edition of the Fit For the Future program which started in the last quarter of 2022. 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 (Teambuilding) support.

Since 2020, the rollout of the e-learning courses has been stepped up. In order to instill the corporate and Our Behaviors culture (see Section 3.7.1), Mérieux Université has designed remote training courses, as well as turnkey workshops for human resources, for each of the nine key skills that managers must master and six skills that employees must master. In addition, thanks to a partnership with a multilingual online training platform that covers a broad field of diverse skills, Mérieux Université provides some of its employees and any person in professional transition with certifying online training courses. This digital offering enriches the existing solutions in place since 2019.

Each bioMérieux team member can see all the available training in a personalized space accessible via the intranet and smartphones, the Learning Portal. It is accelerating the digitalization of learning worldwide and responding, for a wide audience and in a more reactive way, to the requirements generated by emerging skills such as adapting to new IT tools, new regulations or new working methods such as collaborative working.

In conjunction with Mérieux Université, bioMérieux is developing specific career paths (academies) to help teams achieve their goals. It has developed the Sales, Customer Service and R&D academies in addition to the existing Supply Chain and Finance academies. These job academies allow employees to have access to development offers in line with the challenges of their position.

2022 Achievements

In 2022, the First Time Leader Path program was rolled out by Mérieux Université. This is a 60-hour development course taking place over one year for employees taking on management responsibilities for the first time in their career. Key subjects are dealt with, such as, for example: giving feedback, delegating, creating a team vision and motivating employees. The participants will be part of a peer promotion for one year to benefit from their mutual experiences, good practices and co-development. In 2022, 161 participants divided into 13 groups completed this program worldwide.

In 2022, total training hours amounted to 281,723. This corresponds to an average of 21 hours per employee (compared with 19 hours in 2021). This average is 13 hours in the Americas, 36 hours in Asia Pacific and 28 hours in Europe, the Middle East and Africa.

The employee training rate in 2022 was 93%[(a)].

(a) Total number of employees over total number of employees trained.

3.7.6 Attracting and retaining talent

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 team member. Lastly, over the years, bioMérieux has established close links with universities and educational institutions worldwide, in order to identify and attract young talent.

Actions implemented

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 Globalleaders and TalentPoolers, 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 component, which includes the provisions required by law (discretionary and non-discretionary profit-sharing) and a performance-related bonus, unilaterally decided by the employer. Every two years, 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. Various financial simulations were conducted in 2022 to enable the implementation of the selected options in 2023. For example, in France, a plan for increasing bonuses for executives was planned over three years with a first stage on bonuses for 2022 paid 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 2022–2024 fiscal years. This plan includes an increase in the main incentive as well as an increase in the maximum limit of the distributable envelope. 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, PERCOL) or an individual retirement savings plan (Plan d'Epargne Retraite, PERO), 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 (PERCOL) benefits from a matching contribution by the Company, which can amount to up to 1.5% of the employee's gross annual compensation. The amount recognized in the financial statements for the 2022 fiscal year for the 2023 discretionary profit-sharing scheme was around €34 million compared to around €25 million in 2022.
Employee share ownership	As a result of 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).
Supplementary pensions	The Company pays special attention to preparing for its employees' retirement: PERCOL 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, bioMérieux has implemented a free share allocation policy for several years (see Section 7.7). In 2021, the Company reviewed its policy of granting free shares, in accordance with the recommendations of the study conducted on its compensation policy.
End-of-career arrangements focus on France	bioMérieux pays a great deal of attention to the end of its employees' careers. In France, there are several schemes enabling employees to make arrangements for this period before retirement: the possibility of ceasing work early thanks to hours and days saved on the Early Time Savings Account (*Compte Epargne Temps*, CET) and supplemented by the Company, possibility of requesting a transfer to 80% part-time three years before retirement, exemption from work for three months before retirement for a person with Recognition as a Disabled Worker (*Reconnaissance de la Qualité de Travailleur Handicapé*, RQTH) or a specific end-of-career arrangement negotiated for a fixed term for the years 2020 to 2024.
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.

At the end of December 2022, total personnel costs (salaries and wages, payroll taxes, and discretionary and non-discretionary profit-sharing plans) amounted to €1,355 million compared with €1,140 million at December 31, 2021 (see Section 6.1.2, Note 20).

EXCEPTIONAL MEASURES FOR PRESERVING PURCHASING POWER

France

In the 2022 economic context, bioMérieux was highly motivated to study all the measures to best preserve the purchasing power of its employees. Therefore, throughout 2022, bioMérieux took measures to deal with particularly high inflation:

- paying an Exceptional Purchasing Power Bonus (*Prime Exceptionnelle de Pouvoir d'Achat*, PEPA) for employees whose compensation is less than €40,000 per year in March 2022;
- 3.3% budget increase in April 2022;
- 1 to 2% increase in fixed compensation for employees receiving no more than €50,000 per year;
- 40% increase in the transport allowance rolled out to all employees;
- creation of a €2 allowance per day for remote work;
- increase in the standard minimum wage on three occasions: in January, September and October.

At the end of the year, bioMérieux also decided to implement the optional provisions of the law on emergency measures for the protection of purchasing power of August 16, 2022, i.e.:

- conversion of working week reduction time acquired since January 1, 2022 into salary;
- payment of a value sharing bonus of €500 or €1,000 depending on the date of joining the Company.

Finally, the management decided to move salary discussions, usually planned for late January 2023, to mid-December 2022.

Other countries of the EMEA region

Increases have been applied in the majority of countries with a particular focus on the lowest wages.

United States

- A 6% increase based on achieving objectives, in April 2022.
- A budget of more than $9 million to align with market compensation levels.
- Payment of a bonus incorporating several criteria paying special attention to the lowest wages.

People's Republic of China, Taiwan and Hong Kong

During the COVID-19 shutdown period, bioMérieux set up different types of team member support such as food and beverage delivery, online vouchers and various products to protect the health and improve the well-being of subsidiary employees.

Australia

The lowest-paid employees received an increase in October 2022.

Internal mobility, youth employment and promotion

The Company believes that internal mobility is a driver of employee development and engagement, while also attracting potential candidates.

Due to its global presence and diverse business lines, the Company can offer employees professional development opportunities that are vertical (in the same business line), horizontal (in the same business line family) or cross-sectional (in another business line family). Some mobility also incorporates a geographic component (change of site, country or continent). Furthermore, belonging to the Institut Mérieux Group offers options for mobility within the Institute and its subsidiaries.

The policy implemented by bioMérieux consists of cross-referencing the organization's skills needs resulting from the strategic roadmaps with employee skills profiles, experience and desire for development. This takes place through active internal promotion for vacant positions, through appropriate managerial and HR support to advise the employee on their project, and finally by implementing the necessary training and development activities for the success of the project.

INTERNAL MOBILITY INDICATOR VIA PERMANENT CONTRACTS

	2021	2022
Americas (001)	32%	25%
Asia Pacific (002)	6%	7%
Europe, Middle East, Africa (003)	39%	30%
GLOBAL AVERAGE	**33%**	**25%**

Attraction and retention of 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 maintains several partnerships in France with schools, mainly based in the Auvergne Rhône-Alpes region.

EM Lyon, the *Fondation Université Grenoble Alpes* and INSA Lyon are historical partners of bioMérieux. The quality of their training and their international orientation are essential elements to forge a lasting collaboration. The Company is committed through various programs, such as allocating student scholarships and promotional sponsorship in order to showcase the professions of the *in vitro* diagnostics industry and thus offer internship or work-study opportunities.

The *École d'Ingénieur en Biotechnologies* (ESTBB) of the Université Catholique de Lyon is also a long-term partner and bioMérieux hires more than 10 work-study students each year from this school.

School 42 is a more recent partnership. IT skills are rare on today's job market. It is therefore crucial for bioMérieux to strengthen its connections with schools in this field and develop its attractiveness.

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).

12 VIE internships were completed in 2021/2022.

Achievements in 2022

The indicators relative to attracting and retaining talent are detailed below:

Number of employees who were promoted during the year

	2022		2021		2020	
Geographic areas	**Number of promotions**	**% of headcount**	**Number of promotions**	**% of headcount**	**Number of promotions**	**% of headcount**
France	441	11.3%	441	11.8%	388	10.6%
Europe & Middle East	117	8.0%	65	4.8%	61	4.6%
Africa	5	3.4%	5	4.6%	3	2.8%
Americas	562	8.8%	328	5.7%	310	5.4%
Asia Pacific	43	4.5%	30	3.4%	53	6.3%
TOTAL	**1,168**	**9.1%**	**869**	**7.3%**	**815**	**7.0%**

Percentage by number of seconded and expatriate employees, excluding fixed-term contracts and temporary employees.

Movements (arrivals and departures)

New hires = 2,493	Departures = 1,757	Departures = 1,757
Permanent contracts = 2,120	Voluntary = 1,390	Permanent contracts = 1,554
Fixed-term contracts = 373	Non-voluntary = 367	Fixed-term contracts = 203

The following are considered voluntary reasons for departure: resignations, employees at the end of their fixed-term contract/assignment, employees at the end of a trial period, mutual consent

Overall turnover rate 2022	Overall turnover rate 2021
13.8%	14.1%

Absenteeism rate

Absenteeism: Value/ theoretical working days	2022 No. of days absent	2022 Theoretical No. of days	2022 %	2021 No. of days absent	2021 Theoretical No. of days	2021 %
Americas[a]	22,516	1,417,022	1.6%	38,630	1,248,946	3.1%
• United States	19,679	1,269,391	1.6%	37,621	1,101,948	3.4%
Asia-Pacific[b]	1,311	240,471	0.5%	1,728	218,565	0.8%
• China	688	89,250	0.8%	495	85,500	0.6%
Europe & Middle East[c]	71,014	1,112,828	6.4%	55,231	1,054,565	5.2%
• France	59,963	846,575	7.1%	48,353	802,855	6.0%

(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. Africa does not enter into this calculation.

Overall absenteeism 2022	Overall absenteeism 2021
3.5%	4.0%

3.7.7 Commitment

The Company is committed to cultivating a spirit of innovation and collective engagement. bioMérieux recognizes the importance of having teams who feel heard and trusted to play a role in driving change and do their best. In this context, bioMérieux rolled out a Voice of Employee (VoE) global engagement program in 2022. Listening, understanding and acting are the pillars of this program. bioMérieux strives to establish a work environment open to diversity and inclusion in which employees feel free to be themselves, to express themselves and to be proactive to improve their experience within the Company.

Actions implemented

As the first step of the VoE program, a global engagement survey (GES) was conducted with the help of an external partner. The participation rate was 75% (more than 9,100 employees in 2022). The survey generated 64,000 comments and contributions, which reflects the team member interest in this initiative. 181 subjects were identified, providing a common vision of what is important to bioMérieux's employees throughout the world. It will be repeated regularly, thus making it possible to monitor employee engagement. bioMérieux has published the results of the survey internally and has used them in a continuous improvement process. These actions will be built into a collaboration with managers and employees after openly discussing the team results. The survey comprised 30 questions covering six topics related to employee experience at bioMérieux (a positive work environment, trust in the Company, opportunities for development, supportive supervision, health and well-being at work, the meaning of one's work).

As soon as the results were collected and analyzed, action plans were initiated at two levels:

- locally, as close as possible to employees, with their managers,
- globally with a view to ensuring a common culture.

Achievements in 2022

The Global Engagement Score in 2022 is 7.7/10, which places bioMérieux in the middle of the health-pharmacy-biotech and life sciences sector. bioMérieux's goal in 2024 is to be situated in the top 25% of the sector.

Other surveys are regularly conducted among employees to gather their feelings and expectations about their professional life at bioMérieux and to allow them to propose areas for improvement.

In the Unites States and Asia Pacific, employees have access to platforms that allow them to express their thanks or appreciation toward their colleagues. The aim is to develop the Belong, Dare, Impact mindset into an approach of appreciation that has been piloted in the United States and Asia Pacific, and can be extended to other regions of the Group in the years ahead.

3.8 Our impact on the extended company

bioMérieux maintains a long-term relationship in partnership with its suppliers and distributors, as essential players in its ecosystem. Suppliers contribute to achieving the Company's CSR goals. Distributors represent bioMérieux in the various countries where they operate. It is therefore essential that they share the same values and societal commitments as bioMérieux. Furthermore, the Company is very attentive to its impact on communities and works alongside them in order to develop its positive local impact.

EXTENDED COMPANY

We build long-term partnerships to increase our positive impact on the ground

Major commitments:

- Provide CSR **training** by 2025 to **distributors** representing 55% of indirect sales
- **≥1% of net profit** attributable to the parent company dedicated to philanthropy

2022 Results:

- Creation of a **specific training** module and training of distributors covering 11% of sales achieved by this channel
- **1.08% of net profit** attributable to the parent company dedicated to philanthropy

3.8.1 Sustainable and responsible purchasing

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.

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.

Actions implemented

Suppliers were part of the Company's materiality study, carried out in 2020 (see Section 3.1). This study was supplemented by risk mapping (see Section 2.1). These analyses contributed to defining the CSR approach for the purchasing function by 2025. This roadmap is integrated into the general policy for the purchasing function.

bioMérieux's commitments and requirements have been described in the "Business practices applicable to third parties" and the "Responsible Procurement Charter between bioMérieux and its suppliers" since 2018. 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). These documents are part of the contracts established between bioMérieux and its suppliers.

bioMérieux has stepped up evaluation of its suppliers by incorporating CSR criteria in line with their activities and by monitoring the CSR performance of strategic suppliers annually.

Every year, bioMérieux provides training to develop the skills of purchasing department employees in the area of responsible purchasing, in particular on:

- the Code of Conduct and the Corruption Prevention Manual (annual training course);
- the responsible procurement guide;
- CSR maturity assessment tools for the Company's suppliers.

In 2022, all the employees of the function (109 people) completed the Fresque du Climat training.

In particular:

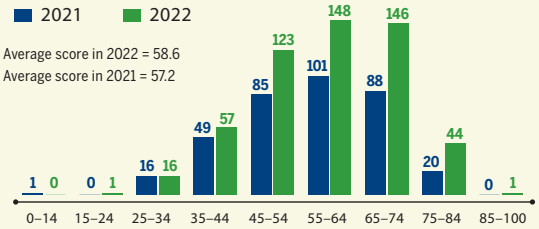
- bioMérieux uses raw materials of animal origin for some of its products. This use is compliant with the Business Principles for Third Parties guide;
- The Company strives not to use raw materials or components containing minerals that are known to fuel conflict (conflict minerals);
- CSR criteria represent 10% of the final supplier grade;
- studies are conducted to evaluate the distance between the Company's production sites and its suppliers' sites. The Company thus wishes to foster the local integration of its suppliers in the regions/countries where it operates in order to support the development of local communities and reduce its carbon footprint.

In 2022, bioMérieux set a 2026 goal of engaging providers representing 67% of its purchasing volume to adhere to Science Based Target Initiative (SBTi). The supplier engagement process began at the end of 2022.

2022 Achievements

bioMérieux follows a process to assess the CSR record of its suppliers with the help of a rating agency (EcoVadis). The situation in 2022 was as follows:

- 536 suppliers, most of them strategic, were rated by EcoVadis and represent more than 55.8% of 2022 purchasing expenditure (compared with 367 suppliers representing more than 50.1% of purchasing expenditure in 2021).
- 462 providers met or exceeded the minimum expected score of 45 out of 100 (up from 307 in 2021).



- Action plans were requested from all suppliers who had not achieved this minimum rating.
- The average score of bioMérieux suppliers was 58.6 (+1.4 pts compared with 2021), while the average for EcoVadis in 2022 was 44.8 (+0.9 pts from 2021).

In 2022, an additional assessment questionnaire has been tested and implemented, making it possible to expand the coverage of 48 suppliers, representing 3.2% of additional purchasing expenditure.

3.8.2 Collaboration with distributors

In 2021, a cross-functional global team, dedicated to transforming the management of the Company's distributor network, has been put in place. The year 2022 marks the debut of a 2025 roadmap that aims to achieve excellence. This team relies on regional and national correspondents.

Actions implemented

bioMérieux has decided to create the bioSTAR trophy, which recognizes distributors who support and align with bioMérieux's ambitions and values, within which CSR criteria count for nearly 20%. This program has been communicated in meetings and events led by local teams. The event bringing together the best distributors took place in June 2022 at Marcy l'Étoile and, on the strength of this success, the next edition has already been launched for 2023.

In line with its desire to support its distributors in the development of new skills, in 2022 bioMérieux continued its assessment approach on the basis of a maturity grid for 12 key criteria. The distributors involved in this approach cover 90% of the sales made by this channel.

This matrix makes it possible to objectively determine distributor training needs. Numerous modules have been developed for them, to which new topics have been added such as medical education, management of public and governmental affairs and CSR. The matrix is also part of the bioSTAR program.

A program enabling distributors to assess their CSR performance on an external rating platform selected by bioMérieux has been initiated. Nine distributors representing 7% of sales achieved by this channel are now certified. bioMérieux will thus have a view of their performance and actions for improvement will be taken by the distributors.

2022 Achievements

In 2022, distributors representing 11% of sales made through this channel received CSR training.

The goal for 2025 is for 55% of sales to be achieved by distributors having undertaken this training.

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 Samoa, the Seychelles, the Turks and Caicos Islands, 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.
  - No subsidiary therefore resides in a country for tax reasons.
  - The legal structure of the main companies owned by bioMérieux SA has been available for a number of years in Section 1.2.4.1 "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. The R&D and production activities are detailed in Section 1.2.4.1.

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 71 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).
- Tax payments amounted to €224 million, including €19 million relating to tax claims and litigation. The Group's cash outflow rate (income tax paid/income before tax) was 35.2% in 2022 (versus 23.9% in 2021) excluding the effect of tax claims and litigation. The cash outflow excluding tax claims and litigation (€204 million) broke down as follows in the various regions where the Group operates:
  - North America: €140 million (versus €127 million in 2021);
  - Europe/Middle East: €44 million (versus €36 million in 2021);
  - Asia Pacific: €16 million (versus €13 million in 2021);
  - Latin America: €3 million (versus €9 million in 2021);
  - Africa: €1 million, the same as in 2021.

  For the main countries in which the Group operates, the amounts are as follows:
  - United States: €140 million (versus €126 million in 2021);
  - France: €28 million (versus €27 million in 2021);
  - China: <€1 million (versus €3 million in 2021).

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 are rooted in the unique history of the Mérieux family: the humanist and responsible mindset is at the heart of bioMérieux.

bioMérieux is committed by means of sponsorship activities and support for various causes: global health, especially through the activities of the Fondation Mérieux and the Fondation Christophe et Rodolphe Mérieux to fight infectious diseases; and also to the fight against inequality and activities for access to culture, with a view to meeting the needs in the areas where it operates.

3.8.4.1 Sponsorship

In 2022, bioMérieux supported multiple solidarity projects worldwide.

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 revenue to sponsorship activities every year and undertook to dedicate at least 1% of income attributable to the parent company to sponsorship activities.

The distribution of these funds is described in the table below:

Sponsorship, donation and mentoring activities *(in thousands of euros)*	**2022**	**2021**	**2020**
bioMérieux SA's sponsorship activities	6,083	5,715	43,207
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	*649*	*701*	*883*
Sponsorships and other donations	175	248	337
bioMérieux SA total	**6,258**	**5,963**	**43,544**
Other subsidiaries total	**214**		
GROUP TOTAL	**6,472**		
As a % of net profit attributable to the parent company 2021	1.08		

The type of philanthropic activities conducted in 2022 by bioMérieux SA is detailed in the table below:

Theme	**Achieved in 2022 *(in thousands of euros)***	
Health	3,210	51%
Help for people with lower incomes	1,067	17%
Equal opportunities	360	6%
Culture and athletics	542	9%
Teaching/School relations	314	5%
Protecting fauna and flora	180	3%
Network	169	3%
Humanitarian emergencies	170	3%
Other	247	4%
GRAND TOTAL	**6,258**	**100%**

Sponsorship and other engagements with local communities

bioMérieux is involved in local life around its sites and subsidiaries. This regional solidarity is achieved through long-term (78% of 2022 financial support) engagement with local communities and participating in social and cultural initiatives, in partnership with local associations and NGOs. Moreover, bioMérieux is committed to involving its teams and creating bridges and beneficial synergies for associations through employee engagement and sharing expertise.

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 2022, bioMérieux also increased its commitment to people with disabilities. Six projects were supported in this area: supporting rehabilitation for people with genetic diseases, actions to raise awareness of deafness and support for equine therapy workshops for young people, supported by the OVE foundation.

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.

Moreover, bioMérieux wished to sustain an innovative project supported by the *Entreprise des Possibles*: "The Elder's Refuge" a senior residence for unhoused people. 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

Access to culture is an important focus of sponsorship for bioMérieux, which supports cultural initiatives in the local communities where it operates. The Company supports museums such as the *Musée de Grenoble*, the *Musée des Confluences* and the *Musée des Beaux Arts* in Lyon, thus securing the acquisition of works of considerable historical importance and access to these museums for as many people as possible.

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

EMERGENCY AID

bioMérieux also grants funds in major international emergencies.

bioMérieux is taking action for the Ukrainian people through three major activities:

- financial support for the actions of the French Red Cross which has, throughout France, deployed solutions for welcoming refugees, as well as for the Polska Akcja Humanitarna association, which has promoted the welcoming of refugees in Poland, the main host country for Ukrainian refugees;
- organization of an international collection among its employees that made it possible to send 3.5 metric tons of equipment to Poland;
- and finally, bioMérieux has facilitated hiring Ukrainian refugees in Poland, to enable them to acquire skills and have access to financial independence.

bioMérieux provided its support to Action Against Hunger projects for people affected by the floods in Pakistan with the distribution of first aid kits, food parcels and latrine kits, with a view to limiting health risks in refugee camps.

3.8.4.2 Support for 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 government-recognized public interest foundations fight against infectious diseases that affect developing countries, in particular 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. In resource-limited countries, it aims to contribute to biological research applied to public health, and more particularly to fighting infectious diseases, and improving the living conditions of the populations with lower income, especially mothers and children. bioMérieux distributes dividends to the 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 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.

The bioMérieux Endowment Fund

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 relies on bioMérieux employees who, on a voluntary basis, may 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.

In 2022, the bioMérieux Endowment Fund launched its first call for projects to gather projects contributing to the education of children aged zero to eight years from families with limited resources. 88 projects of a duration of one to three years were submitted with the support of bioMérieux employees who sponsored them, and 20 projects from 17 countries were finally selected for a total sum of €2.8 million.

3.8.4.3 Commitment to local scientific communities

bioMérieux supports and develops continuing medical education programs for healthcare professionals. These programs make it possible to enrich both scientific knowledge and medical skills for the benefit of patients.

In 2022, bioMérieux held more than 650 medical continuing education events worldwide, highlighting the role and value of diagnostics in the care pathway.

bioMérieux develops continuing medical education programs in collaboration with leading experts. It also supports independent programs created by learned societies through educational grants with, for example but not limited to, the European Society of Clinical Microbiology and Infectious Diseases (ESCMID), the Global Health Impact Group (GHIG) or the International Society of Infectious Diseases (ISID).

Finally, the Company initiates global, regional or local educational programs in collaboration with renowned scientific organizations.

Overall, in 2022, more than 90,000 healthcare professionals, especially clinicians, laboratory specialists and pharmacists, participated in bioMérieux's continuing medical education activities.

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 (442 employees at December 31, 2022) 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, São Paulo – 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 fixed-term employee headcount (excluding interns, international volunteers (VIE), and temporary employees).
- 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	ADEME
	Direct emissions from mobile sources equipped with a thermal combustion engine	CO_2 data collected from our suppliers	N/A
	Fugitive direct emissions	Emissions of refrigerant gases after accidental leakage. This data is collected via environmental reporting	IPCC 2016, others
Scope 2	Indirect emissions related to electricity consumption	Electricity consumption collected via environmental reporting	EIA AIB 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	Supplier data
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)	Transporter data or Air: *GHG Protocol* Road: ADEME Sea: *GHG Protocol*
	Product use	Annual energy consumption of installed equipment, by country	EIA
	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 (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.

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 professional standards.

Means and resources

Our work involved five people between October 2022 and February 2023, with the period of activity totaling 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 of the French Commercial Code 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 of the French Commercial Code, 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 of said Code;
- 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 (Saint-Vulbas, France), BioFire Diagnostics LLC (Salt Lake City, Utah, United States);
- 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 of the French Commercial Code;
- 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 15% and 35% of the consolidated data selected for these tests (33% of waste, 18% of energy, 21% 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, March 17, 2023

The Independent Third Party

EY & Associés

Thomas Gault
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.
Number of training hours and number of training hours per employee.	HSE (Health, Safety and Environment) organization and management system.
Frequency rate of lost-time occupational accidents.	
Severity rate of occupational accidents.	
Environmental information	
Quantitative information (including key performance indicators)	*Qualitative information (actions or results)*
Scopes 1 and 2 greenhouse gas emissions.	Results of the environmental policy with respect to managing energy, waste and water.
Scope 3 greenhouse gas emissions.	Initial results of the product life cycle analysis program.
Total waste generated and recycled waste.	Climate change (significant emission categories due to activity, and reduction targets).
Total water consumption.	
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.	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.
Rate of completion of personal data confidentiality training for employees in contact with patient data.	Results of the product quality and regulatory compliance policy.
Rate of completion of training on application of the Code of Conduct, confidentiality and anti-corruption (for distributors).	Results of business ethics policies.
Percentage of distributors who have undergone a performance and skills assessment.	Actions taken to prevent corruption and tax evasion.
Antibiotics coverage rate of the bioMérieux Group's AST solutions.	
Growth rate of the number of patient results supporting efforts to combat AMR.	

3.11 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), bioMérieux has implemented a vigilance plan. bioMérieux's vigilance plan meets legal requirements, in particular by containing reasonable vigilance measures for identifying and preventing the risks to human rights and fundamental freedoms, the risks of serious 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, and 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), and bioMérieux's external CSR/HSE evaluation questionnaires.

Governance

bioMérieux has a CSR Operational Steering Committee (see Section 3.2.2), 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)		
Activities of subcontractors or suppliers	Mapping of non-financial risks (see Section 3.3) 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)	EcoVadis (see Section 3.1) Reporting by industrial sites, subsidiaries and central functions (see Section 3.5.2)	EcoVadis (see Section 3.1) HSE management system (see Section 3.7.2.1) Process and tools for managing health and safety at work (see Section 3.7.2.2) Occupational hazards assessment process (see Section 3.7.2.2 and Section 3.7.2.3) Assessment of the rate of occupational accidents and of occupational diseases (see Section 3.7.2.2)
Activities of subcontractors or suppliers	EcoVadis (see Section 3.8.1) Automated third-party screening based on a risk matrix (see Section 3.6.6) 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 3.6.6) Diversity (see Section 3.7.3): gender equality, integration of employees with disabilities	bioMérieux Code of Conduct (see Section 3.6.6) Overall HSE policy: Environmental objectives (see Section 3.5.1) Certification: ISO 14001 (see Section 3.5.1)	bioMérieux Code of Conduct (see Section 3.6.6) Overall HSE policy: Occupational health and safety objectives (see Section 3.7.2.1) Certification: ISO 45001 (see Section 3.7.2.1)
Activities of subcontractors or suppliers	Code of Conduct (see Section 3.6.6) Subcontractor approval form and business practices applicable to third parties (see Section 3.6.6) 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 3.6.6)		Whistle-blowing process available to employees and third parties (see Section 3.6.6) Reporting tool for hazardous situations and suggestions for improvement (see Section 3.7.2.2)
Activities of subcontractors or suppliers	Whistle-blowing process available to employees and third parties (see Section 3.6.6)		Reporting tool for hazardous situations and suggestions for improvements (see Section 3.7.2.2) 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 3.2) Monitoring and renegotiating Company-level agreements (see Sections 3.7.4 and 3.7.3)	CSR Operational Steering Committee (see Section 3.2) HSE Committee (see Section 3.7.2.1)	CSR Operational Steering Committee (see Section 3.2) HSE Committee (see Section 3.7.2.1)
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 Alignment with the European green taxonomy

According to the Company, the European green taxonomy targets as a priority sectors with the largest climate footprint on the environment, of which bioMérieux is not a part. For example, the table below illustrates the emission intensities per employee for large industrial groups, whose activity by nature tends to have a greater impact in terms of greenhouse gas emissions.

For example, the intensity of greenhouse gas emissions in CO_2 equivalent per employee is 200 times higher for a steel group than for the Company. In 2021, this intensity was 4.4 metric tons CO_2e per employee for bioMérieux.

Sector of activity	Multiple[(a)]
Steel group	x200
Petroleum group	x80
Construction/public works group	x4
Automobile group	x3

(a) tCO_2 equivalent multiple emissions per employee company compared/tCO_2 equivalent emissions per bioMérieux employee (Scope 1 and 2) for the year 2021.

Principles of the regulation and interpretations by the Company

Pursuant to regulation (EU) 2020/852 of June 18, 2020, 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 others.

For the activities of the 2022 fiscal year, the scope defined by the regulation is limited to the first two objectives.

The following are the indicators to be published:

- Eligible revenue/total consolidated revenue;
- Aligned revenue/total consolidated revenue;
- Eligible capital expenditure/total consolidated capital expenditure;
- Aligned capital expenditure/total consolidated capital expenditure;
- Eligible operating expenses/total consolidated operating expenses;
- Aligned operating expenses/total consolidated operating expenses.

According to Regulation (EU) 2020/852 of June 18, 2020, substantial contribution to climate change adaptation includes adaptation solutions that significantly reduce the risk of negative impacts of the current climate and its expected evolution on economic activity or that provide adaptation solutions. Examination of the Company's operations led to the conclusion that none of its activities and operations met the definition.

Consequently, the Company's Key Performance Indicators (KPI) on this goal are considered null (Revenue KPI, Capital Expenditure KPI and Operational Expenditure KPI), on both the eligibility criterion and the alignment criterion.

According to this same regulation, substantial contribution to climate change mitigation consists of helping to stabilize concentrations of greenhouse gases in the atmosphere, in particular by improving energy efficiency or developing clean or climate-neutral mobility. 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 Section 3.5 and the majority of its work is not included in the scope of this taxonomy. For example, the Company's efforts in favor of sustainable electricity supply are not covered by this regulation.

bioMérieux Key Performance Indicators

The Company's KPIs are published below:

			Substantial contribution criteria		No significant harm criteria	
			Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation
Eligible revenue		2022	0%	0%		
		2021	0%	0%		
Capital expenditure	**Eligible**	2022	34%	0%	YES	YES
		2021	34%	0%	YES	YES
	Aligned	2022	1.6%	0%		
		2021	0.4%	0%		
Operational expenditures		2022	0%	0%		
		2021	0%	0%		

Comments on the indicators

Revenue indicator

Following review of its operations, the Company believes that it does not carry out any eligible activity.

- Net income: 0% eligible and aligned

Capital expenditure indicator

The Company's capital expenditure consists primarily of capitalized instruments and industrial investments, which are not intended to fall into the eligible category. Interpretation of the regulation led the Company to believe that only purchasing, construction and refurbishment of building and vehicle fleets are in the eligible category.

The Group believes capital expenditure for refurbishment contributing to energy efficiency is aligned. For the two fiscal years published, this mainly concerns the installation of solar panels on some of its sites, equipment for recharging electric vehicles, heat pumps, building insulation work and the replacement of lighting by LED bulbs. The Company has restricted what it believes to be aligned capital expenditure to expenditure that brings about a material improvement in performance, but it cannot guarantee a minimum improvement of 30% for each building in question.

The Company believes that its purchasing and construction of real estate properties is not aligned, within the meaning of the taxonomy. It strives to adopt stringent construction standards, but these do not currently reach the level defined in the European regulation, which requires buildings to be at least 10% lower in energy performance than the established threshold for requirements for near zero energy buildings in national measures to implement Directive 2010/31/EU.

bioMérieux believes capital expenditure for new vehicles whose CO_2 emissions per kilometer were less than the limit of 50 g CO_2/km to be aligned.

To conduct its work, the Company used the following detailed files relating:

- to capital expenditure per project excluding IFRS 16;
- to capital expenditure per IFRS 16 contract;
- to the management of its fleet vehicles by its main service provider.

In addition to the detailed examination of these files, the Company conducted interviews with project managers to complete its assessment.

Compliance with the criterion consisting of "do no significant harm"

According to the Company's interpretation of the regulation, compliance with the "do no significant harm" criterion first depends primarily on meeting the criteria of Appendix A of the Annex to Commission Delegated Regulation EU 2021/2178 of July 6, 2021. This requires that an examination of activity aimed at determining the physical climate risks that could influence the course of economic activity is performed and that, if necessary, a remediation plan is implemented.

The Company believes that it meets this criterion upon examination of the systems described in Sections 2.2.2.3, 2.2.2.6 and 3.3 and as a result of applying the duty of vigilance (see Section 3.11).

Operational expenditure indicator

Only expenses related to the upkeep and maintenance of eligible capital expenditure can be included in the base. Upon examining its activities, the Company believes that the share of these operating expenses is not material.

- Net income: 0% eligible and aligned

Conclusion

All the above estimates are subject to change, particularly in light of future delegated acts and market practices. Aside from operations covered by the Taxonomy, bioMérieux has set itself ambitious overall targets for reducing greenhouse gas emissions. These have been officially approved by the Science-Based Targets initiative (SBTi) and are compatible with a +1.5° trajectory (see Section 3.5.2.1).

4

Governance and executive compensation

4.1 Principles and framework for implementation of corporate governance

The Company complies with legal requirements regarding corporate governance and refers to the AFEP-MEDEF Corporate Governance Code. This code, revised in December 2022, can be consulted online at the following link: *https://afep.com/wp-content/uploads/2022/12/Code-AFEP-MEDEF-version-de-decembre-2022.pdf*

The provisions of this code that have not been applied, and the recommendations of the *Haut Comité de Gouvernement d'Entreprise* (French Higher Committee on Governance, HCGE) that the Company has decided not to follow are set out in the following table.

SUMMARY TABLE OF THE RECOMMENDATIONS OF THE AFEP-MEDEF CORPORATE GOVERNANCE CODE THAT HAVE NOT BEEN APPLIED

Shares held by the directors	Each of the directors holds 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. After discussion and hearing the position of the Human Resources, Compensation and CSR Committee, the Board of Directors confirmed the independence of Harold Boël and Marie-Paule Kieny and the absence of conflicts of interest (see Section 4.2.5) based on the quantitative and qualitative criteria discussed in this document. 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.
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, Compensation 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).

RECOMMENDATION APPLIED AS OF MARCH 2023

Presence of a director representing employees on the Human Resources, Compensation and CSR Committee	The Human Resources, Compensation 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. In addition, as of March 2023, Sylvain Orenga, director representing employees, will be a member of the Human Resources, Compensation and CSR Committee.

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 Annual General 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.

Specific measures to ensure the balance of power in a context of combining the functions of the Chairman of the Board of Directors and Chairman and Chief Executive Officer

- Restrictions appearing in the internal rules of the Board of Directors (Section 4.6.2).
- Existence of meetings among independent directors (Section 4.2.6.6), discussions and deliberations during assessment of executive corporate officers' performance (in their absence).
- Option for the Board of Directors to discuss at any moment in the absence of the executive corporate officers.
- Annual self-assessment by the Board of Directors, which allows it to formally document the extent to which it is satisfied with the balance of powers (Section 4.2.6.5).
- The Board of Directors has several committees (Section 4.2.6.7): the Audit Committee, the Human Resources, Compensation and CSR Committee composed primarily of independent directors, and the Strategy Committee which unites all the members. They report on their work and their recommendations to the Board of Directors which can then be required to vote on certain resolutions on the basis of these elements.

Chief Operating Officer

By recommendation of the Chairman and CEO, and by decision of the Board of Directors of February 25, 2020, the Company appointed a Chief Operating Officer, Pierre Boulud, for a three year period, counting from March 1, 2020. By recommendation of the Chairman and CEO, the term of office as Chief Operating Officer of Pierre Boulud, has been renewed for a three-year period by the Board of Directors at the meeting of December 14, 2022.

Pierre Boulud 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 at the date of publication of this Universal Registration Document is composed of eight other members (so nine members in total), namely:

- 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;
- Audrey Dauvet, Executive Vice President, Legal Affairs, Intellectual Property and Compliance;
- 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.

4.2.2 Board of Directors

* *Pursuant to Article L. 225-7-1 of the French Commercial Code (*Code de Commerce*), the percentage of female directors is calculated without including the director representing employees.*

** *As of March 2023, Sylvain Orenga, director representing employees, will be a member of the Human Resources, Compensation and CSR Committee.*

Summary table of members of the Board of Directors

	Age (at 12/31/2022)	Gender	Nationality	Number of shares	Number of directorships in listed companies[a]	Independence	Initial appointment date	Directorship expiration	Number of years on Board (at 05/23/2022)	Participation in Board Committees
Alexandre Mérieux *Chairman and Chief Executive Officer*	48 years	M	French	60	2		04/16/2004	2026	18 years	Strategy Committee
Philippe Archinard *Non-independent director*	63 years	M	French	30	3		06/10/2010	2023	12 years	Audit Committee Strategy Committee
Jean-Luc Bélingard *Non-independent director*	74 years	M	French	60150	4		09/15/2006	2026	16 years	Strategy Committee (Chairman) HR, Compensation and CSR Committee[b]
Harold Boël *Independent director*	58 years	M	Belgian	150	2	√	05/30/2012	2024	10 years	Audit Committee (Chairman) Strategy Committee
Marie-Hélène Habert-Dassault *Independent director*	57 years	F	French	57	4	√	05/30/2012	2024	10 years	Strategy Committee HR, Compensation and CSR Committee[b]
Marie-Paule Kieny *Independent director*	67 years	F	French	180	1	√	08/28/2017	2025	5 years	Strategy Committee
Agnès Lemarchand *Independent director*	68 years	F	French	150	3	√	05/28/2014	2023	8 years	Audit Committee Strategy Committee
Fanny Letier *Independent director*	43 years	F	French	30	2	√	05/30/2017	2025	5 years	HR, Compensation and CSR Committee[b] (Chairman) Strategy Committee
Sylvain Orenga *Director representing employees*	57 years	M	French	N/A	N/A		05/23/2022	2026	< 1 year	HR, Compensation and CSR Committee[b] as of March 2023, Strategy Committee

(a) Including the position held at bioMérieux.
(b) Human Resources, Compensation 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, 2022, it had nine members, five of whom were independent and one a director representing employees.

The directors

The Annual General Meeting of May 23, 2022 renewed the terms of office of Alexandre Mérieux and Jean-Luc Bélingard as directors for a period of four years until the close of the Annual General Meeting to be held in 2026 to approve the financial statements for the fiscal year ending December 31, 2025. On April 29, 2022, the Central Works Council appointed Sylvain Orenga as director representing employees, to replace Frédéric Besème with effect from May 23, 2022.

The Board of Directors will recommend to the Annual General Meeting of May 23, 2023 that Philippe Archinard's term of office be renewed until the close of the Annual General Meeting held in 2027 to approve the financial statements for the fiscal year ending December 31, 2026. Agnès Lemarchand's term of office will end during the Annual General Meeting of May 23, 2023.

Following the Annual General Meeting of May 23, 2023, the Board of Directors will comprise eight directors, including four independent directors and one director representing employees.

Biography of the directors whose reappointment will be submitted by the Board of Directors to the 2023 Annual General Meeting

Philippe Archinard

Philippe Archinard, 63, 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.

A description of his directorships and positions is included in Section 4.2.4.

He has been a Director of bioMérieux since 2010. He is a member of the Audit Committee and the Strategy Committee.

Philippe Archinard is a non-independent director.

The Board of Directors recommends that the Annual General Meeting renew the directorship of Philippe Archinard for the following reasons:

- Director for 12 years and a former bioMérieux executive, he has an excellent knowledge of the Company and its market, and contributes his expertise, especially regarding strategy, M&A, science, finance and audit matters;
- his experience as an executive in international healthcare companies 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.

Sylvain Orenga was appointed director representing employees on April 29, 2022, replacing Frédéric Besème with effect from May 23, 2022, for a period of four years, i.e. until 2026.

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 his 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

Situation as at March 1, 2023.

	Departure	Appointment	Renewal
Board of Directors	Frédéric Besème (May 23, 2022)	Sylvain Orenga (appointed: April 29, 2022; start of term of office: May 23, 2022)	Alexandre Mérieux and Jean-Luc Bélingard (May 23, 2022)
Audit Committee	N/A	N/A	N/A
Human Resources, Compensation and CSR Committee	N/A	Sylvain Orenga (March 2023)	Jean-Luc Bélingard (May 23, 2022)
Strategy Committee	N/A	N/A	Alexandre Mérieux and Jean-Luc Bélingard (May 23, 2022)

Summary of the staggering of directors' terms of office

Director	2023 Meeting	2024 Meeting	2025 Meeting	2026 Meeting
Alexandre Mérieux				•
Philippe Archinard	•			
Jean-Luc Bélingard				•
Harold Boël		•		
Marie-Hélène Habert-Dassault		•		
Marie-Paule Kieny			•	
Agnès Lemarchand	•			
Fanny Letier			•	
Sylvain Orenga (director representing employees)				•

4.2.4 Biographies of directors (at 12/31/2022)

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: **2026**
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 holds 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 12/31/2022 (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)]:

N/A

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 63)
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 12/31/2022 (all companies)

Within the Group[(a)]:

- Chief Operating Officer of Institut Mérieux (France)
- Director of Transgene SA (France – listed company)
- 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)]:

- Chief Executive Officer of TSGH (France)
- Chairman and Chief Executive Officer of Transgene SA (France – Listed company – term expired: : 2020)

Outside the Group[(a)]

- Director of CPE Lyon – Representative of FPUL (term expired: 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, COMPENSATION AND CSR COMMITTEE

Non-independent director

Born on
10/28/1948 (aged 74)
Nationality: **French**
First appointed on:
09/15/2006
Term expires: **2026**
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 12/31/2022 (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).

Harold Boël

CHAIRMAN OF THE AUDIT COMMITTEE
MEMBER OF THE STRATEGY COMMITTEE.

Independent director[a]

Born on
08/27/1964 (aged 58)
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 12/31/2022 (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, COMPENSATION AND CSR COMMITTEE

Independent director[a]

Born on
04/04/1965 (aged 57)
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 12/31/2022 (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 Chair of the Serge Dassault Foundation
- Vice-Chair on the Supervisory Board of Immobilière Dassault SA[c] (France – listed company)
- Chair 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
- Member of the Supervisory Board of Rond-Point Immobilier (SA)
- Vice Chair of the Serge Dassault Foundation
- Vice Chair and member of the Strategy Committee of HDF (SAS)
- 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 67)
Nationalities: **French and Swiss**
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. Until May 1, 2022, she was 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.

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. Between June 2020 and October 2022, she was 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 sits on the scientific advisory boards of several organizations that are active in the healthcare field. She is a director and Chairman of the Fondation Mérieux Scientific Advisory Board

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 12/31/2022 (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 68)
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 12/31/2022 (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

CHAIRMAN OF THE HUMAN RESOURCES, COMPENSATION AND CSR COMMITTEE
MEMBER OF THE STRATEGY COMMITTEE

Independent director[(a)]

Born on
03/15/1979 (aged 43)
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.

Other directorships and positions held at 12/31/2022 (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).

Sylvain Orenga

MEMBER OF THE STRATEGY COMMITTEE
MEMBER OF THE HUMAN RESOURCES, COMPENSATION AND CSR COMMITTEE
(as of March 2023)

Director representing employees

Born on
05/31/1965 (aged 57)
Nationality: **French**
First appointed on:
05/23/2022
Term expires: **2026**
Number of shares
in the Company: N/A

MAIN EXPERTISE:
Health sector
Clinical Microbiology
CSR

Sylvain Orenga holds a biochemical engineering degree from the *Institut National des Sciences Appliquées* of Lyon and a post-graduate degree in microbial ecology from *Université Claude Bernard* (Lyon) from 1989 to 1990. He joined bioMérieux in 1990, as an R&D researcher. He has held various positions as a personnel representative on institutional and corporate boards of governors. He has been a biosciences Scientific Director since 2015. Since becoming a director representing employees in 2022, in accordance with the law, he has abandoned all personnel representation functions within bioMérieux. To perform his role as a director, he completed a training course at the *Institut Français des Administrateurs* (IFA) in 2022.

Other directorships and positions held at 12/31/2022 (all companies)
N/A

Directorships and positions that have expired in the past five years
N/A

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 applicable rules at the Company regarding limits on directorships are the current legal rules.

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 73.02% of its voting rights as at December 31, 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			√	√	√		√	√
Harold Boël		√	√	√	√	√	√	√
Marie-Hélène Habert-Dassault	√	√	√	√	√	√	√	√
Marie-Paule Kieny	√	√	√	√	√	√	√	√
Agnès Lemarchand	√	√	√	√	√	√	√	√
Fanny Letier	√	√	√	√	√	√	√	√
Sylvain Orenga		√	√	√	√	√		√

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 7, 2023, was able to review the analysis of the Human Resources, Compensation and CSR Committee regarding the independence of directors, according to the criteria of the AFEP-MEDEF Corporate Governance Code. After discussion, the Board of Directors confirmed the independence of the following five directors: Harold Boël, Marie-Hélène Habert-Dassault, Marie-Paule Kieny, Agnès Lemarchand and Fanny Letier.

In particular, the Board of Directors deemed Harold Boël, a director of Mérieux NutriSciences Corporation, a US company owned by Institut Mérieux, and Marie-Paule Kieny, a director of the Fondation Mérieux, to be independent (see Section 4.1 and the section below).

Evaluation of conflicts of interest

The Board of Directors meeting of March 7, 2023 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 did not consider there to be a conflict of interest. The quantitative and qualitative criteria that allowed the Board of Directors to arrive at this assessment are the following: absence of economic dependence and exclusivity. The two companies are independent and each operates in different areas. 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). Existing relationships are not material in terms of revenue. They accounted for less than 3% of the revenue of Mérieux NutriSciences Corporation in 2022 and as such do not call into question Harold Boël's independence. Nevertheless, 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 and 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 2022

	Board of Directors		Audit Committee		Human Resources, Compensation 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%	7/7	-	-	-	-	100%	1/1
Philippe Archinard	86%	6/7	100%	6/6	-	-	100%	1/1
Jean-Luc Bélingard	86%	6/7	-	-	100%	3/3	100%	1/1
Frédéric Besème	100%	4/4	-	-	-	-	N/A	N/A
Harold Boël	86%	6/7	100%	6/6	-	-	100%	1/1
Marie-Hélène Habert-Dassault	86%	6/7	-	-	100%	3/3	100%	1/1
Marie-Paule Kieny	100%	7/7	-	-	-	-	100%	1/1
Agnès Lemarchand	71%	5/7	83%	5/6	-	-	100%	1/1
Fanny Letier	71%	5/7	-	-	100%	3/3	100%	1/1
Sylvain Orenga	100%	2/2	-	-	-	-	100%	1/1
AVERAGE PARTICIPATION RATE	**88.6%**		**94%**		**100%**		**100%**	

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 strategies relating to the Company's business. It is committed to helping the Company create long-term values that take social and environment factors into account. 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 Annual General Meetings. The Board of Directors carries out all controls and procedures that it deems appropriate.

The Chairman organizes and oversees the Board of Directors' work and reports thereon to the Annual General 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.

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. All Board members have agreed to comply with it.

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.

In particular, the internal rules 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 Directors 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, Compensation 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, which became the Central Social and Economic Committee. Frédéric Besème was appointed to this position during 2018, and then Sylvain Orenga in 2022.

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).

Policy of gender diversity within governing bodies and equal representation of women and men.

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.

Pursuant to the provisions of Article 8 of the AFEP-MEDEF Corporate Governance Code, by recommendation of the General Management and after examination by the Human Resources, Compensation and CSR Committee, the Board of Directors, at its meeting of December 14, 2022, determined the gender diversity policy of its governing bodies according to the following detail:

- selected scope: the scope of governing bodies selected is the Executive Committee, whose composition and duties appear in Section 4.2.1;
- assessment at January 31, 2023: the percentage of women on the Executive Committee is 22.2% (two women and seven men);
- goals set and timeframe:
  - December 31, 2025: achieve 30% of women on the Executive Committee;
  - December 31, 2029: achieve 40% of women on the Executive Committee;
  - as of 2030: sustain diversity, maintaining a minimum representation of women of 40% on the Executive Committee.
- procedures for implementation: for several years, bioMérieux has worked to increase the number of women in management, which should facilitate achieving the goals set forth above. Workplace equality among women and men is an integral part of bioMérieux's policy and is one of the levers that will enable the gender diversity policy supported by bioMérieux for many years to be enhanced. Moreover, the Executive Committee will be renewed as a priority through the appointment of women until the objectives have been achieved, unless the skills required do not allow it. Achieving these goals will also be supported by reinforcing the gender diversity of talent pools and in the overall N-1 positions of the Executive Committee in order to ensure the presence of a candidate of each gender when considering succession plans for Executive Committee members.

The Board of Directors has taken note of the gender diversity goals proposed as well as the procedures for implementing them (action plan and timeframe). Achieving the goals will be subject to monitoring by the Board of Directors and a review of the progress and achievement of the results obtained in each fiscal year.

The Company also supports the balanced representation of women and men in its senior management posts. The goal in three years is for women to represent around 40% of bioMérieux employees in the most senior positions (levels 1 to 6, 10% of the headcount), compared with around 35% in 2020.

4.2.6.4 Work of the Board of Directors

During the previous fiscal year, the Company's Board of Directors met seven 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 2022 (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;
- examined the terms of office of directors coming to an end and recommended renewing the terms of office;
- analyzed the ethics and compliance actions implemented;
- approved the update of risk mapping;
- approved the creation of new subsidiaries;
- heard the Audit Committee on the evaluation of current agreements;
- approved the delegation of authority to the Chairman and Chief Executive Officer for 2023, with respect to sureties, endorsements and guarantees.

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 7, 2023, the Board of Directors carried out a self-assessment based on a questionnaire in which each director was able to state his or her position. It discussed the responses received based on a preliminary analysis by the Human Resources, Compensation 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.
- 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 directors acknowledge their exchanges with the Executive Committee and the openness of Management.
- 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.
- They consider that the composition of the Board and its committees 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 dialogue at those meetings.
- Committee members confirm that the committees function effectively, particularly with regard to meeting frequency and length. They emphasize the high quality of the debates within the committees as well as the smooth communication of information. Directors also appreciate the quality of the work done by the committees and the information provided in this regard. They also expressed satisfaction with the distribution of work between the committees and the Board.

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, Compensation 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. These meetings 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.

On the date of filing of this Universal Registration Document, the Board of Directors of the Company has three committees: the Audit Committee, the Human Resources, Compensation and CSR Committee, and the Strategy Committee, as described below.

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. Formed in 2002, the Audit Committee, is composed, as of December 31, 2022, as follows:

2022 DATA		List of members	Attendance
3 members	6 meetings	Harold Boël (Chairman) – independent director	100%
		Philippe Archinard	100%
		Agnès Lemarchand – independent director	83%

Practices – Missions

The Audit 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.

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 six times in 2022.

Main work of the Audit Committee in 2022:

- it 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 revenue;
- it reviewed the draft Universal Registration Document;
- it reviewed the Company's foreign exchange policy and its implementation;
- it took note of the budget preparation framework;
- 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 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;
- it 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;
- it examined the statutory auditor terms of office up for imminent renewal so that it could make a recommendation to the Board of Directors.

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, Compensation and CSR Committee

Breakdown

The Human Resources, Compensation and CSR Committee, as of December 31, 2022, is composed as follows:

2022 DATA		List of members	Attendance
3 members	3 meetings	Fanny Letier (Chairman) – independent director	100%
		Jean-Luc Bélingard	100%
		Marie-Hélène Habert-Dassault – independent director	100%

As of March 2023, Sylvain Orenga, director representing employees, will be a member of the Human Resources, Compensation and CSR Committee.

Practices – Missions

The Human Resources, Compensation 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, benefitsin-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, Compensation 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.

The Human Resources, Compensation and CSR Committee met three times in 2022.

Main work of the Human Resources, Compensation and CSR Committee in 2022:

- the composition of the Board of Directors and especially the consideration of the renewal of the term of office for the Chairman of the Board of Directors and the Chief Executive Officer and the appointment of the new director representing employees;
- the policy on the compensation of corporate officers, namely the Chairman and Chief Executive Officer, the Chief Operating Officer, the directors, and the *ex post* compensation elements;
- the succession plans for key positions and executive corporate officers;
- the independence of directors;
- the diversity policy of the Board of Directors and the Executive Committee;
- the gender diversity policy of the governing bodies.

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 2022 fiscal year and application of a 150% multiplier to the variable compensation for 2021), the amount of the 2021 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 self-assessment of the Board of Directors. It also studied the CSR strategy.

In 2022, the compensation package allocated to directors was unchanged and amounted to €500,000.

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.

As of December 31, 2022, all the directors were members of the Strategy Committee.

2022 DATA		List of members	Attendance
9 members	**1** meeting	Jean-Luc Bélingard (Chairman)	100%
		Alexandre Mérieux	100%
		Philippe Archinard	100%
		Harold Boël	100%
		Marie-Hélène Habert-Dassault	100%
		Marie-Paule Kieny	100%
		Agnès Lemarchand	100%
		Fanny Letier	100%
		Sylvain Orenga	100%

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.

The Committee met once in 2022, 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 January 5, 2022), "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 officer of the Company for the 2023 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, L. 22-10-14 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 7, 2023, upon the recommendation of the Human Resources, Compensation and CSR Committee. It will be put to a vote during the Annual General Meeting of May 23, 2023.

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 2023 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.

On the publication date of this Universal Registration Document, the executive corporate officers are:

- Alexandre Mérieux, Chairman and Chief Executive Officer;
- 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 the Chief Operating Officer is set at three years and was renewed by decision of the Board of Directors on December 14, 2022. The employment contract of Pierre Boulud, Chief Operating Officer, is an unfixed term contract under French law, and provides for a three-month notice period.

The term of office of directors is four years.

All corporate offices may be revoked *ad nutum* by the Company's shareholders, and also by the Board of Directors.

4.3.1 Compensation policy 2023 – *ex ante* voting

4.3.1.1 General description

Upon a recommendation from the Human Resources, Compensation 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.

Principles of the compensation policy for members of the Board of Directors

The compensation of directors consists of a fixed portion and a variable portion that takes into account their actual presence on Boards and committees.

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 periodically to take into account the evolution of the composition of the Board as well as the level of compensation applied in comparable companies.

Principles of the compensation policy for executive corporate officers

The compensation policy for executive corporate officers necessarily takes into account the Company's strategy and 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 executive directors;
- the compensation paid directly by Institut Mérieux, if any;
- analysis of market practices which allow to compare the level and structure of compensation for corporate officers and executive corporate officers with 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, Compensation 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, Compensation and CSR Committee, and then submitted for approval to the Board of Directors. Corporate officers do 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 general principles of the compensation policy discussed in this section are unchanged relative to those presented and approved by the Annual General Meeting of May 23, 2022.

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 2023 fiscal year

4.3.1.2.1 Compensation allocated to directors

Upon a recommendation from the Human Resources, Compensation and CSR Committee, the Board of Directors proposes to the Annual General Meeting the overall budget for the compensation allocated to directors.

The maximum amount of compensation allocated to directors will amount to €500,000 a year in accordance with the 8th resolution approved by the Company's Annual General Meeting of May 23, 2022 and will remain unchanged in 2023.

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 in Strategy Committee meetings. These decisions follow the recommendations of the Human Resources, Compensation and CSR Committee.

Thus, for fiscal year 2023, the compensation allocated to directors will, as for 2022, be broken 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, Compensation 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, Compensation 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, Compensation 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 Annual General Meeting's vote. A breakdown can be found in Section 4.3.3 of this document.

Fixed compensation *(gross amounts)*	Since June 1, 2018	Since April 1, 2020	New fixed compensation which will be submitted to the Annual General Meeting of May 23, 2023
Alexandre Mérieux	€450,000	€500,000	€550,000
Chairman and Chief Executive Officer	18% increase following his appointment as Chairman and Chief Executive Officer	11% increase justified by the implementation of a new organization of the Company, strengthening its customer focus around business expertise	Increase of 10% justified by changes in the practices observed in companies of comparable size and by experience and performance in the position

Fixed compensation *(gross amounts)*	Since March 1, 2020	New fixed compensation which will be submitted to the Annual General Meeting of May 23, 2023
Pierre Boulud	€510,000	€561,000
Chief Operating Officer	including €450,000 in respect of his employment contract and €60,000 for his service as a corporate office	including €495,000 in respect of his employment contract and €66,000 for his service as a corporate office Increase of 10% justified by changes in the practices observed in companies of comparable size and by experience and performance in the position

For 2023, the Board of Directors, on the recommendation of the Human Resources, Compensation and CSR Committee, proposes to the Annual General Meeting changing the amount of fixed compensation of two executive corporate officers in accordance with the data appearing in the tables above.

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 level of the employee. It represents a theoretical target for the variable portion in the event that employees achieve 100% of their individual objectives. In all cases, as of 2023, a maximum achievement rate of 150% is applied. These individual objectives are applicable to all Group employees; the variable compensation of corporate officers is subject to the same ceilings and mechanisms as for all employees.
- The Company's multiplier coefficient, now applicable since 2023 to all employees (excluding sales forces and special cases) is defined according to a matrix drawn up each year (MBO matrix). This matrix presents 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 defines the percentage of the multiplier coefficient (with a minimum of 80% and a maximum of 150%) applicable to the individual targets.

Specific application to executive corporate officers

Upon recommendation of the Human Resources, Compensation 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 120% of his fixed compensation (as from 2023) and the Chief Operating Officer receives a target variable portion of 70% of his fixed compensation. The individual objective achievement rate (150% maximum) and multiplier coefficient (150% maximum) ceilings are the same as for all other employees.

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 objectives 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 2023.

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 multiplier coefficient.

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, Compensation and CSR Committee during the meeting to be held to approve the financial statements for the fiscal year.

The executive corporate officers are not present when the Board of Directors discusses their performance.

The Company does not foresee any cases in which the variable compensation must be returned.

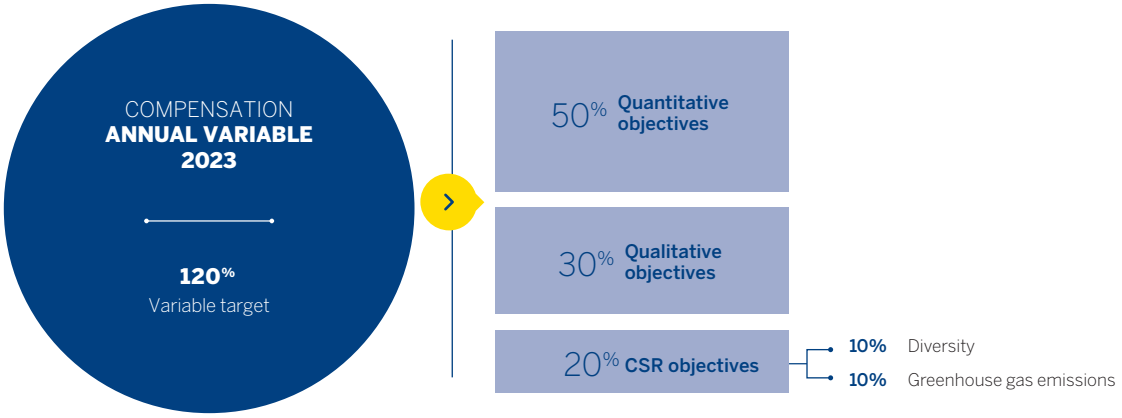
Chairman and Chief Executive Officer

The annual variable target of the Chairman and Chief Executive Officer as from 2023 is 120% 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 2023, the objectives will be as follows:

- the quantitative objectives represent 50% of the variable target. They consist of the budgetary objectives communicated by the Company, namely (i) an increase in annual sales of between +4% and +6% at constant exchange rates and on a like-for-like basis, and (ii) contributive operating income before non-recurring items comprised between €600 million and €630 million;
- the qualitative objectives represent 30% of the variable target. They consist of criteria related to five of the six main bioMérieux priorities for 2023 (6% per target), including the launch of SPOTFIRE® and VITEK® REVEAL™;
- the CSR objectives represent 20% of the variable target. They consist of (i) the 2023 objective for diversity criteria in the CSR roadmap (10%), and (ii) the 2023 objective for greenhouse gas emissions criteria in the CSR roadmap (10%).

The Company decided not to disclose the details on some criteria for confidentiality reasons.

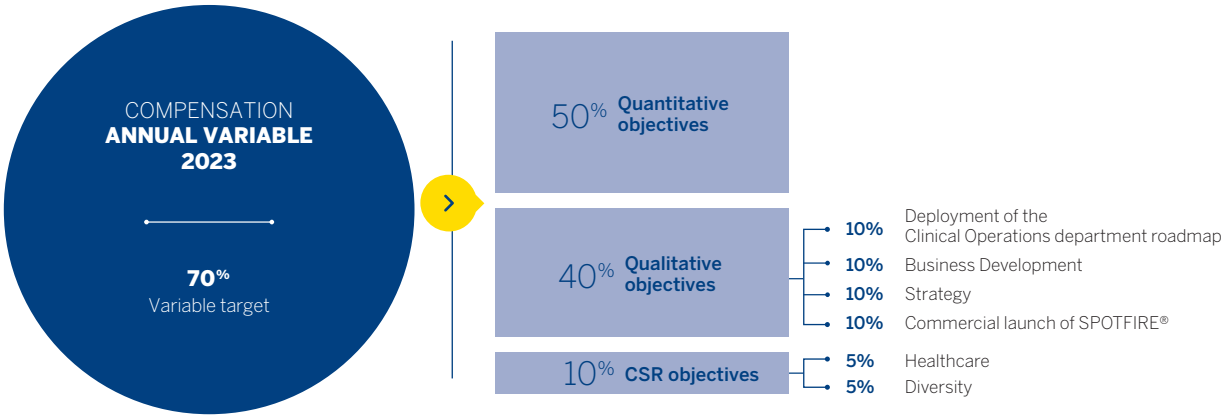


Chief Operating Officer

The annual variable target for the Chief Operating Officer is 70% of his fixed compensation. In 2023, the objectives will be as follows:

- the quantitative objectives represent 50% 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 objectives represent 40% of the variable target. They consist of criteria related to (i) the deployment of the Clinical Operations Division roadmap for 10% (particularly the Full Potential program), (ii) business development for 10%, (iii) strategy for 10%, and (iv) the successful commercial launch of SPOTFIRE® for 10%;
- the CSR objectives represent 10% of the variable target. They consist of criteria linked to (i) the CSR roadmap's Health pillar for 5%, and (ii) the diversity objectives of the CSR roadmap's Employees pillar for 5%.

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 2023, 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 2023, 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 2023, 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 degree of responsibility 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 capital.

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 expiration 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.

Moreover, the laws and internal rules of conduct of the Group, seeking to prevent insider trading and misconduct, forbid any transaction, for their own account or for that of a third party, during the periods known as "black-out period". Each year, the schedule for these mandatory abstention periods is updated according to current guidelines. 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' free share grant plans, like all of those implemented within the Company, expressly state that it is prohibited to executive 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 2023, no stock options or performance shares will be granted to the Chairman and Chief Executive Officer. The Chief Operating Officer will benefit from a target free shares grant representing about 125% of his fixed compensation on the grant date. This target is linked to the achievement at 100% of the financial objectives during the vesting period.

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 2023 Annual General Meeting.

The Chief Operating Officer receives a company car provided by bioMérieux and therefore subject to the vote of the 2023 Annual General Meeting.

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 2022 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 the 2022 fiscal year, 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 2022 fiscal year.

4.3.2.1 General policy and vote by the Annual General Meeting – overall *ex post* voting

The total compensation for 2022 described below complies with the compensation policy adopted at the Annual General Meeting of May 23, 2022.

This policy contributes to the Company's performance in the long term by associating a significant portion of the Chairman and Chief Executive 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 23, 2022 decided on the 2022 compensation policy – *ex ante* voting. The results of the votes are set out in the table below.

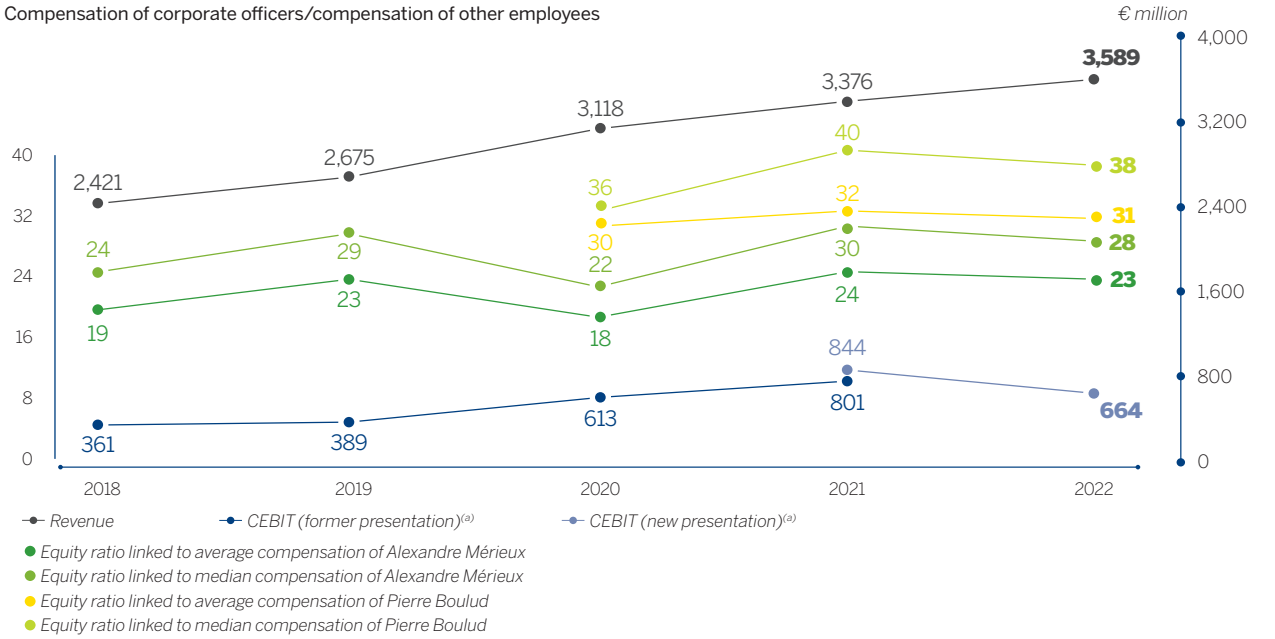
Resolutions	Policy put to vote	Percentage of votes for policy
9	Compensation of corporate officers	98.93%
10	Compensation of the Chairman and Chief Executive Officer	97.80%
11	Compensation of the Chief Operating Officer	97.40%
12	Compensation of directors	99.90%

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



(a) Following the acquisition of Specific Diagnostics, the Company decided to change the presentation of its financial statements so that all amortization and impairment of intangible assets related to acquisitions, plus all costs related to those acquisitions, would now be grouped into a single dedicated line item in the profit & loss statement. This line item, labeled "Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs," appears below Contributive operating income before non-recurring items. The data in the above table have been restated for this new rule for fiscal years 2021 and 2022.

SUMMARY OF COMPENSATION USED IN CALCULATING EQUITY RATIOS

	2018	2019	2020	2021	2022
Compensation of Alexandre Mérieux[(a)]	997,800	127,1833	1,012,500	1,435,000	1,440,000
Compensation of Pierre Boulud[(b)]	N/A	N/A	1,658,519	1,923,540[(c)]	1,947,867

(a) In his capacity as Chairman and Chief Executive Officer since December 2017.
(b) Since March 1, 2020 in his capacity as Chief Operating Officer.
(c) Corrected from the figure that appears in the 2021 Universal Registration Document because of an error in calculating the value of free shares under IFRS

	2018	2019	2020	2021	2022
Average employee compensation	52,721	55,625	55,518	59,643[(a)]	62,659
Median employee compensation	42,032	44,171	45,612	48,520	51,652

(a) Corrected from the figure that appears in the 2021 Universal Registration Document because of an error in calculating the value of free shares under IFRS.

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*)

		2018	2019	2020	2021	2022
Change *(as %)* of the compensation compared with the previous fiscal year						
Alexandre Mérieux		0%	27%	-20%	42%	0%
Pierre Boulud		N/A	N/A	N/A	16%[a]	1%
INFORMATION ABOUT THE SCOPE OF THE LISTED COMPANY						
Change *(as %)* of average employee compensation compared with the previous fiscal year		5%	6%	0.2%	7%	5%
Alexandre Mérieux	Ratio compared with average employee compensation	19	23	18	24	23
	Change in average ratio compared with the previous fiscal year	-4%	21%	-20%	32%	-4%
Pierre Boulud	Ratio compared with average employee compensation	N/A	N/A	30	32	31
	Change in average ratio compared with the previous fiscal year	N/A	N/A	N/A	8%	-4%
Change *(as %)* of median employee compensation compared with the previous fiscal year		4%	5%	3%	6%	6%
Alexandre Mérieux	Ratio compared with median employee compensation	24	29	22	30	28
	Change in median ratio compared with the previous fiscal year	-4%	21%	-23%	33%	-6%
Pierre Boulud	Ratio compared with median employee compensation	N/A	N/A	36	40	38
	Change in median ratio compared with the previous fiscal year	N/A	N/A	N/A	9%[a]	-5%
PERFORMANCE OF THE COMPANY						
Revenue (in millions of euros)		2,421	2,675	3,118	3,376	3,589
Change compared with previous fiscal year[b]		9.9%	7.2%	19.7%	10.5%	0.2%
Previously presented contributive operating income before non-recurring items *(in millions of euros)*[c]		361	389	613	801	N/A
Newly presented contributive operating income before non-recurring items *(in millions of euros)*[c]		N/A	N/A	N/A	844	664
Change compared with previous fiscal year		7.8%	6.9%	57.7%	30.8%	-21.3%

(a) Corrected from the figure that appears in the 2021 Universal Registration Document because of an error in calculating the value of free shares under IFRS.
(b) At constant exchange rates and on a like-for-like basis.
(c) Following the acquisition of Specific Diagnostics, the Company decided to change the presentation of its financial statements so that all amortization and impairment of intangible assets related to acquisitions, plus all costs related to those acquisitions, would now be grouped into a single dedicated line item in the profit & loss statement. This line item, labeled "Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs", appears below Contributive operating income before non-recurring items. The data in the above table have been restated for this new rule for fiscal years 2021 and 2022.

Methodology for calculation of the ratios

The methodology that the Company applied is based on the updated AFEP guidelines.

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 3,655 employees as at December 31, 2022.

The compensation of corporate officers includes the basic salary, bonuses, employee savings (discretionary and non-discretionary profit-sharing plans) and benefits-in-kind paid during the year, as well as total free share grants for the year. It excludes 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.

Calculation of numerator

- Taking into account the elements **paid** during 2022: fixed portion of the basic salary, variable portion (in respect of 2021), extraordinary compensation, employee savings (discretionary and non-discretionary profit-sharing), exceptional bonuses, directors' compensation and benefits-in-kind.
- Taking into account elements **allocated** during fiscal year 2022: 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 Chairman and Chief Executive Officer since December 2017;
- Pierre Boulud, in his capacity as Chief Operating Officer since March 1, 2020.

Calculation of the denominator

- Taking into account the elements **paid** during 2022: fixed portion of basic salary, variable portion (bonus in respect of 2021), extraordinary compensation, employee savings (discretionary and non-discretionary profit-sharing) and benefits-in-kind.
- Taking into account elements **allocated** during fiscal year 2022: free share allocation.

Scope: all employees of bioMérieux SA on permanent, fixed-term, PhD, and CIFRE fixed-term contracts present over two fiscal years. Work-study placements, interns, temporary employees, and expatriates are excluded.

4.3.2.1.2 Components of the compensation of directors for the 2022 fiscal year

As a reminder, in 2022, the rules for distribution of compensation allocated to directors, set by the Board of Directors meeting of December 15, 2017 on the recommendation of the Human Resources, Compensation and CSR Committee, were 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, Compensation 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	Amounts paid in 2022 for the 2022 fiscal year *(in euros)*	Amounts paid in 2021 for the 2021 fiscal year *(in euros)*
Alexandre Mérieux	40,000	35,000
Philippe Archinard	61,000	57,000
Jean-Luc Bélingard	46,000	43,000
Frédéric Besème (until AGM of May 23, 2022)	21,986	35,000
Harold Boël	61,000	57,000
Marie-Hélène Habert-Dassault	46,000	46,000
Marie-Paule Kieny	40,000	35,000
Agnès Lemarchand	52,000	42,000
Fanny Letier	41,000	41,000
Sylvain Orenga (as of the AGM of May 23, 2022)[(a)]	13,028	N/A
TOTAL	**422,014**	**391,000**

(a) Sylvain Orenga has decided to give the Fédération Chimie Energie CFDT all of the compensation awarded for his term of office as a director on the Company's Board of Directors.

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 2022 fiscal year	Amounts paid for the 2021 fiscal year
Compensation allocated pursuant to appointment as director[(a)]	46,000	43,000
Other compensation[(b)]	25,000	25,000
TOTAL	**71,000**	**68,000**

(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 2022 fiscal year	Amounts paid for the 2021 fiscal year
Compensation allocated pursuant to appointment as director[(a)]	61,000	57,000
Other compensation[(b)]	1,099,423	1,041,720
TOTAL	**1,160,423**	**1,098,720**

(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 2022, €539,999.98 in fixed compensation, €540,000 in variable compensation, €8,316 in benefits-in-kind, and €11,106.84 for the "PER Entreprise" (formerly Article 83),*
- *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).*

Frédéric Besème – director representing employees until May 23, 2022

Frédéric Besème was CSR Manager at bioMérieux.

In euros	Amounts paid in fiscal year 2022 (up to the date of May 23, 2022, the end of his term of office)	Amounts paid for the 2021 fiscal year
Compensation allocated pursuant to appointment as director[(a)]	21,986	35,000
Other compensation[(b)]	31,351	89,677
TOTAL	**53,337**	**124,677**

(a) As a director of bioMérieux.

(b) Compensation paid by bioMérieux in respect of his employment contract:

- *in 2022 and up to May 23, 2022, the end of his term of office, €30,730 in fixed compensation and €621 for the "PER Entreprise" (formerly Article 83),*
- *in 2021, €78,040 in fixed compensation, €8,028 in variable compensation, and €3,608.61 for the "PER Entreprise" (formerly Article 83).*

Sylvain Orenga – director representing employees as of May 23, 2022

Sylvain Orenga is an expert researcher in microbiology at bioMérieux.

In euros	Amounts paid in fiscal year 2022 (counting from the date May 23, 2022, the start of his term of office)	Amounts paid for the 2021 fiscal year
Compensation allocated pursuant to appointment as director[(a)]	13,028	N/A
Other compensation[(b)]	63,004	N/A
TOTAL	**76,032**	**N/A**

(a) As a director of bioMérieux. Sylvain Orenga has decided to give the Fédération Chimie Energie CFDT all of the compensation awarded for his term of office as a director on the Company's Board of Directors.

(b) Compensation paid by bioMérieux in respect of his employment contract: in 2022, from May 23, 2022 onward, the start of his term of office, €61,382 in fixed compensation and €1,622 for the "PER Entreprise" (formerly Article 83).

Other directors

In the 2022 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.

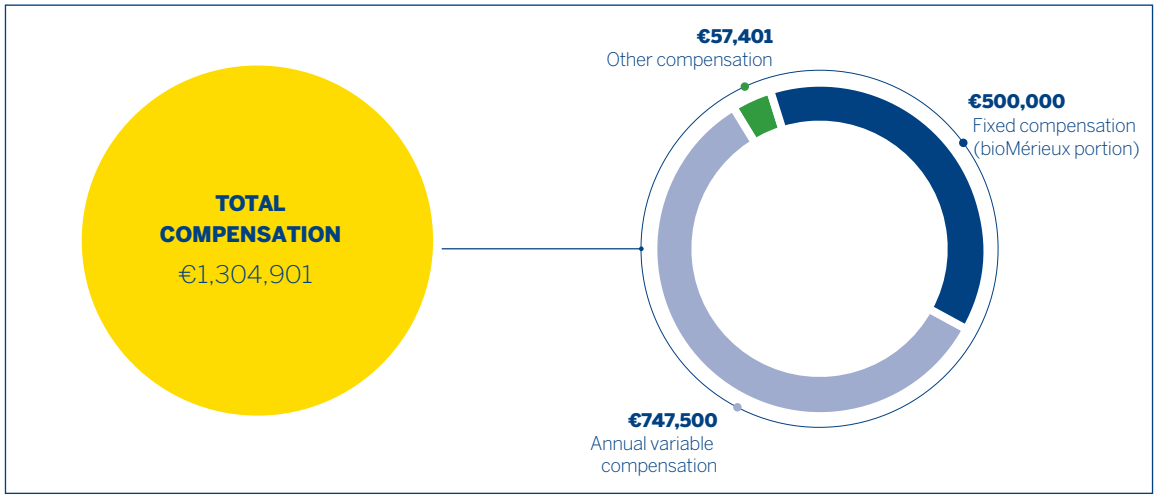
4.3.2.2 *Ex post* voting on the compensation for the Chairman and Chief Executive Officer in 2022

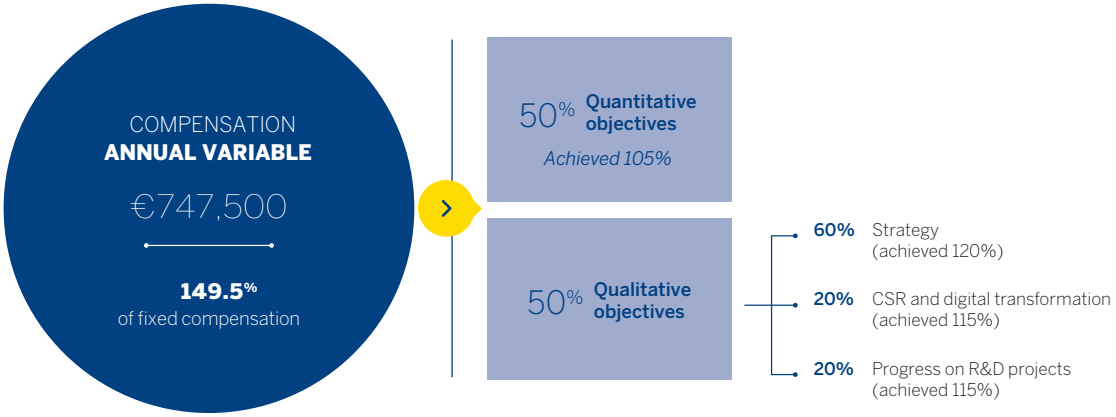
SUMMARY TABLE OF COMPENSATION ASSIGNED TO EACH EXECUTIVE CORPORATE OFFICER

Alexandre Mérieux in his role as Chairman and Chief Executive Officer

Components of compensation due or allocated in respect of the fiscal year ended	Amounts or accounting value subject to vote	Presentation
Fixed compensation	**€500,000**	The total fixed compensation of €500,000 for fiscal year 2022 was paid by bioMérieux.
Annual variable compensation for 2022 (payment of which is subject to shareholder approval in 2023)	**€747,500** (149.5% 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, Compensation and CSR Committee, and based on his performance. In accordance with the 2022 *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 multiplier coefficient.* The **quantitative objectives** 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) contributive operating income before non-recurring items comprised between €530 million and €610 million; Based on the Company's performance, the Human Resources, Compensation and CSR Committee considered that the quantitative objective had been met and exceeded. Thus, the Board of Directors validated the achievement of the quantitative objectives at 105%. The **qualitative objectives** 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. At its meeting of March 7, 2023, the Board of Directors, on the recommendation of the Human Resources, Compensation and CSR Committee, considered that these objectives were met and exceeded, due in particular to: • **Strategy.** This objective has been 120% met, largely due to the signing of the Specific Diagnostics acquisition; • **CSR and digital transformation.** This objective has been 115% met due for the most part to (i) the award or renewal of numerous accreditations and indices, (ii) CSR performance in 2022, and (iii) the launch or deployment of digital tools as planned (customer portal, e-commerce solution, biomerieux.com, etc.). • **Progress on R&D projects.** This objective has been 115% met, largely due to (i) successful new product launches (such as MAESTRIA™ V5), and (ii) the achievement of milestones on key ongoing R&D projects (such as obtaining FDA approval for the BIOFIRE® Joint Infection panel and for the new VITEK® MS PRIME automated system). Consequently, the Board of Directors validated the achievement of individual objectives at 115% (112% rounded up to 115%). 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 2023 for fiscal year 2022 in respect of his duties as Chairman and Chief Executive Officer was set at €747,500 (representing 149.5% 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 115% (% individual achievement rate) x 130% (Company multiplier coefficient).
Deferred variable compensation	N/A	Alexandre Mérieux does not receive any deferred variable compensation.

Components of compensation due or allocated in respect of the fiscal 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 or any other element of long-term compensation	N/A	No stock options were granted during the 2022 fiscal year. Alexandre Mérieux does not receive any performance shares.
Compensation allocated pursuant to appointment as director	**€40,000**	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	N/A	Alexandre Mérieux does not have the use of a company car.
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	**€17,401**	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, i.e. €17,401.





4.3.2.3 *Ex post* vote on the compensation for the Chief Operating Officer in 2022

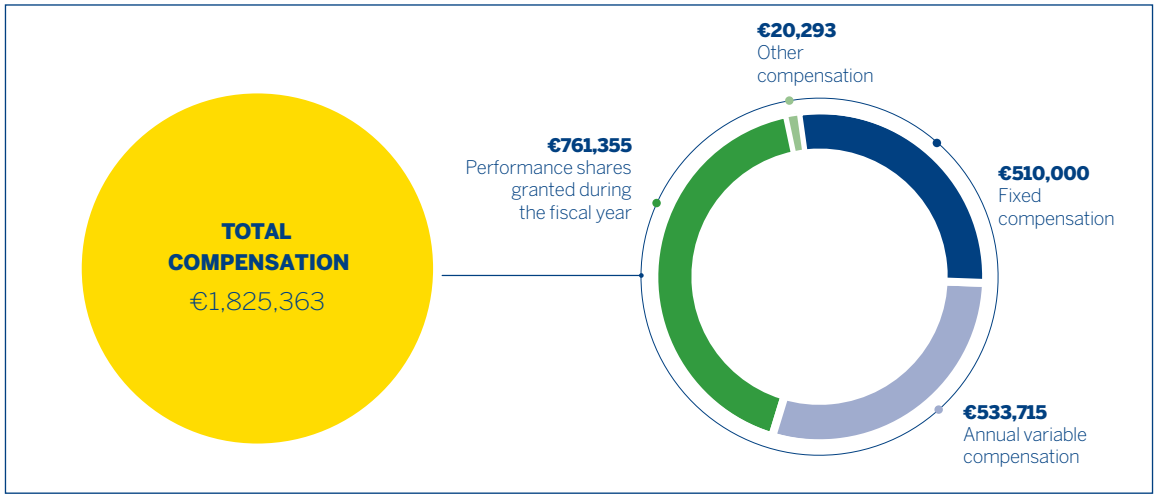
SUMMARY TABLE OF COMPENSATION ASSIGNED TO EACH EXECUTIVE CORPORATE OFFICER

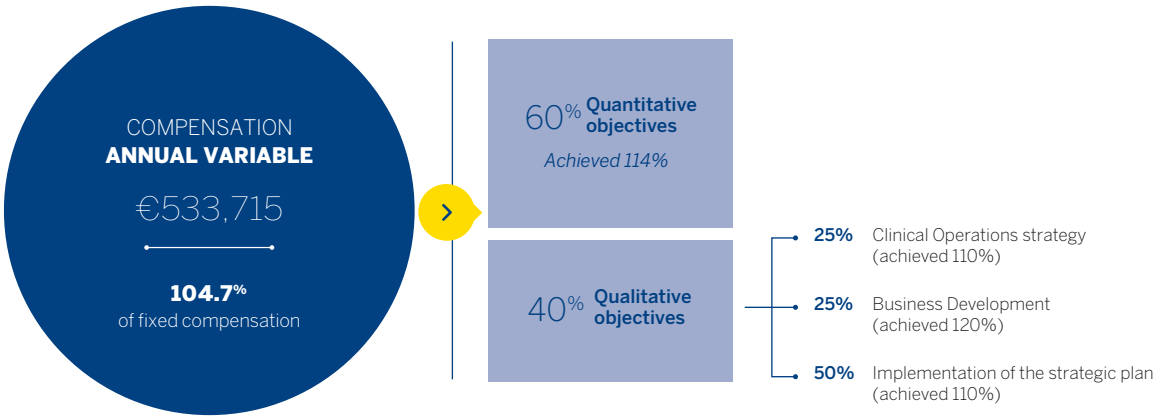
Pierre Boulud in his capacity as Chief Operating Officer

Components of compensation due or allocated in respect of the fiscal year ended	Amounts or accounting value subject to vote	Presentation
Fixed compensation	**€510,000**	Compensation for 2022 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 2022 (payment of which is subject to shareholder approval in 2023)	**€533,715** (104.7% 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, Compensation and CSR Committee, and based on his performance. In accordance with the 2022 *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 bioMérieux fixed compensation as at December 31 x theoretical target for the variable portion x % individual achievement rate x Company multiplier coefficient.* The **quantitative objectives** 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) contributive operating income before non-recurring items; Based on the Company's performance, the Human Resources, Compensation and CSR Committee considered that the quantitative objective had been met and exceeded. Thus, the Board of Directors validated the achievement of the quantitative objectives at 114%. The **qualitative objectives** 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 had decided not to disclose the details on some criteria for confidentiality reasons. At its meeting of March 7, 2023, the Board of Directors, on the recommendation of the Human Resources, Compensation and CSR Committee, considered that these objectives were met and exceeded, due in particular to: • **Clinical Operations strategy**. This objective was 110% met, thanks to the successfully led initiatives carried out as part of the Full Potential program. • **Business Development**. This objective has been 120% met, mainly due to the acquisition of Specific Diagnostics. • **Implementation of the strategic plan**. This objective has been 110% met, mainly due to the definition and implementation of (confidential) strategic initiatives. Consequently, the Board of Directors validated the achievement of individual objectives at 115% (113% rounded up to 115%). 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 2022 in respect of his duties as Chief Operating Officer was set at €533,715 (representing 105% 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 115% (% individual achievement rate) x 130% (Company multiplier coefficient).
Deferred variable compensation	N/A	Pierre Boulud does not receive any deferred variable compensation.

Components of compensation due or allocated in respect of the fiscal year ended	Amounts or accounting value subject to vote	Presentation
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.
Stock options, performance shares or any other element of long-term compensation[(a)]	**€761,355**	Pierre Boulud was granted 7,875 performance shares on August 30, 2022, valued according to the IFRS 2 accounting method (share price of €96.68). The grant included 1,575 shares whose vesting conditions are linked to the Company's outperformance.
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 in accordance with PER Enterprise (former Article 83), to which the Company contributes up to salary bracket C, in respect of his employment contract (€16,289) and corporate office (€2,222).

(a) The way in which the share value was calculated has been adjusted since the 2021 Universal Registration Document.





4.3.2.4 Commitments made in favor of corporate officers

In 2022, 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	2022	2021
Compensation allocated for the fiscal year[(a)]	1,382,520	1,528,441
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	**1,382,520**	**1,528,441**

(a) Compensation due for each fiscal year (fixed compensation paid by bioMérieux SA as well as Institut Mérieux, variable compensation, benefits-in-kind, compensation allocated pursuant to appointment as director, excluding the amount paid for the supplementary retirement scheme, see Table 2), i.e. a total compensation, including the sum paid to the supplementary retirement scheme, of €1,400,587.

Pierre Boulud – Chief Operating Officer

In euros	2022	2021
Compensation allocated for the fiscal year[(a)]	1,045,497	1,154,382
Value of stock options granted during the fiscal year	0	0
Value of performance shares granted during the fiscal year[(b)]	761,355	791,856
Value of the other long-term compensation plans	0	0
TOTAL	**1,806,852**	**1,946,238**

(a) Compensation due for each fiscal year (fixed compensation paid by bioMérieux SA, variable compensation, benefits-in-kind, compensation allocated pursuant to appointment as director, excluding the amount paid for the supplementary retirement scheme, see Table 2), i.e. a total compensation, including the sum paid to the supplementary retirement scheme, of €1,825,363.

(b) According to the IFRS 2 calculation methodology: In 2021, valuation of all performance shares granted: €791,856. The way in which the share value was calculated has been adjusted since the 2021 Universal Registration Document. In 2022, valuation of all performance shares granted: €761,355 (see Table 6).

SUMMARY OF COMPENSATION TO EXECUTIVE CORPORATE OFFICERS (TABLE 2)

Alexandre Mérieux – Chairman and Chief Executive Officer

	Amounts for fiscal year 2022		Amounts for fiscal year 2021	
In euros	Allocated	Paid[a]	Allocated	Paid[a]
Fixed compensation (bioMérieux)	500,000	500,000	500,000	500,000
Fixed compensation (Institut Mérieux)	90,556	90,556	88,113	88,113
Total fixed compensation	**590,556**	**590,556**	**588,113**	**588,113**
Variable compensation (bioMérieux)[b]	747,500[e]	900,000	900,000[e]	900,000
Variable compensation (Institut Mérieux)	0	0	0	0
Extraordinary compensation	0	0	0	0
Total variable compensation	**747,500**	**900,000**	**900,000**	**900,000**
Target variable compensation as a % of total compensation (bioMérieux portion only)[b]	100%	100%	100%	100%
Actual variable compensation as a %[b]	149.5%	180%	180%	180%
Maximum variable compensation as a %[b]	180%	180%	180%	180%
Compensation allocated pursuant to appointment as director	40,000	40,000	35,000	35,000
Benefits-in-kind[c]	4,464	4,464	5,328	5,328
TOTAL[d]	**1,382,520**	**1,535,020**	**1,528,441**	**1,528,441**

(a) Details per relevant fiscal year. Represents the 2021 variable compensation effectively paid in 2022 as well as the 2020 variable compensation effectively paid in 2021.
(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 fiscal year.
(c) Company car provided by Institut Mérieux.
(d) Does not include the amount paid to the supplementary pension scheme, unlike the amounts listed in Section 4.3.2.2.
(e) Variable compensation awarded in 2022/paid in 2023 and awarded in 2021/paid in 2022.

Pierre Boulud – Chief Operating Officer

	Amounts for fiscal year 2022		Amounts for fiscal year 2021	
In euros	Allocated	Paid[a]	Allocated	Paid[a]
Fixed compensation (bioMérieux, including corporate office)	510,000	510,000	510,000	510,000
Total fixed compensation	**510,000**	**510,000**	**510,000**	**510,000**
Variable compensation (bioMérieux)[b]	533,715[e]	642,600	642,600[e]	589,000
Extraordinary compensation	0	0	0	0
Total variable compensation	**533,715**	**642,600**	**642,600**	**589,000**
Target variable compensation as a % of total compensation (bioMérieux portion only)[b]	70%	70%	70%	70%
Actual variable compensation as a %[b]	104.7%	126%	126%	115.5%
Maximum variable compensation as a %[b]	126%	126%	126%	126%
Compensation allocated pursuant to appointment as director	N/A	N/A	N/A	N/A
Benefits-in-kind[c]	1,782	1,782	1,782	1,782
TOTAL[d]	**1,045,497**	**1,154,382**	**1,154,382**	**1,100,782**

(a) Details per relevant fiscal year. Represents the 2021 variable compensation effectively paid in 2022 as well as the 2020 variable compensation effectively paid in 2021
(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 fiscal year.
(c) Company car.
(d) Does not include the amount paid to the supplementary pension scheme, unlike the amounts specified in Section 4.3.2.3.
(e) Variable compensation awarded in 2022/paid in 2023 and awarded in 2021/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[c]	Availability date	Performance criteria
Pierre Boulud	220830 EC August 30, 2022	7,875	761,355	August 30, 2025	August 30, 2025	Yes[b]
Pierre Boulud	EC 2021 A&B August 31, 2021	7,625	791,856	August 31, 2024	August 31, 2024	Yes[b]
Pierre Boulud	200901 EC September 1, 2020	6,375	796,875	September 1, 2023	September 1, 2023	Yes[b]

(a) According to the IFRS 2 calculation methodology. The way in which the share value was calculated has been adjusted since the 2021 Universal Registration Document.
(b) The plans provide for differentiated conditions depending on tranche A or tranche B. Tranche A represents 80% of the shares whose vesting conditions are based on the Company's performance and the presence of employees. The conditions for the vesting of tranche B (20% of the shares) are based on Company outperformance.
(c) Date adjusted since the 2021 Universal Registration Document.

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 2026 AGM		√	√			√		√
Pierre Boulud								
Chief Operating Officer Non-director First term: 03/01/2020 Term expires: 12/14/2025	√		√			√		√

(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) with defined contribution, to which the Company contributes up to salary bracket C. Alexandre Mérieux also receives a supplementary pension plan for 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 stock options) and table 9 (Stock 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 regulated 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 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 Section 7.4.1).

As at December 31, 2022, 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 1.1.2). Its main actions are described in Section 3.8.4.2.

As at December 31, 2022, 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, 2022, 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 1.1.2).

As at December 31, 2022, Alexandre Mérieux, Chairman and Chief Executive Officer, and Harold Boël, director, are Chairman and director respectively of Mérieux NutriSciences Corp. (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 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 fiscal year 2021 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 2021 Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on March 17, 2022.

For 2022, 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 2022, 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 €4.3 million;
- a consulting and services agreement between Institut Mérieux, which owns 58.9% of bioMérieux SA, and BioFire Diagnostics, for an amount of €4.9 million.

The Statutory Auditors' special report on related-party agreements for the fiscal year 2022 is presented below (see Section 4.4.5). Two agreements were authorized during the fiscal year and 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, 2023.

LIST OF AGREEMENTS AUTHORIZED BY THE BOARD OF DIRECTORS IN 2022 AND SUBMITTED FOR THE APPROVAL OF THE ANNUAL GENERAL MEETING OF MAY 23, 2023

TERMINATION ADDENDUM TO THE SPONSORSHIP AGREEMENT	
Fondation Christophe et Rodolphe Mérieux	bioMérieux's Board of Directors, on December 14, 2022, authorized the termination of a mutual agreement between the Parties (by signing a termination addendum), of the sponsorship agreement entered into on January 1, 2017 and amended on December 20, 2021, intended for the Fondation Christophe et Rodolphe Mérieux, by which bioMérieux granted the Fondation annual financial support, the amount of which was set by the Board of Directors. The termination of the sponsorship agreement will allow bioMérieux to enhance the agility and the operational dimension of its sponsorship agreement activities, by reallocating the support that it provided to the Fondation to other stakeholders in the sponsorship field, and especially the Fondation Mérieux. The Fondation Mérieux is an independent family foundation created in 1967 and a government-recognized public interest foundation that aims to combat infectious diseases affecting developing countries. Its promotes diagnostics, an essential part of patient care, and also an essential tool for monitoring and controlling diseases. The Fondation Mérieux helps the most vulnerable, especially mothers and children, directly in the field, in around twenty African countries (mainly in West Africa, e.g. Mali, Senegal, Guinea, Burkina Faso, Togo, Benin, Niger, etc.), in Southeast Asia (Laos, Cambodia, Burma), as well as in Bangladesh, Madagascar, Lebanon, Haiti and Brazil. The termination of the sponsorship agreement with the Fondation Rodolphe et Christophe Mérieux, for the benefit of sustainable support for the humanitarian activities and objectives of the Fondation Mérieux therefore effectively meets the Company's commitments as a major player in global public health.
STOCK RESTRICTION AGREEMENT ENTERED INTO UPON THE SIGNING OF THE MERGER AGREEMENT ON APRIL 11, 2022, AS PART OF THE ACQUISITION OF SPECIFIC DIAGNOSTICS	
Institut Mérieux	On May 18, 2022, bioMérieux acquired the American company Specific Diagnostics, a company who developed a fast antimicrobial susceptibility test (AST) system which delivers a phenotypic AST directly from a positive blood culture. When the Merger Agreement was signed on April 11, 2022, it was planned for the majority shareholder of bioMérieux, the Institut Mérieux, and the Contributor (collectively Paul Rhodes, Jess Rhodes, Stéphanie Rhodes and Samantha Kahn) to sign a Stock Restriction Agreement in the presence of bioMérieux, providing for certain restrictions relative to bioMérieux shares held by the Contributor in connection with the Contribution and especially an obligation of non-transferability of the shares of the Contributor for a period of one year subject to certain usual exceptions, a two-year standstill obligation and other usual transfer restrictions for this type of non-controlling interest. The conclusion of this stock restriction agreement by bioMérieux and the Institut Mérieux, the controlling shareholder company within the meaning of Article L. 233-3 of the French Commercial Code, was subject to prior authorization by the Board of Directors of April 4, 2022 in accordance with the procedure for prior authorization by the Board of Directors of the regulated agreements falling under Article L. 225-38 of the French Commercial Code.

LIST OF AGREEMENTS CONTINUED IN 2022

At its December 2022 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.

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 revenue.

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 regulated 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 fiscal 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

Agreements authorized and entered into during the previous fiscal year

Pursuant to Article L. 225-40 of the French Commercial Code, we have been advised of the following agreements entered into during the previous fiscal year that were subject to the prior authorization of your Board of Directors.

Stock restriction agreement related to the acquisition of US company Specific Diagnostics LLC

People concerned

Alexandre Mérieux, Chairman and Chief Executive Officer.

Nature and purpose

A Stock Restriction Agreement was authorized by the Board of Directors on May 18, 2022.

Terms and conditions

This agreement stipulates that in the acquisition of Specific Diagnostics LLC, certain restrictions relating to the shares of your company held by the Contributor in connection with the Contribution be provided for and especially an obligation of non-transferability of the shares of the Contributor for a period of one year subject to certain usual exceptions (in particular, in the event of transfer to affiliates or in the event of pledging of the shares in guarantee of the loans of the Contributor), a standstill obligation and other usual transfer restrictions for this type of non-controlling interest.

Grounds justifying the interest of the agreement for the company

Your Board justifies this agreement as follows: the agreement falls within the scope of Article L. 225-38 of the French Commercial Code insofar as it must be entered into by the Contributor, as a minority shareholder of your company, and Institut Mérieux, as the majority shareholder of your company, in the presence of your company. The agreement specifies that your company shall therefore be a signatory to the Stock Restriction Agreement but may not make any commitments whatsoever to the parties to the Stock Restriction Agreement.

Agreements authorized and entered into since year end

We have been advised of the following agreements, which have been authorized and entered into since the close of the previous fiscal year and which were previously authorized by your Board of Directors.

With the Fondation Christophe et Rodolphe Mérieux

People concerned

Alexandre Mérieux, Chairman and Chief Executive Officer.

Termination addendum to the master sponsorship agreement by mutual agreement

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

Sponsorship with the Fondation Christophe et Rodolphe Mérieux had been increased in 2017 from €1,325,000 to €2,000,000 and your company's annual contribution had remained unchanged from the previous agreement. 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.

Therefore, in the year ended December 31, 2022, your company reported total liabilities of €2,000,000 in relation to donations to the Fondation Christophe and Rodolphe Mérieux.

However, your company now wishes to allocate the amount of the budget granted under this agreement to the Fondation Mérieux and consequently terminate by mutual agreement, in accordance with the addendum signed on February 16, 2023, the agreement entered into with the Fondation Christophe et Rodolphe Mérieux, as from 2023.

Grounds justifying the interest of the agreement for the company

Your Board justifies this agreement as follows: it will increase the flexibility and operational abilities of its sponsorship activities.

Agreements already approved by the Annual General Meeting

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 fiscal 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.

This sponsorship agreement is in line with your company's general sponsorship policy and is driven by your company's support of the humanitarian activities and goals of the foundations over the long term, in the field of public health, which is your company's area of operation.

Terms and conditions

During the fiscal year ended December 31, 2022, your company recorded an expense of a total amount of €648,732 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, 2022, your company reported profits of €106,428.

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.

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

For the year ended December 31, 2022, your company recorded liabilities of €13,096,778 and earnings of €9,151,334, of which €4,881,411 was from BioFire Diagnostics and €4,269,923 from bioMérieux Inc.

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.

Terms and conditions

For the year ended December 31, 2022, your company recorded earnings in the aggregate amount of €395,571, of which €206,162 was from ABL, €128,659 from Institut Mérieux, and €60,570 from Mérieux NutriSciences.

Lyon, March 17, 2023

The Statutory Auditors

GRANT THORNTON	ERNST & YOUNG et Autres
French member of Grant Thornton International	
Françoise Mechin	Sylvain Lauria

5

Notes to fiscal year 2022

5.1 Business and financial review

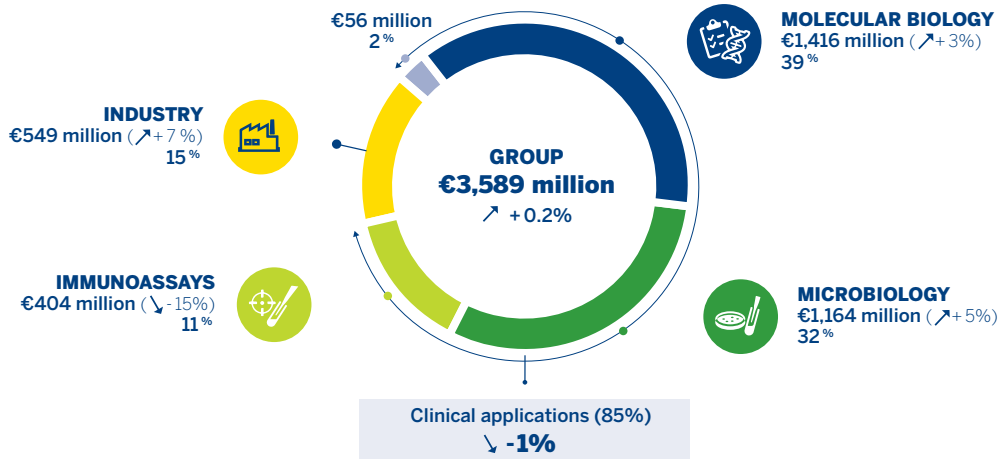
5.1.1 Revenue

Consolidated revenue amounted to €3,589 million in 2022, up 0.2% like-for-like from €3,376 million in the previous year. Reported growth stood at 6.3% for the period. The currency impact has been favorable, amounting to €205 million, primarily due to the appreciation of the US dollar against the euro. The change in the scope of consolidation was negligible, at €0.6 million and reflected the acquisition of the company Specific Diagnostics.

Revenue growth *(in millions of euros)*

REVENUE – TWELVE MONTHS ENDED DECEMBER 31, 2021	**3,376**	
Currency impact	+205	+6.1%
Changes in the scope of consolidation	+0.6	0.0%
Organic growth (at constant exchange rates and on a like-for-like basis)	+7	+0.2%
REVENUE – TWELVE MONTHS ENDED DECEMBER 31, 2022	**3,589**	**+6.3%**

The year-on-year change in sales by application is summarized as follows:



- In clinical applications, which represent 85% of total Group sales during the year, sales amounted to €3,040 million, a level fairly comparable to that of the previous year.
  - In molecular biology, reagents for the BIOFIRE® line reported an increase of 4% during the fiscal year, driven by the very strong increase in the use of non-respiratory panels, while the demand for respiratory panels was at a level comparable to that of the previous year, at a particularly high intensity due to the COVID-19 pandemic. The installed base continued to expand with more than 1,500 units deployed during the fiscal year. This lifted the total BIOFIRE® installed base to around 23,500 units, a nearly 7% increase over the year. The other molecular biology lines, NUCLISENS® and ARGENE®, also used to combat the pandemic, were down.
  - In microbiology, performance was driven by reagent sales, in particular for the automated VITEK® and BACT/ALERT® lines, as well as by culture media. Equipment sales were at a satisfactory level, although down relative to the previous year, because of a strong base effect due to a catch-up in 2021 on the very weak sales made during the 2020 fiscal year, strongly impacted by the effects of the COVID-19 pandemic.
  - In the immunoassay field, sales were down, in particular during the first three quarters, marked by a reduction in test sales related to the COVID-19 pandemic and by the price and volume pressure for procalcitonin assays in the United States. Routine tests, slightly down for the first nine months of the year, grew again in the fourth quarter, which also experienced a rebound in equipment sales and a favorable base effect.
- Revenue generated by industrial applications, which account for nearly 15% of Group sales, totaled €549 million, an increase of nearly 7% over the previous year. Growth was robust for reagent sales in both the food and pharmaceutical industry segments, and satisfactory for instrument sales, driven by an exceptional level of installation in the pharmaceutical market.

The year-on-year change in sales by geographic area is summarized as follows:

Revenue by Region *In millions of euros*	12 month ended Dec. 31, 2022	12 month ended Dec. 31, 2021	% change as reported	% change at constant exchange rates and on a like-for-like basis
Americas	1,842.0	1,668.7	+10.4%	-0.9%
• North America	1,630.7	1,488.7	+9.5%	-2.4%
• Latin America	211.3	180.0	+17.4%	+11.7%
EMEA(a)	1,122.6	1,127.0	-0.4%	+0.4%
Asia Pacific	624.5	580.4	+7.6%	+3.1%
TOTAL REVENUE	**3,589.1**	**3,376.2**	**+6.3%**	**+0.2%**

(a) Europe, the Middle East and Africa.

- Revenue in the Americas (51% of the consolidated total) reached €1,842 million, a slight decline of less than 1% versus the previous year.
  - In North America (49% of the Group's total sales), growth was driven by the BIOFIRE® molecular biology and the microbiology lines, but offset by a decline in immunoassays due to lower sales of procalcitonin tests and a slowdown in BioFire Defense activity.
  - In Latin America (5% of the Group's total sales), sales growth was remarkable, marked by a solid increase in sales of the microbiology lines and the BIOFIRE® line, which largely offset the slowdown in immunoassays.
- In the Europe-Middle East-Africa region (30% of total Group revenue) revenue stood at €1,123 million, fairly stable compared to the previous year.
  - Business increased in the Europe-Middle East region, driven by the growth in the industrial and microbiology lines and BIOFIRE®, which more than compensated for the decrease in the immunoassay lines and other molecular biology lines.
  - Business declined in the Africa region; the satisfactory growth in the industry and clinical microbiology lines failed to offset the decrease in the immunoassay lines.
- Sales in the Asia-Pacific region (16% of the consolidated total) reached €624 million in the last quarter of 2022, up nearly 3% compared with the same period in 2021. Business continued to be particularly remarkable in Japan thanks to the continued success of the BIOFIRE® line. Growth was sustained in India, Korea and South Asia, but the overall growth in the region was partially offset by the downturn in China for the first three quarters, impacted by repeated lockdown measures. However, China reported a clear upturn in growth in reagents in the final quarter.

5.1.2 Financial position

5.1.2.1 Profit & loss statement

Contributive operating income before non-recurring items

At the end of 2022, contributive operating income before non-recurring items stood at €664 million, or 18.5% of sales, a decline of 21% from the exceptional level recorded in 2021. Costs, meanwhile, were lower due to the effects of the pandemic. The reported figure includes a favorable currency impact of around €43 million and an unfavorable scope effect of €14 million due to the acquisition of Specific Diagnostics.

- At the end of December 2022, gross profit stood at €2,009 million, or 56% of revenue, down from 59.3% the year before. The decrease in gross profit stemmed from the unfavorable impact of changes in the product mix and inflation in the costs of raw materials, wages and transport costs.
- Selling, marketing, general and administrative expenses amounted to €955 million, or 26.6% of revenue, compared with 24.2% in 2021. This change was largely due to the recovery in sales and marketing activities, event and travel expenses, and higher payroll.
- R&D expenses stood at €447 million, or 12.4% of revenue, compared with €386 million and 11.4% in 2021. The like-for-like increase of 6.2% mainly reflected increased development efforts and salary increases.
- Other operating income amounted to around €56 million for the year, up from €45 million in 2021, primarily due to capital gains on the disposal of two buildings in the United States.

Operating income

- The amortization and impairment of acquisition-related intangible assets and acquisition-related costs amounted to €77 million, up from the €60 million in 2021, mostly coming from the costs incurred in the frame of the acquisition of Specific Diagnostics, including the amortization of the technology.
- As a result, the Group ended the year with an operating income of €587 million, down 25% on the €784 million reported in 2021.

Consolidated net income

The net financial expense represented €7 million in 2022, down relative to the €10 million reported in 2021, mainly due to the settlement of a repayable research advance and gains made on currency hedges. Other financial income and expenses totaled -€9 million, compared to -€3 million in 2021.

The Group's effective tax rate stood at 24.1% on December 31, 2022, versus 22.7% in 2021, This change is primarily due to non-recurring items, which include impairment of immunoanalysis assets in China and a tax dispute payment.

Net income attributable to the parent company reached €452 million in 2022 in comparison to €601 million in 2021.

5.1.2.2 Cash flows

Free cash flow

EBITDA came to €864 million in 2022, or 24.1% of revenue, down 16% from the €1,032 million recorded in 2021 in line with the evolution in contributive operating income.

Tax payments amounted to €224 million, up from €185 million the previous year due to the change in deductibility rules for R&D expenses in the United States. Such expenditure must now be amortized over a period of five years.

Working capital requirement rose by €170 million in 2022. The change was primarily a result of the following factors:

- inventories rose by €92 million in 2022, due to the replenishment of certain product ranges, the preparation of new product launches, and the increase in raw material and component prices;
- trade receivables were up by €146 million, mainly due to steady business in the last quarter;
- trade payables rose by €10 million;
- other working capital requirement items rose by €58 million, led by annual bonuses and variable compensation.

Capital expenditures represented around 8% of revenue or €287 million in 2022, versus €290 million in 2021. Main capital expenditures were related to automation equipment and production capacity increases in Salt Lake City and Durham (United States), and the construction of two new plants in Suzhou (China).

Considering the above, free cash flow came in at €195 million in 2022, compared to €554 million in 2021.

Acquisition of Specific Diagnostics

On May 18, 2022, bioMérieux purchased 100% of Specific Diagnostics for €387 million, which it paid by combining a cash settlement of €221 million with the issue of 1.3 million shares for some Specific Diagnostics shareholders. The issuance of these shares resulted in a shareholder dilution of bioMérieux SA's share capital of around 1%. This was offset by a share buyback program for the same amount of shares canceled in December.

Change in net debt

Dividend of €101 million has been paid in first-half 2022, to be compared with €73 million in 2021.

As a result, consolidated net cash came to €47 million at December 31, 2022, versus a net cash position of €341 million as of December 31, 2021. This net debt includes the remeasured liability related to rental agreements (IFRS 16) amounting to €98 million.

5.1.3 Other information

Headcount

As of December 31, 2022, the Group's headcount was 13,800, compared with around 13,000 one year earlier.

bioMérieux receives 510(k) accreditation from the FDA for VITEK® MS PRIME

On March 18, 2022, bioMérieux announced that VITEK® MS PRIME received 510(k) clearance from the U.S. Food and Drug Administration (FDA). This next generation system for routine microbial identification in minutes is now commercially available in countries that recognize CE-marking and in the United States. This instrument, manufactured by bioMérieux, is a compact benchtop system designed to increase laboratory productivity for greater impact to patient care. Extensive lab input was incorporated into its development with unique and differentiating features like prioritization of urgent samples and continuous "load and go".

De Novo FDA Authorization for BIOFIRE® Joint Infection (JI) Panel

On May 4, 2022, bioMérieux announced that this new panel received De Novo authorization from the FDA. This panel tests for 31 pathogens implicated in most acute joint infections, and also includes eight antimicrobial resistance (AMR) genes to optimize antibiotic therapy and stewardship.

CE marking of VIDAS® tests for Chikungunya virus diagnosis

On May 13, 2022, bioMérieux announced the CE marking of automated tests for Chikungunya virus diagnosis. These tests offer better traceability than existing manual methods and their performance and accuracy make it possible to differentiate this diagnosis from other similar febrile syndromes caused by dengue or malaria.

Launch of Aurobac, a joint venture to fight antimicrobial resistance

On July 6, 2022, Boehringer Ingelheim, a leading research-driven biopharmaceutical company, the life science company Evotec SE and bioMérieux announced that they have formed a joint venture, Aurobac, to create the next generation of antibiotics along with effective diagnostics to fight antimicrobial resistance (AMR).

Launch of 3P® ENTERPRISE for environmental monitoring in the pharma industry

On July 7, 2022, bioMérieux launched 3P® ENTERPRISE, an innovative solution designed to ensure environmental monitoring (EM) processes are fully efficient and under control at all times. Developed and validated in collaboration with major global pharmaceutical companies, 3P® ENTERPRISE provides an end-to-end solution that fully digitalizes and automates the EM process.

FDA accreditation for the VIDAS® NEPHROCHECK® test

On July 28, 2022, bioMérieux announced that the VIDAS® NEPHROCHECK® test received FDA accreditation. This innovative test can detect kidney stress in patients at risk of acute kidney injury (AKI).

Breakthrough Device Designation received by SPECIFIC REVEAL™ Rapid AST System from the FDA

On August 22, 2022, bioMérieux announced that the FDA granted its Breakthrough Device Designation for SPECIFIC REVEAL® Rapid AST System. This designation is reserved for medical devices that offer significant advantages over existing cleared alternatives, for which no approved alternatives exist and/or for which device availability is in the best interest of patients.

bioMérieux announces CE marking for its VIDAS® COVIGRA parameter

The VIDAS® COVIGRA test aims to help clinicians in assessing the specific T cell response to the SARS-CoV-2 virus, for adult populations with a history of SARS-CoV-2 infection and/or for populations vaccinated for the virus.

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, consolidated net cash came to €47 million at December 31, 2022, versus a net cash position of €341 million as of December 31, 2021.

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

Since June 29, 2020, the Company has had a €200 million Euro PP bond placed with a top-tier European institutional investor.

Additionally, in March 2023, it took out a €600-million syndicated credit line maturing in March 2028 (with an option for two additional years), replacing the one maturing in January 2024 (see Note 31 of Section 6.1.2).

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 Notes 12.2 and 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 2022, 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 2022 was characterized by the completion of several major projects:

- Salt Lake City (Utah, United States): completion and delivery of the new administrative building and continuation of projects to automate production of BIOFIRE® reagents in order to increase capacity.
- Suzhou (China): delivery of the new production site.
- Saint-Vulbas (France): continuation of the project to expand the capacity of the international logistics distribution center.
- Combourg (France): fitting out of spaces following the site reorganization project to improve and increase its headcount capacity.

As a result, capital expenditure amounted to €287 million. It therefore represented 8% of revenue. In 2021, capital expenditure totaled €290 million (including changes in debt on acquisition of fixed assets).

5.4.2 Main capital expenditure – current

In 2023, the Company anticipates an overall capital expenditure effort of around 11% of revenue 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): continuation of a project to reorganize and increase production capacity.
- Suzhou (China): qualification of the new production site.
- Suzhou (China): completion of construction of a new site that will host all the activities of Suzhou Hybiome Biomedical Engineering Co. Ltd.
- Florence (Italy): continuation of a new building project as part of the site reorganization work.
- La Balme (France): continuation 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

MAESTRIA ™ a new generation microbiology middleware to optimize laboratory workflow

MAESTRIA™ is the new generation microbiology middleware from bioMérieux, managing specimens from the moment they are logged into the laboratory workflow until the final testing results are available. Thanks to the additional CLARION™ Lab Analytics module, a data visualization feature, MAESTRIA™ transforms data into real-time, easy-to-access and actionable insights.

510(k) accreditation and CLIA waiver for the fast and innovative BIOFIRE® SPOTFIRE® system and its BIOFIRE® SPOTFIRE® respiratory panel

The BIOFIRE® SPOTFIRE® solution allows care for patients suspected of respiratory tract infections with results delivered during a patient's visit in approximately 15 minutes. CLIA-waiver allows the BIOFIRE® SPOTFIRE® System and the BIOFIRE® SPOTFIRE® R Panel to be used by non-lab professionals at the point-of-care. The full commercial launch of BIOFIRE® SPOTFIRE® System and its BIOFIRE® SPOTFIRE® R Panel is scheduled for early April in the US market. To fully address the needs of point- of-care testing, bioMérieux has also developed the BIOFIRE® SPOTFIRE® R Panel Mini. This panel is intended to detect five of the most common viral causes of upper respiratory tract infections: SARS-CoV-2 (virus associated with COVID-19), Influenza A, Influenza B, Respiratory Syncytial Virus (RSV), and Rhinovirus. The BIOFIRE® SPOTFIRE® R Panel Mini is not yet available for sale. The FDA submission of this panel is anticipated by the end of the first quarter 2023.

BioFire Defense partners with BARDA to accelerate development of the Specific Diagnostics SPECIFIC REVEAL™ Rapid AST System

BioFire Defense, LLC, an affiliate of bioMérieux and leader in pathogen detection systems for the U.S. Department of Defense, has received a contract from the BARDA (Biomedical Advanced Research and Development Authority), part of the U.S. Department of Health and Human Services, to accelerate development of the Specific Diagnostics SPECIFIC REVEAL™ Rapid AST System. The BARDA contract supports expansion of the SPECIFIC REVEAL™ Rapid AST System test menu to include other sample types starting with Gram-negative isolates, with contract options to expand the menu to include Gram-positive blood culture and Gram-positive isolates.

5.5.2 Outlook for fiscal year 2023

In 2023, excluding respiratory panels, sales growth is expected to reach +8% to +10% on a like for like basis, driven by a solid growth of BIOFIRE® non-respiratory panels as well as Microbiology and Industrial applications.

- Sales of non-respiratory BIOFIRE® panels are expected to pursue a strong growth, around mid-teens in 2023, thanks to their high medical value, the broad menu offering and cross-selling on the large BIOFIRE® installed base.
- Sales of Microbiology and Industrial applications are expected to grow high single digit, including price increases, while Immunoassays are expected to return to growth.
- Respiratory panels sales are foreseen to slow down, assuming a medium flu season at the end of 2023 compared to the severe season in the last quarter of 2022.

These 2023 business trends would lead to total 2023 sales organic growth evolving within a +4% to +6% range. Contributive operating income should be within a range of €600 to €630 million, at constant exchange rates.

- Sales growth and price increases should almost fully offset cost inflation. Exchange rates effects would be approximately €40 million negative on contributive operating income.
- bioMérieux will pursue its investment in new products, with several key launches in 2023, supported by R&D, commercial operations and medical affairs.

6

Financial statements

6.1 Consolidated financial statements

6.1.1 Consolidated financial statements for the fiscal years ended December 31, 2021 and 2022

Consolidated profit & loss statement

In millions of euros	Notes	12/31/2022	restated 12/31/2021
REVENUE		**3,589.1**	**3,376.2**
Cost of sales		-1,580.4	-1,375.4
GROSS PROFIT		**2,008.7**	**2,000.8**
OTHER OPERATING INCOME AND EXPENSES	**19**	**56.4**	**44.6**
Selling and marketing expenses		-701.5	-573.5
General and administrative expenses		-253.2	-242.1
Research and development		-446.6	-385.8
TOTAL OPERATING EXPENSES		**-1,401.3**	**-1,201.4**
Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs[(a)]	23	-76.6	-59.7
OPERATING INCOME BEFORE NON-RECURRING ITEMS		**587.2**	**784.3**
Other non-recurring income and expenses from operations	24	-0.0	-0.0
OPERATING INCOME		**587.2**	**784.3**
Cost of net financial debt	22.2	2.0	-7.1
Other financial income and expenses	22.3	-8.6	-2.7
Income tax	25	-140.1	-175.6
Share in net income of associates		-0.0	-0.7
CONSOLIDATED NET INCOME		**440.5**	**598.2**
Share attributable to non-controlling interests		-11.8	-2.9
ATTRIBUTABLE TO THE PARENT COMPANY		**452.4**	**601.1**
Basic earnings per share		€3.84	€5.08
Diluted (net) earnings per share		€3.82	€5.06

(a) In order to improve the understanding of operating income, amortization and impairment of intangible assets related to acquisitions and acquisition-related costs have been presented on a separate line from operating income (see Note 2.5). To facilitate comparison, the financial statements published as at December 31, 2021 have been restated (see Note 33).

Comprehensive income

In millions of euros	Notes	12/31/2022	12/31/2021
Net income of consolidated companies		**440.5**	**598.2**
Items to be reclassified in income		**128.7**	**161.0**
Fair value gains (losses) on financial hedging instruments	(a)	5.8	-2.3
Tax effect		-1.5	0.7
Movements in cumulative translation adjustments	(b)	124.4	162.6
Items not to be reclassified to income		**15.5**	**1.8**
Fair value gains (losses) on financial assets	(c)	-0.3	0.7
Tax effect		-0.8	0.0
Remeasurement of employee benefits	(d)	22.2	1.3
Tax effect		-5.6	-0.2
Total other comprehensive income		**144.2**	**162.8**
Comprehensive income		**584.7**	**761.0**
Minority interests		-12.6	1.2
ATTRIBUTABLE TO THE PARENT COMPANY		**597.4**	**759.8**

(a) Change in the effective share of financial hedging instruments.

(b) The change in translation differences in 2022 is mainly related to the appreciation of the dollar against the euro and the impact of hyperinflation (see Note 2.3).

(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) The change is mainly related to the increase in discount rates (see Note 15.3).

Consolidated balance sheet

Assets

In millions of euros	Notes	12/31/2022	12/31/2021
Goodwill	4	812.5	669.5
Other intangible assets	5	625.0	411.5
Property, plant and equipment	6	1,250.3	1,100.8
Right-of-use assets		119.6	124.0
Non-current financial assets	7	90.1	61.1
Investments in associates		0.9	0.9
Other non-current assets		12.9	12.6
Deferred tax assets	25.3	58.7	32.0
Non-current assets		**2,969.9**	**2,412.5**
Inventories and work-in-progress	8	737.2	620.0
Trade receivables and assets related to contracts with customers	9	740.1	590.6
Other operating receivables	11	152.6	117.8
Current tax receivables	11	17.9	43.1
Non-operating receivables	11	16.3	9.5
Cash and cash equivalents	12	552.6	803.5
Current assets		**2,216.7**	**2,184.6**
Assets held for sale	**13**	**0.0**	**8.0**
TOTAL ASSETS		**5,186.6**	**4,605.0**

Shareholders' equity and liabilities

In millions of euros		12/31/2022	12/31/2021
Share capital	14	12.0	12.0
Additional paid-in capital and reserves	14	3,139.8	2,499.0
Net income for the year		452.4	601.1
Group equity		**3,604.2**	**3,112.2**
Minority interests		**38.7**	**51.4**
Total equity		**3,642.9**	**3,163.6**
Long-term borrowings and debt	16	318.4	362.8
Deferred tax liabilities	25.3	53.0	60.3
Provisions	15	41.1	62.5
Non-current liabilities		**412.5**	**485.6**
Short-term borrowings and debt	16	187.0	99.7
Provisions	15	42.1	51.5
Trade payables	17	269.4	239.5
Other operating payables	17	507.9	448.5
Current tax payables	17	49.0	67.4
Non-operating payables	17	75.8	49.3
Current liabilities		**1,131.1**	**955.8**
Liabilities related to assets held for sale	**13**	**0.0**	**0.0**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**5,186.6**	**4,605.0**

Consolidated cash flow statement

In millions of euros	Notes	12/31/2022	restated 12/31/2021[c]
Net income of consolidated companies		**440.5**	**598.2**
• Investments in associates		0.0	0.7
• Cost of net financial debt		-2.0	7.1
• Other financial income and expenses		8.6	2.7
• Income tax expense		140.1	175.6
• Net additions to operational depreciation - non-current provisions		210.0	189.0
• Amortization and impairment of intangible assets related to acquisitions		67.0	58.8
EBITDA (before non-recurring items)	**16.1**	**864.2**	**1,032.2**
Other non-recurring income and expenses from operations excluding non-recurring provisions for impairment and capital gains (losses) on disposals of fixed assets		0.0	-0.0
Other financial income and expenses (excluding provisions and disposals of non-current financial assets)		-8.6	-2.7
Net additions to operating provisions for contingencies and losses		-17.0	-2.3
Fair value gains (losses) on financial instruments		0.9	0.4
Share-based payment		13.0	12.4
Elimination of other non-cash or non-operating income and expenses		**-11.6**	**7.7**
Change in inventories		-92.1	-48.8
Change in trade receivables		-145.6	23.6
Change in trade payables		9.9	24.2
Change in other operating working capital		57.9	-23.5
Change in operating working capital requirement[a]		**-169.9**	**-24.6**
Other non-operating working capital		13.5	-1.0
Change in non-current non-financial assets and liabilities		0.5	2.7
Change in working capital requirement		**-155.9**	**-22.8**
Income tax paid		**-223.5**	**-185.4**
Cost of net financial debt	**22.2**	**2.0**	**-7.1**
NET CASH FROM OPERATING ACTIVITIES		**475.1**	**824.7**
Purchases of property, plant and equipment and intangible assets		-286.7	-290.1
Proceeds from disposals of property, plant and equipment and intangible assets		17.4	20.0
Disbursements related to other non-current financial assets		-10.5	-0.4
FREE CASH FLOW[b]		**195.3**	**554.1**
Disbursements related to non-consolidated and equity-accounted securities		-43.3	-3.3
Impact of changes in Group structure		-205.0	-33.5
NET CASH FROM (USED IN) INVESTMENT ACTIVITIES		**-528.1**	**-307.3**
Purchases and sales of treasury shares[d]		-157.2	-17.4
Dividends paid to owners		-101.2	-73.1
Cash flows from new borrowings		67.7	18.2
Cash flows from loan repayments		-53.4	-68.3
NET CASH FROM (USED IN) FINANCING ACTIVITIES		**-244.2**	**-140.6**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**-297.2**	**376.8**
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**787.3**	**371.3**
Impact of currency changes on net cash and cash equivalents		38.7	39.2
NET CASH AND CASH EQUIVALENTS AT END OF YEAR		**528.7**	**787.3**

(a) Including allocations (reversals) of short-term provisions.

(b) Available free cash flow consists of cash flows related to the activity and those related to capital expenditure excluding net cash from acquisitions and disposals of subsidiaries.

(c) Comparative data at December 31, 2021 were restated to take into account the new presentation of the profit & loss statement (see Notes 2.5 and 33).

(d) bioMérieux has purchased treasury shares for €157 million relating to the acquisition of Specific Diagnostics (see Note 1.1.1) and the share buyback program.

Comments on the changes in the Group's consolidated net cash and cash equivalents are provided in Note 16.

Change in consolidated shareholders' equity

In millions of euros	Attributable to the parent company										Minority interests
	Share capital	Consolidated additional paid-in capital and reserves[a]	Cumulative translation adjustments	Change 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
Shareholders' equity as at December 31, 2020[k]	**12.0**	**2,194.2**	**-140.7[j]**	**13.9**	**-59.7**	**-23.0**	**18.9**	**2,003.6**	**404.4**	**2,420.0[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	0.0
Treasury shares		-13.0				12.8		-0.2		-0.2	
Share-based payment[e]							12.4	12.4		12.4	
Share subscription plans[i]		-6.2						-6.2		-6.2	
Changes in ownership interests		0.0						0.0		0.0	0.0
Other changes[g]		25.5		-16.4			-9.7	-0.6		-0.6	
Shareholders' equity as at December 31, 2021	**12.0**	**2,531.8[h]**	**17.7[j]**	**-3.4**	**-58.6**	**-10.3**	**21.5**	**2,499.0**	**601.1**	**3,112.1[h]**	**51.4**
Total comprehensive income for the period			125.2	3.2	16.6			145.0	452.4	597.4	-12.6
Appropriation of prior-period net income		601.1						601.1	-601.1	0.0	
Dividends paid[d]		-101.2						-101.2		-101.2	
Treasury shares		-19.2				-25.7		-44.9		-44.9	
Share-based payment[e]							13.0	13.0		13.0	
Changes in ownership interests[f]		3.1						3.1		3.1	0.0
Other changes[g]		36.0		-6.2			-15.6	14.1		14.1	
Capital increase[l]		10.5						10.5		10.5	
Shareholders' equity as at December 31, 2022	**12.0**	**3,062.2[h]**	**143.0[j]**	**-6.4**	**-42.0**	**-36.0**	**19.0**	**3,139.8**	**452.4**	**3,604.2[h]**	**38.7**

(a) Of which additional paid-in capital: €74.0 million at December 31, 2022, against €63.7 million at December 31, 2021.

(b) Including changes in the fair value of Cathay Innovation, GNEH, Accellix and Labtech shares and hedging instruments.

(c) Actuarial gains and losses on employee benefit obligations arising since the effective date of IAS 19R.

(d) Dividends per share: €0.85 in 2022 versus €0.62 in 2021. Shares not qualifying for dividends amounted to €415,074 at December 31, 2022 compared with €95,843 at December 31, 2021.

(e) The fair value of benefits related to free share grants is being recognized over the vesting period.

(f) Corresponds to put liabilities on Hybiome minority interests.

(g) In 2022, this change mainly corresponds to reclassification following free share grants and the impact of the capital gain related to Specific Diagnostics shares formerly held.

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.

(h) Of which bioMérieux SA distributable reserves, including the net income for the fiscal year: €1,094 million.

(i) Decrease in the fair value of shares locked up as a result of the employee share ownership plan in 2021.

(j) See Note 14.2 Cumulative translation adjustments.

(k) The 2020 shareholders' equity has been adjusted for the elimination of the internal margin on inventories recorded retrospectively for €11.0 million on January 1, 2021.

(l) Increase in premiums related to capital transactions following the delivery of 1,288,901 new shares for the acquisition of Specific Diagnostics, followed by a capital reduction through treasury shares of 1,288,901 shares (see Note 14.1).

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 45 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. In this context, the Board of Directors has carried out an in-depth analysis of the formalities required in certain jurisdictions due to the change of corporate form to ensure the continuity of bioMérieux's operations and the neutrality of the change of corporate form for the Group's activities. In view of the results of the in-depth analysis, the Board of Directors has decided not to proceed with the Company's registration as a European Company. This decision will be shared during the Annual General Meeting of May 23, 2023.

These consolidated financial statements have been approved by the Board of Directors on March 7, 2023.

The financial statements will only be considered definitive after approval by the Annual General Meeting on May 23, 2023.

The consolidated financial statements are presented in millions of euros.

NOTE 1 Changes in the scope of consolidation during the fiscal year and significant events

1.1 Changes in the scope of consolidation

1.1.1 Acquisition of Specific Diagnostics

On May 18, 2022, bioMérieux fully acquired Specific Diagnostics, a privately held American company that has developed a rapid antimicrobial susceptibility testing (AST) system making it possible to deliver a phenotypic AST test directly from positive blood cultures.

This acquisition of the entire capital of Specific Diagnostics follows an initial non-controlling interest in 2019 and the signing of a co-exclusive distribution agreement in 2021 covering the European and British market, which in particular resulted in the granting of a convertible loan for $18 million. This stake held by bioMérieux Inc. amounted to €4.4 million as at December 31, 2021 for 7.4% of the shares.

The acquisition amount of $407.0 million (€386.7 million) covers the acquisition of 100% of the securities, paid by a combination of cash settlement for $232.2 million (€220.7 million) and the issuance of 1,288,901 shares to certain shareholders of Specific Diagnostics. The issuance of these new bioMérieux SA shares resulted in shareholder dilution of around 1% of its share capital in the first half of 2022, which was subsequently offset. In fact, a share buyback program took place, which was then followed by a capital reduction through the cancellation of treasury shares.

Specific Diagnostics' operating loss, excluding technology amortization, amounted to €16 million over the holding period. Since the impact of the integration of Specific Diagnostics into the Group's financial statements is not considered significant, no pro forma information has been given in the appendix for the comparative periods.

The subsidiary was fully consolidated as of its takeover. The ongoing analysis of the allocation of the acquisition price led to the recognition, at the acquisition date, primarily of a technology net of deferred tax liabilities for €186.6 million, deferred tax assets for €41.5 million corresponding to the valuation of losses carried forward and provisional goodwill of €164.4 million. This was assigned to the Microbiology Cash Generating Unit. It primarily reflects the specific synergies expected between the SPECIFIC REVEAL™ Rapid AST system, developed by Specific Diagnostics, with our microbiology portfolio by offering a high-added value solution to critical patients.

Costs associated with the transaction were incurred in the amount of €9.6 million in fiscal year 2022 and are recorded on the line "Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs" within the operating income before non-recurring items.

Amortization of the technology valued as part of the purchase price allocation have also been recognized in operating income before non-recurring items for €7.9 million in fiscal year 2022 (on the line "Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs").

As indicated above, the purchase price allocation fiscal year is deemed provisional as at December 31, 2022 and may be subject to adjustments until May 18, 2023.

1.1.2 Other changes in the scope of consolidation

The other changes in the scope of consolidation concern the following operations:

- creation of bioMérieux Nigeria Ltd. on April 14, 2022, whose share capital amounted to €1.3 million. This subsidiary is wholly owned by the Group;
- liquidation of the bioMérieux subsidiary HK Invest Ltd. This subsidiary was wholly owned by the Group. The impact on the consolidated financial statements is not significant.

1.2 Significant events of the fiscal year

1.2.1 Geopolitical situation in Ukraine

The military invasion of a part of Ukraine by Russia in late February 2022 and the armed conflict that followed had no significant impact on the Group's consolidated financial statements at December 31, 2022. The bioMérieux Group decided to maintain its commercial presence in Russia in order to continue its mission to serve public health as it has always done in other situations in the past.

The revenue made by the Group in Russia was €31 million for fiscal year 2022.

The Group is not exposed to a significant credit risk on Russian and Ukrainian receivables.

The indirect effects of the Ukraine crisis, such as the increase in energy and raw material prices have had a direct impact on the Group's financial performance.

1.2.2 Acquisitions of non-controlling interests

Creation of Aurobac

bioMérieux, in partnership with Boehringer Ingelheim (a leading research-based biopharmaceutical laboratory) and Evotec SE (a life sciences company), has created Aurobac Therapeutics SAS with the aim of creating the next generation of antibiotics, as well as effective diagnostics solutions. Aurobac is financed by Boehringer Ingelheim as lead investor, and by Evotec and bioMérieux, with bioMérieux holding 12.5% of the share capital. The company thus created will benefit from the expertise of three founder companies to develop a new approach to precision medicine, from diagnosis through to treatment. The goal is to fight antimicrobial resistance, which is a current global threat for human health.

The amount of non-consolidated securities was €2.5 million at December 31, 2022.

Acquisition of a non-controlling interest in Proxim Diagnostics

bioMérieux has signed an agreement to acquire a non-controlling interest in Proxim Diagnostics, a California-based company that has developed a next-generation handheld immunodiagnostic device.

bioMérieux owns a 19.9% stake in the company worth €16.9 million at December 31, 2022. The shares were recognized as non-consolidated shares.

Signature of a strategic investment agreement with Accunome

In December 2022, bioMérieux and Accunome finalized a strategic investment agreement and signed an exclusive distribution agreement. The goal is to accelerate the development of bioMérieux's molecular biology business in China.

As a result of the transaction, bioMérieux now owns approximately 11% of Accunome's equity in a stake worth €13.6 million. The shares were recognized as non-consolidated shares.

1.3 Summary of significant events in 2021

The significant events of fiscal year 2021 were the following:

- COVID-19 health crisis, started in 2020 and whose effects persisted in 2021. It is not possible to estimate with any reliability the effect of these impacts on the Group's financial statements;
- acquisition of Banyan Biomarkers Inc. on July 16, 2021. This subsidiary has been wholly owned by the Group since its takeover date;
- launch of an employee share ownership plan, called "MyShare", the impact of which corresponds to a €10 million personnel expense for fiscal year 2021 ;
- except for the effects related to the COVID-19 health crisis which continued in 2022, these events had no impact on the 2022 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 2022 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

2.1 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, 2022. 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, 2022 are presented below:

- 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 "Fees in the '10 per cent' Test for Derecognition of Financial Liabilities", IFRS 16 "Lease Incentives".

These amendments had no impact on the Group's financial statements at December 31, 2022.

Furthermore, the analysis of the IFRS IC decision of April 2021, on the treatment of configuration or customization costs in an SaaS agreement, did not have a significant impact on the Group's financial statements.

bioMérieux did not opt for the early application of the standards, amendments and interpretations adopted or in the process of being adopted by the European Union, which will become effective after December 31, 2022 but which could have been applied early as an interpretation of existing texts, in particular:

- amendment to IAS 1 "Presentation of Financial Statements": classification of liabilities as current or non-current (in the process of being adopted by the EU);
- amendment to IAS 1 "Disclosure of Accounting Policies" and updated IFRS Practice Statement 2: "Making Materiality Judgements" adopted in March 2022 by the EU;
- amendment to IAS 8 "Definition of Accounting Estimates"; adopted in March 2022 by the EU;
- amendment to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction" adopted in August 2022 by the EU.

The other standards, amendments and interpretations adopted by the IASB, for which the adoption process is in progress are:

- amendment to IFRS 10 and IAS 28;
- amendment to IFRS 16 (lease liability in a sale and leaseback).

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, 2022, 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.

2.2 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 amortization and impairment of intangible assets related to acquisitions and acquisition-related costs.

The Group applies the indirect method of presenting cash flows.

2.3 First application of IAS 29 relating to hyperinflation

IAS 29, Financial Reporting in Hyperinflationary Economies, was implemented for the first time in the Group's accounts on January 1, 2022. As a reminder, in the past year, the Group did not apply the provisions of the standard, considering the impact to be non-significant.

In accordance with the provisions of the standard, the non-monetary items of the balance sheet were restated using a general price index. The items of the profit & loss statement and the statement of comprehensive income were restated by applying the change in the general price index from the initial recording of income and expense items in the financial statements. The adjusted balance sheet and profit & loss statement were converted at the closing price.

A currency exchange loss of €2.3 million was recognized for the impact of hyperinflation in Argentina and Turkey for the 2022 movements. On the balance sheet, the cumulative impact of hyperinflation at year-end 2022 is reflected by a revaluation of other intangible and tangible assets for €4.9 million, inventories for €0.7 million, share capital for €12.4 million against reserves for €6.4 million (net of tax) and currency exchange loss.

2.4 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 rental agreement 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.

Regarding climate change effects, at this stage, the Group has not identified any significant impact 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. Indeed, risks related to climate change effects, in relation to those currently assessed, as well as the Group's commitments in terms of carbon neutrality and reduction of greenhouse gas emissions did not have any significant impact on the financial statements.

2.5 Presentation of the profit & loss statement

In the context of the acquisition of Specific Diagnostics (see Note 1.1.1), the Group has decided to present all amortization and impairment of intangible assets related to acquisitions, as well as acquisition-related costs, homogenously on a dedicated line of the profit & loss statement integrated into operating income before non-recurring items. Consequently, the contributive operating income before non-recurring items will no longer be integrated into the presentation of the published profit & loss statement.

However, the Group will continue to use contributive operating income before non-recurring items as the main performance indicator in its financial communications (see Note 34 for a description of alternative performance indicators).

Consequently, amortization of assets related to the acquisition of BioFire (as defined in Note 23 of the 2021 consolidated financial statements) as well as amortization related to other acquisitions which were presented mainly in the gross profit are now included in the line amortization and impairment of intangible assets related to acquisitions and acquisition-related costs.

The definition of other non-recurring income and expenses from operations is the same as that applied for prior years (see Note 24.1).

The restatement related to the new presentation of the profit & loss statement for the comparative period at December 31, 2021 is presented in Note 33. This presentation change does not significantly impact the main profit & loss statement aggregates.

2.6 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 bioMérieux 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 34.

All significant intra-group balances and transactions are eliminated in consolidation (notably dividends and internal gains on inventories and non-current assets).

2.7 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.

2.8 Foreign currency translation

The reporting currency of bioMérieux is the euro and the consolidated financial statements are presented in millions of euros.

2.8.1 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.

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 accounts of the financial statements of foreign subsidiaries whose functional currency is that of a hyperinflationary economy are converted at the closing price (see Note 2.3).

The main conversion rates used were the following:

AVERAGE RATES

1 EURO =	USD	JPY	GBP	CNY	BRL	CAD
2022	**1.05**	**138.02**	**0.85**	**7.08**	**5.44**	**1.37**
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

YEAR-END RATES

1 EURO =	USD	JPY	GBP	CNY	BRL	CAD
2022	**1.07**	**140.66**	**0.89**	**7.36**	**5.64**	**1.44**
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

2.8.2 Translation of transactions in foreign currencies

As prescribed by IAS 21 "The Effects 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, 2022) 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 IFRS 15 "Revenue from Contracts with Customers".

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.
- Leasing agreements:

  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 service are recognized in revenue when the services are provided. The analysis performed according to IFRS 15 led to maintenance services being recognized linearly over the term of the maintenance agreement. 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 rental agreements, leasing agreements and the provision of equipment. In these cases, the payments are made according to the payment schedule defined contractually.

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	12/31/2022	12/31/2021
Sales of equipment	272.9	296.3
Sales of reagents	2,978.3	2,794.6
Sales of services	227.0	196.3
Equipment rentals[(a)]	54.9	51.1
Other revenue	55.9	37.9
REVENUE	**3,589.1**	**3,376.2**

(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 Note 3.4. The breakdown by technology is given in Note 3.5. 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;
- 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 costs, 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 plans) as well as share-based payments are included in the personnel costs 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.

Corporate value added tax The C.V.A.E. or Corporate value-added tax (Cotisation sur la Valeur Ajoutée des Entreprises) is 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 Operating income before non-recurring items

The operating income before non-recurring items is the recurring income less recurring expenses and amortization and impairment of intangible assets related to acquisitions and acquisition-related costs. Non-recurring expenses and income are not included (see Note 24.1).

Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs are presented on a separate line in the operating income before non-recurring items entitled "Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs".

3.4 Segment information

3.4.1 Information by business segment

The Group has two operating segments within *in vitro* diagnostics.

DECEMBER 31, 2022

In millions of euros	Clinical applications	Industrial applications	Other	Group
Revenue	**3,040.1**	**549.0**	**0.0**	**3,589.1**
Gross profit	**1,739.7**	**269.6**	**-0.7**	**2,008.7**
Other operating income and expenses	-1,200.3	-225.5	4.3	-1,421.4
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**539.4**	**44.2**	**3.7**	**587.2**
as % of revenues	*18%*	*8%*		

DECEMBER 31, 2021[(a)]

In millions of euros	Clinical applications	Industrial applications	Other	Group
Revenue	**2,883.4**	**492.6**	**0.2**	**3,376.2**
Gross profit	**1,759.5**	**240.6**	**0.7**	**2,000.8**
Other operating income and expenses	-1,028.2	-189.5	1.2	-1,216.5
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**731.3**	**51.1**	**1.9**	**784.3**
as % of revenues	*25%*	*10%*		

(a) Comparative data at December 31, 2021 has been restated to take into account the new presentation of the profit & loss statement (see Notes 2.5 and 23).

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 deterioration of the operating margin for clinical applications, in comparison to 2021, is the result of effects related to inflation and a return to a comparable level of spending before COVID-19, 2021 being notable for many savings on operating expenses.

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, 2022

In millions of euros	Americas	EMEA	Aspac	Corporate	Group
Revenue	**1,841.1**	**1,121.0**[a]	**624.3**	**2.6**	**3,589.1**
Cost of sales	-575.7	-493.9	-294.1	-216.8	-1,580.4
Gross profit	**1,265.5**	**627.1**	**330.3**	**-214.2**	**2,008.7**
as % of revenues	*69%*	*56%*	*53%*		
Other operating income and expenses	-332.6	-186.2	-108.7	-793.9	-1,421.4
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**932.9**	**440.9**	**221.6**	**-1,008.1**	**587.2**
as % of revenues	*51%*	*39%*	*35%*		

(a) Of which France revenues: €219.7 million.

DECEMBER 31, 2021[a]

In millions of euros	Americas	EMEA	Aspac	Corporate	Group
Revenue	**1,668.9**	**1,123.9**[b]	**580.6**	**2.8**	**3,376.2**
Cost of sales	-497.5	-433.9	-259.1	-184.9	-1,375.4
Gross profit	**1,171.4**	**690.0**	**321.5**	**-182.1**	**2,000.8**
as % of revenues	*70%*	*61%*	*55%*		
Other operating income and expenses	-267.1	-168.4	-90.9	-690.1	-1,216.5
OPERATING INCOME BEFORE NON-RECURRING ITEMS	**904.3**	**521.6**	**230.6**	**-872.4**	**784.3**
as % of revenues	*54%*	*46%*	*40%*		

(a) Comparative data at December 31, 2021 has been restated to take into account the new presentation of the profit & loss statement (see Notes 2.5 and 23).
(b) Of which France revenues: €222.3 million.

DECEMBER 31, 2022

In millions of euros	Americas	EMEA[(a)]	Aspac	Corporate	Group
Non-current assets					
Goodwill	450.3	253.1	109.2		812.5
Other intangible assets	14.3	23.3	1.6	585.8	625.0
Property, plant and equipment	621.1	389.3	64.4	175.6	1,250.3
Right-of-use assets	52.8	54.3	12.4		119.6
Working capital requirement					
Inventories and work-in-progress	417.9	239.4	79.9		737.2
Trade receivables and assets related to contracts with customers	354.8	290.0	95.3		740.1
Trade payables	-78.0	-55.8	-135.6		-269.4

(a) Of which non-current assets in France: €411.0 million.

DECEMBER 31, 2021

In millions of euros	Americas	EMEA[(a)]	Aspac	Corporate	Group
Non-current assets					
Goodwill	271.6	258.0	139.9		669.5
Other intangible assets	11.4	23.1	2.0	375.0	411.5
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	289.2	204.6	126.2		620.0
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.

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.

Other 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	2022	2021
Clinical applications	**3,040.1**	**2,883.6**
Molecular biology	1,415.8	1,268.1
Microbiology	1,163.8	1,062.8
Immunoassays	404.1	457.5
Other ranges	56.4	95.1
Industrial applications	**549.0**	**492.6**
TOTAL	**3,589.1**	**3,376.2**

The other ranges mainly include the activity of the subsidiary BioFire Defense, for which the revenue stood at €38.8 million in 2022 and €79.5 million in 2021.

NOTE 4 Goodwill

4.1 Accounting principles

Pursuant to the revised version of IFRS 3, goodwill represents the difference between the cost of a business combination (which primarily corresponds to the consideration transferred excluding acquisition-related costs and the share previously held valued at fair value) 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. The determination of fair values and goodwill is finalized within a period of 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 includes the estimated impact of any adjustments to the purchase price, such as price supplements. These price supplements are determined 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 financial 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 equity 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".

Positive goodwill is recognized on a separate line of the "Goodwill" balance sheet at cost less any accumulated impairment losses. 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, it is attached to a cash-generating unit depending on the synergies expected for the Group (see Note 5.2). It is 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 4.2 "Impairment of non-current assets".

4.2 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 4.3.

No changes in CGUs were made during the fiscal years presented. As indicated in Note 1.1.1, Specific Diagnostics was attached to the Microbiology CGU.

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 bioMérieux stock. The discount rates calculated for the main CGUs (technological product lines) were between 7.7% and 13.0% in 2022, and between 7.2% and 13.0% in 2021. The upper range used in 2022 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 4.3).

The Group recognizes an impairment loss where the value in use of these CGUs falls below the net book 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 recorded on the line "Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs" if they meet the definition (see Note 23). 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).

4.3 Change

Changes in this item can be analyzed as follows:

CGU	*In millions of euros*	12/31/2022	12/31/2021
Industrial applications		**191.4**	**188.6**
	AES	117.1	117.1
	Invisible Sentinel	48.2	45.4
	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		**166.8**	**158.3**
	BioFire	147.1	138.6
	Argène	19.3	19.3
	RAS Lifesciences	0.4	0.4
Microbiology		**303.2**	**143.6**
	Specific Diagnostics*	162.2	
	AB bioMérieux (Sweden)	55.5	60.2
	Organon Teknika	52.7	52.3
	bioMérieux Inc. (Vitek+ Bacterial Barcodes)	16.4	14.6
	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		**98.8**	**129.5**
	Hybiome	98.5	129.3
	Lianjian Anhua Biomedical	0.3	0.3
Immunoassays		**48.0**	**45.2**
	Astute Medical Inc.	35.1	33.0
	Banyan Biomarkers	12.9	12.2
Entities		**4.3**	**4.3**
	bioMérieux Greece	1.7	1.7
	bioMérieux Poland	1.5	1.6
	bioMérieux South Africa	1.1	1.1
NET VALUE		**812.5**	**669.5**

* *Provisional goodwill at December 31, 2022*

Changes in this item can be analyzed as follows:

In millions of euros	Net value
DECEMBER 31, 2020	**629.4**
Translation differences	33.0
Change in the scope of consolidation[(a)]	11.7
Impairment losses[(b)]	-4.6
DECEMBER 31, 2021	**669.5**
Translation differences	7.6
Changes in the scope of consolidation[(c)]	164.4
Impairment losses[(b)]	-29.0
DECEMBER 31, 2022	**812.5**

(a) Related to the acquisition of Banyan Biomarkers.
(b) Related to the impairment loss of the CLIA CGU.
(c) Related to the acquisition of Specific Diagnostics (see Note 1.1.1).

Goodwill related to Banyan Biomarkers, considered provisional at year-end 2021, is now final. The final valuation of this goodwill did not result in any change in value.

The provisional goodwill at December 31, 2022 refers to the goodwill of Specific Diagnostics (see Note 1.1.1).

The impairment tests carried out in accordance with the rules defined in Note 4.1 led to the recognition of an impairment loss on the goodwill of the CLIA CGU for a total of €29.0 million in 2022.

The inputs used in the impairment tests carried out on the Group's main CGUs are set out below:

	2022			2021		
CGU	Net value[(a)]	Discount rate	Perpetual growth rate	Net value[(a)]	Discount rate	Perpetual growth rate
Industrial applications	191.4	7.7%	2.0%	188.6	7.2%	2.0%
Molecular biology	166.8	8.3%	2.0%	158.3	7.7%	2.0%
Microbiology	303.2	7.9%	2.0%	143.6	7.4%	2.0%
CLIA	98.8	13.0%	2.0%	129.5	13.0%	2.0%
Immunoassays	48.0	8.8%	2.0%	45.2	8.4%	2.0%

(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 for all CGUs 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 €22 million would be recognized.

NOTE 5 Other intangible assets

5.1 Accounting principles

5.1.1 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 other 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.

5.1.2 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 (when the price of the intangible asset is identified), or based on the discounted value of estimated future cash flows. These assets, mainly comprised of technologies, are then attached to a CGU according to the expected synergies;
- 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.

Other 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.

As indicated in Note 2.1, application of the IFRS IC decision on the treatment of configuration or customization costs in SaaS agreements did not have a significant impact on the Group's financial statements.

Software is amortized when it comes into operational effect in each subsidiary, on a phased basis where applicable.

Other intangible assets are carried at their initial cost less accumulated amortization and any accumulated impairment losses. Depreciation and amortization are recognized in the profit & loss 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.

5.2 Change

Gross value *In millions of euros*	Patents Technology	Software	Other	Total
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
Changes in the scope of consolidation	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**
Translation differences	24.2	3.6	0.7	28.5
Acquisitions/Increases	0.2	13.1	4.7	18.0
Change in the scope of consolidation[(a)]	245.1	0.0	0.0	245.2
Disposals/Decreases	-0.1	-4.8	0.0	-4.9
Reclassifications	0.0	7.2	-6.5	0.7
Hyperinflation	0.0	2.5	0.6	3.1
DECEMBER 31, 2022	**994.2**	**249.5**	**32.1**	**1,275.8**

Amortization and impairment losses *In millions of euros*	Patents Technology	Software	Other	Total
DECEMBER 31, 2021	**375.3**	**191.4**	**7.1**	**573.9**
Translation differences	12.8	3.0	0.2	15.9
Additions	43.0	18.1	1.7	62.8
Changes in the scope of consolidation	0.0	0.0	0.0	0.0
Reversals/Disposals	-0.1	-4.2	0.0	-4.3
Reclassifications	0.0	0.0	0.0	0.0
Hyperinflation	0.0	1.9	0.6	2.6
DECEMBER 31, 2022	**431.0**	**210.2**	**9.6**	**650.8**

Net value *In millions of euros*	Patents Technology	Software	Other	Total
DECEMBER 31, 2021	**349.5**	**36.5**	**25.5**	**411.5**
DECEMBER 31, 2022	**563.2**	**39.3**	**22.5**	**625.0**

(a) Related to the acquisition of Specific Diagnostics (see Note 1.1.1).

Reclassifications mainly corresponds to assets under construction put into service during the fiscal year. The gross value of other intangible assets under construction represented €3.9 million at December 31, 2022 against €5.7 million in 2021.

The review of impairment loss indices on assets with a useful life as defined in Note 4.2 did not lead the Group to recognize impairment. As a reminder, impairment recognized in 2021 totaled €24 million and related to a technology asset.

NOTE 6 Property, plant and equipment, assets related to right-of-use and other leasing agreement 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 property, plant and equipment 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 property, plant and equipment are depreciated over their estimated useful lives as follows:

- machinery and equipment: 3 to 10 years;
- instruments: 5 to 10 years;
- shell: 30 to 40 years;
- Finishing work, fixtures and fittings: 10 to 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 4.2) 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, 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**
Translation differences	1.5	23.1	20.8	2.6	5.9	0.2	54.1
Changes in the scope of consolidation		0.6	0.5		0.1		1.2
Acquisitions/Increases	0.5	23.3	45.2	64.4	10.2	128.6	272.2
Disposals/Decreases	0.0	-25.9	-28.5	-41.2	-17.6		-113.1
Reclassifications		59.4	17.7	0.4	4.7	-58.8	23.4
Hyperinflation		0.2	0.1	11.8	0.6	0.0	12.7
DECEMBER 31, 2022	**56.5**	**823.4**	**682.2**	**493.2**	**207.3**	**227.1**	**2,489.8**

Depreciation and impairment losses *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other assets	Assets under construction	Total
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**
Translation differences	0.0	8.2	10.7	1.9	3.5		24.3
Additions	0.3	39.7	46.2	50.4	20.2		156.9
Disposals/Decreases	0.0	-16.7	-28.6	-38.1	-17.4		-100.8
Reclassifications		11.9	0.3	0.0	0.0		12.2
Hyperinflation		0.2	0.1	7.6	0.5		8.4
DECEMBER 31, 2022	**3.2**	**402.7**	**403.1**	**286.1**	**144.4**		**1,239.5**

Net values *In millions of euros*	Land	Buildings	Machinery and equipment	Capitalized instruments	Other assets	Assets under construction	Total
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**
DECEMBER 31, 2022	**53.3**	**420.7**	**279.2**	**207.2**	**62.9**	**227.1**	**1,250.3**

Assets under construction mainly concern capital expenditure on production and automation equipment in the United States and the construction of two new industrial sites in Suzhou.

A part of the new Suzhou campus was put in service during the fiscal year for approximately €18.9 million.

Impairment tests were not conducted to recognize significant impairments over the fiscal years presented.

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 rental agreements.

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.

Rental agreements 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 rental agreements.

For agreements not restated as rental agreements, the rental 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 rental agreements. 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 rental agreement 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 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 rental agreements 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 revaluations of the lease liability were recognized during this fiscal year.

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.

Rental agreement-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.

Deferred tax is recognized on restatements of rental agreements.

6.2.2 Change

Gross value *In millions of euros*	Land	Buildings	Machinery and equipment	Other assets	Total
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
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**
Translation differences	1.4	1.8	0.5	0.0	3.7
Changes in the scope of consolidation		4.7	0.0		4.8
Acquisitions/Increases	0.0	13.0	10.0	0.1	23.1
Disposals/Decreases	-0.6	-11.1	-7.7	0.0	-19.4
Reclassifications		-6.2		0.0	-6.2
DECEMBER 31, 2022	**26.3**	**148.7**	**34.6**	**4.7**	**214.2**

Depreciation *In millions of euros*	Land	Buildings	Machinery and equipment	Other assets	Total
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
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**
Translation differences	0.2	0.8	0.3	0.0	1.3
Changes in the scope of consolidation					
Additions	0.5	18.7	9.5	0.2	28.9
Disposals/Decreases	-0.6	-9.3	-6.8	0.0	-16.7
Reclassifications		-3.0			-3.0
DECEMBER 31, 2022	**3.7**	**67.2**	**19.5**	**4.2**	**94.6**

Net value *In millions of euros*	Land	Buildings	Machinery and equipment	Other assets	Total
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**
DECEMBER 31, 2022	**22.6**	**81.4**	**15.0**	**0.5**	**119.6**

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 the net value of assets under leasing agreements:

Net value *In millions of euros*	Land	Buildings	Machinery and equipment	Other assets	Total
DECEMBER 31, 2020	**2.7**	**36.5**			**39.2**
DECEMBER 31, 2021	**2.7**	**32.3**			**35.0**
DECEMBER 31, 2022	**2.7**	**26.3**			**29.0**

The rental expense related to non-restated agreements is not material for the years presented.

6.3 Leasing agreement receivables

6.3.1 Accounting principles

Leasing agreements

Rental agreements are classified as leasing agreements whenever they transfer to the lessee substantially all of the risks and rewards incidental to ownership. Leases qualify as leasing agreements 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 useful 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 leasing agreement, 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 leasing agreements (see Note 6.1). The usual lease term is five years.

6.3.2 Change

Financial leases receivables totaled €19.1 million at December 31, 2022, against €20.2 million at December 31, 2021.

In millions of euros	Due within 1 year	From 1 to 5 years	In over 5 years	TOTAL
Gross value of financial leases receivables	8.3	13.6	0.0	**21.9**
Accrued interest	-0.7	-0.7	0.0	**-1.3**
Present value of minimum future lease payments	7.7	12.9	0.0	**20.6**
Impairment losses	-1.6			**-1.6**
NET PRESENT VALUE OF MINIMUM FUTURE LEASE PAYMENTS	**6.1**	**12.9**	**0.0**	**19.1**

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 €12.9 million.

As previously stated, the changes were the following at December 31, 2021:

In millions of euros	Due within 1 year	From 1 to 5 years	In over 5 years	12/31/2021
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 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 three 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 to receive both contractual flows and flows from 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	12/31/2022	12/31/2021
Loans and receivables	19.8	27.5
Non-consolidated financial assets assessed at fair value against other comprehensive income	70.3	33.6
TOTAL	**90.1**	**61.1**

The loans and receivables include the offer of convertible debt to the companies Accellix and Qvella for €6.4 million, a surety intended to cover the post-employment benefit obligations in Germany for €2.7 million and the granting of a loan from bioMérieux Inc. to ABL Inc. for €1.3 million.

In millions of euros	Acquisition value	Changes in fair value	Fair value
DECEMBER 31, 2020	**64.1**	**-13.4**	**50.6**
Translation differences	2.0		2.0
Acquisitions/Increases	18.7		18.6
Disposals/Decreases	-18.8	8.0	-10.8
Reclassifications and changes in fair value			0.0
Changes in fair value recorded in other comprehensive income		0.7	0.7
DECEMBER 31, 2021	**65.9**	**-4.8**	**61.1**
Translation differences	1.2	0.0	1.2
Acquisitions/Increases	52.0	0.0	52.0
Disposals/Decreases	-24.0	0.0	-23.9
Changes in fair value recorded in other comprehensive income		-0.3	-0.3
DECEMBER 31, 2022	**95.1**	**-5.1**	**90.1**

The increases mainly correspond to equity investments in clinical and industrial applications in the United States, China and France (see Note 1.2.2).

Disposals during the fiscal year mainly concern the bond issue that was converted into shares as part of the purchase of Specific Diagnostics securities and the consolidated securities historically held by Specific Diagnostics (see Note 1.1.1), for which the capital gain was recognized in equity.

The change in fair value recorded in other comprehensive income concerns securities of Cathay Innovation, GNEH (Geneuro holding), Accellix and Labtech.

The summary table below shows the change in fair value of the shares in non-consolidated companies at December 31, 2022 compared to December 31, 2021:

	12/31/2021			12/31/2022			
In millions of euros	Fair value	Of which change in fair value through profit and loss	Of which change in fair value through other comprehensive income	Fair value	Of which change in fair value through profit and loss	Of which change in fair value through other comprehensive income	Of which change in recycling of fair value through reserves
Proxim				16.9			
Accunome				13.6			
Qvella	7.0			7.0			
Cathay Innovation	5.0			7.5		2.5	
Accellix	4.4			6.5		0.8	
Pertinence Invest	4.0			4.0			
InDevR				3.1			
Aurobac Therapeutics SAS				2.5			
Weezion				2.0			
Labtech/LBT Innovations	0.7		0.0	0.4		-0.3	
GNEH	3.3		0.7	0.0		-3.3	
Specific Diagnostics	4.4			0.0			28.3
Other securities	4.8	0.0	0.0	6.9	0.0	0.0	0.0
TOTAL	**33.6**	**0.0**	**0.7**	**70.3**	**0.0**	**-0.3**	**28.3**

The changes in fair value of securities classified as level 3 are presented in Note 27.1.

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	12/31/2022	12/31/2021
Raw materials	326.0	263.8
Work-in-progress	89.8	51.7
Finished products and goods held for resale	364.3	347.1
Gross value	**780.1**	**662.6**
Raw materials	-19.9	-18.9
Work-in-progress	-3.6	-4.5
Finished products and goods held for resale	-19.3	-19.2
Provisions for impairments	**-42.8**	**-42.6**
Raw materials	306.1	244.9
Work-in-progress	86.2	47.2
Finished products and goods held for resale	344.9	327.9
NET VALUES	**737.2**	**620.0**

Inventories relating to instruments account for 19% of gross value.

No pledges of inventories had been granted at December 31, 2022.

Without a work stoppage or significant reduction in its production centers, the Group experienced no major slowdowns over the manufacturing period recognized as at December 31, 2022, as in 2021.

The analysis carried out did not result in any change in the methods used to write down inventories, as in 2021.

NOTE 9 Trade receivables and assets related to contracts with customers

Trade receivables and finance leasing receivables

In millions of euros	12/31/2022	12/31/2021
Gross trade receivables	787.8	633.7
Impairment losses	-47.7	-43.1
NET VALUE	**740.1**	**590.6**

In total, 16.0% 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. 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, leasing agreements and contracts for the provision of equipment.

Net receivables overdue by more than 60 days relative to private companies and public organizations represent 14.6% of outstanding trade receivables in 2022, against 11.7% in 2021.

The weight of net additions to doubtful debts and bad debts represents €5.1 million, i.e. 0.14% of revenue.

Trade receivables include the current portion of leasing agreement receivables (see Section 6.3).

Receivables and assets related to contracts with customers	12/31/2021	Changes in the scope of consolidation	Change in gross values	Change in provision	Change in method	Currency impact	12/31/2022
Long-term leasing agreement receivables	12.8		-0.7			0.8	12.9
Non-current assets	**12.8**		**-0.7**	**0.0**	**0.0**	**0.8**	**12.9**
Leasing agreement receivables	7.5		-0.7	-1.1	0.0	0.5	6.1
Gross trade receivables	583.1	0.0	150.0	-2.5	0.0	3.4	734.0
Other assets related to contracts with customers	0.0						0.0
Current assets	**590.6**	**0.0**	**149.2**	**-3.7**	**0.0**	**3.8**	**740.1**

The share of provisions on financial leasing receivables is not material (see Note 6.3).

Impairment 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 indicators of impairment losses 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 analysis carried out did not result in any change to the trade receivables provisioning model, nor to the way it is implemented, as in 2021.

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	12/31/2021	Changes in the scope of consolidation	Change in gross values	Change in provision	Reclas-sification	Changes in translation differences	12/31/2022
Provisions for long-term guarantee	15	1.3	0.0		-0.3	0.0	0.0	1.0
Non-current liabilities		**1.3**	**0.0**	**0.0**	**-0.3**	**0.0**	**0.0**	**1.0**
Provisions for short-term guarantee	15	7.4			-1.4	0.0	0.2	6.3
Advances received on trade receivables	17	25.3		-3.2			0.0	22.1
Credit note to be issued	17	12.4		-0.1			0.0	12.3
Income invoiced in advance	17	84.0	0.0	-2.0		3.9	2.6	88.5
Current liabilities		**129.1**	**0.0**	**-5.3**	**-1.4**	**3.9**	**2.8**	**129.2**

NOTE 11 Other receivables

In millions of euros	12/31/2022	12/31/2021
Advances and deposits	30.3	28.2
Prepaid expenses	31.4	23.9
Other operating receivables	90.8	65.7
Net value of operating receivables	**152.6**	**117.8**
Current tax receivables	**17.9**	**43.1**
Non-operating receivables	16.3	9.5
NET VALUE OF NON-OPERATING RECEIVABLES	**16.3**	**9.5**

The other receivables related to customer contracts are not material.

Other operating receivables are mainly composed of research tax credit receivables (€49.0 million at December 31, 2022 versus €24.5 million at end-2021) and other tax-related receivables.

Non-operating receivables relate primarily to the fair value of derivative instruments carried in assets (€8.5 million in 2022, versus €4.1 million in 2021, see Note 27.2) and to hedging assets which exceed the present value of post-employment benefit obligations for €1.4 million (see Note 15.3.3).

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	12/31/2022	12/31/2021
Cash	401.7	547.1
Cash investment with Institut Mérieux[a]	0.0	170.4
Cash investment with GNEH	1.5	1.4
Cash investments	149.5	84.6
CASH AND CASH EQUIVALENTS	**552.6**	**803.5**

(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 for €93 million in 2022 versus €13 million in 2021.

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:

	12/31/2022	12/31/2021
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
Investment	BNP PARIBAS SIGNATURE PART R money-market fund	
Amount	€80 million	
Classification	Short-term money-market fund	
ISIN Code	FR0013245651	

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.

The impact related to use restrictions on demand deposits is not significant.

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 4.2).

13.2 Change

As a reminder, at December 31, 2021, two administrative sites in the United States were reclassified as assets held for sale.

At December 31, 2022, two building in the United States were sold at a price higher than the net book value (see Note 19).

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, 2022 and was divided into 118,361,220 shares with a total of 190,950,683 voting rights (of which 72,589,463 shares carry double voting rights). Following a decision taken by the Annual General Meeting of March 19, 2001, the Company's articles of association 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, 2022.

Other than the free shares (see Note 18.2), there were no valid dilutive rights or securities on December 31, 2022.

In 2022, the Company had a capital increase by issue of new shares, then a capital reduction by cancellation of the same number of shares:

- the acquisition operation for Specific Diagnostics shares was carried out by contributing a fraction of the Specific Diagnostics shares in exchange for newly issued ordinary shares of bioMérieux SA. On May 18, 2022, bioMérieux recognized the capital increase of €130,952 through the creation of 1,288,901 new shares; the difference between the value of the Specific Diagnostics shares contributed and the nominal amount of the capital increase constitutes a share premium of €127.2 million;
- a share buyback program with a view to their cancellation was launched following this operation. On December 14, 2022, the Board of Directors canceled the 1,288,901 shares acquired and reduced the capital by an amount of €130,952. The difference between the repurchase price of the canceled shares and the nominal amount of the capital reduction, i.e. €116.7 million, was deducted from the share premium.

The two consecutive operations led to a premium increase of €10.5 million.

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	12/31/2022	12/31/2021
Dollars[(a)]	188.2	61.8
Latin America	-20.7	-23.1
Europe – Middle East – Africa	-40.2	-41.3
Other countries	18.0	23.5
TOTAL	**145.3**	**20.9**

(a) US and Hong Kong dollars.

Cumulative translation adjustments attributable to the parent company amounted to €143.0 million at December 31, 2022, including €7.4 million linked to hyperinflation (see Note 2.3) mainly in connection with the appreciation of the dollar, versus €17.7 million last year.

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, 2022, the parent company held 53,471 treasury shares as part of this contract. During the fiscal year, it purchased 726,248 and sold 689,511 treasury shares.

Other treasury shares

At January 1, 2022, the Company held 79,109 treasury shares. During the fiscal year, the Company bought 500,000 shares and definitively allocated 217,506 shares intended to provide free share grants to employees (see Note 18.2).

At December 31, 2022, the Company held a total of 361,603 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 €38.9 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 117,946,146 at December 31, 2022, against 118,265,377 at December 31, 2021.

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 118,440,601 at December 31, 2022, against 118,893,289 at December 31, 2021.

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 when the impact of discounting is material and the resolution date 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	Restruc-turings	Claims and litigation	Other provisions	Total
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 and losses	-1.2	0.0	0.0	0.0	0.0	-1.2
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**	**7.3**	**40.0**	**114.1**
Additions	1.7	12.0	5.3	1.3	6.1	26.4
Reversals (utilizations)	-5.0	-11.8	-4.2	-6.8	-5.3	-33.0
Reversals (surplus)	-0.4	-1.9	0.0	-2.2	-5.9	-10.3
Net additions (reversals)	-3.6	-1.7	1.0	-7.7	-5.1	-17.0
Actuarial gains and losses	-21.3	0.0	0.0	0.0	0.0	-21.3
Changes in the scope of consolidation	0.0	0.0	0.0	3.8	3.0	6.8
Other changes	0.1	0.0	0.0	0.0	0.0	0.0
Translation differences	-0.3	0.2	0.3	0.2	0.2	0.6
DECEMBER 31, 2022	**27.2**	**7.3**	**7.0[a]**	**3.6[b]**	**38.2[b]**	**83.2**

(a) Mainly corresponds to strategic reorganizations in the United States.
(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).

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 19 (revised), chose an estimated average of the Iboxx Corporate AA and Bloomberg indices (euro, US dollar and pound sterling) at December 31, 2022, 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 current 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).

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	
	12/31/2022	12/31/2021
Expected salary increase rate	2.70%	2.50%
Discount rate	3.90%	1.00%
Average duration of plans	11.5	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	12/31/2022	12/31/2021
Post-employment benefits[(a)]	12.6	35.7
Long-service awards	13.2	16.6
TOTAL PROVISIONS FOR LONG-TERM EMPLOYEE BENEFITS	**25.8**	**52.3**

(a) Includes plan assets that exceed the present value of commitments for €1.4 million.

At December 31, 2022, the increase in the discount rate adopted led to a significant reduction in the valuation of post-employment benefits and long-term employee benefits. Commitments relating to the retirement benefits scheme in France are prefinanced via an insurance contract and payments of €3 million were made to this insurance fund in 2021 and 2022. At December 31, 2022 the amount of plan assets exceeded the present value of commitments by €1.4 million. This excess coverage was recognized in non-operating receivables (see Note 11).

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, 2021	**79.5**	**-45.0**	**34.5**	**1.2**	**35.7**
Current service cost	4.2		4.2	0.0	4.2
Interest cost	0.8	-0.4	0.4	0.0	0.4
Retirements	-2.0	0.1	-1.9	-0.1	-2.1
Plan liquidation	0.0	0.0	0.0		0.0
Contributions	0.0	-3.4	-3.4		-3.4
Impact on operating income	**2.9**	**-3.8**	**-0.8**	**-0.1**	**-0.9**
Actuarial gains and losses (Other comprehensive income)	**-22.8**	**1.1**	**-21.7**	**0.0**	**-21.7**
Other movements (incl. currency impact)	0.0	-0.5	-0.5	0.1	-0.4
DECEMBER 31, 2022	**59.6**	**-48.2**	**11.4**	**1.2**	**12.6**

(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	**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.

15.3.5 Net post-employment benefit expense for the fiscal year

In millions of euros	12/31/2022	12/31/2021
Current service cost	4.2	4.8
Return on plan assets	-0.4	-0.4
Interest cost	0.8	0.7
TOTAL	**4.5**	**5.1**

15.3.6 Breakdown of net obligation by country

	12/31/2022		
In millions of euros	France	Other countries	Total
Present value of obligation	33.1	27.6	60.7
Fair value of funds[(a)]	-34.5	-13.7	-48.2
Provisions for pensions	**-1.4**	**14.0**	**12.6**
Post-employment health insurance	0.0	0.0	0.0
Other long-term benefits			0.0
TOTAL POST-EMPLOYMENT BENEFITS	**-1.4**	**14.0**	**12.6**
Long-service awards	13.1	0.1	13.2
TOTAL PROVISIONS FOR PENSIONS AND OTHER LONG-TERM BENEFITS	**11.7**	**14.0**	**25.8**

(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

	12/31/2022	12/31/2021
In millions of euros	France	France
Equities	2.7	2.6
Bonds	26.8	25.0
Other	5.0	3.2
TOTAL	**34.5**	**30.8**

15.3.7.2 Actual return on plan assets

	Return 2022	Return 2021
France	2.1%	2.7%

15.3.8 Other information

The timing of future benefit payments at December 31, 2022 is as follows:

As %	Future service payments *(as % of net obligation)*	12/31/2021
Less than 1 year	7%	6%
1 to 5 years	35%	30%
More than 5 years	58%	64%

This payment schedule is close to that calculated in 2021.

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 6.1% on the amount of commitments (namely €3.4 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 and litigation will have a materially unfavorable impact on Group financial statements. 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 €3.6 million at December 31, 2022, against €7.3 million at December 31, 2021 (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."

Given the payments made by bioMérieux Italy in 2022, accrued income of €6 million appears in the accounts at December 31, 2022, essentially corresponding to the ongoing dispute before the Supreme Court of Cassation.

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. The assessment notifications, including those from MAP, were received by bioMérieux Italy in February 2022. They were settled during the fiscal year for €12 million.

In fiscal year 2022, the Court of Appeal waived the transfer pricing penalties, as part of the "Revocazione" proceeding. These penalties were the subject of a provision which was therefore reversed as it was no longer required.

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 U.S. 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, a decision fully favorable to bioMérieux Italy was rendered at first instance.

15.4.3 Other provisions

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, 2022.

Other provisions

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 laboratories, 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. The Paris court decision is the subject of an appeal brought by 30 claimants, notified to bioMérieux.

At this stage of the proceeding, it is not possible to reliably estimate the risk incurred by the Group.

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 investment activities;
- cash flows from financing activities.

Cash flows from investment 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	12/31/2022	12/31/2021 restated[(a)]
Additive method		
• Net income	440.5	598.2
• Amortization and impairment of intangible assets related to acquisitions	67.0	58.8
• Cost of net financial debt	-2.0	7.1
• Other financial income and expenses	8.6	2.7
• Income tax expense	140.1	175.6
• Investments in associates	0.0	0.7
• Net additions to operational depreciation – non-current provisions	210.0	189.0
EBITDA (before non-recurring items)	**864.2**	**1,032.2**
Simplified additive method		
• Operating income before non-recurring items	587.2	784.3
• Depreciation and amortization	210.0	189.0
• Amortization and impairment of intangible assets related to acquisitions	67.0	58.8
EBITDA (before non-recurring items)	**864.2**	**1,032.2**

(a) Comparative data at December 31, 2021 has been restated to take into account the new presentation of the profit & loss statement (see Notes 2.5 and 33).

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 amounted to €864 million in 2022, or 24.1% of revenue, down 16.3% compared to €1,032 million for 2021, reflecting the drop in current operating income related to the resumption of expenses post-COVID as well as rampant inflation.

Tax payments represented €224 million, up from €185 million paid the previous year, largely due to growth in the activity of subsidiaries in 2021.

In 2022, the operating working capital requirement increased by €170 million. The change was primarily a result of the following factors:

- inventories rose by €92 million in 2022 in order to replenish safety stock and secure future production;
- trade receivables increased by €146 million, mainly in the United States, related to the increase in sales and the deterioration of the collection period;
- trade payables were up by €10 million, explained by an increase in purchases in the last quarter of 2022;
- other working capital requirement items improved by €58 million, due to the increase in tax and social security liabilities and, above all, the increase in variable compensation.

At the end of the 2022 fiscal year, cash generated from operating activities reached €475 million, down by 42% compared to the €825 million recorded during the previous fiscal year.

Net cash used in investment activities

Capital expenditures represented around 8% of revenue or €287 million in 2022, versus €290 million in 2020. Major capital expenditure worth mentioning includes the expansion of production capacity in Salt Lake City and Durham, the construction of a production site in Suzhou and the construction of a new site for Hybiome.

It should be remembered that increases in right-of-use related assets (IFRS 16) are not presented as investment flows, in accordance with the standards.

Cash received from disposals of fixed assets mainly includes the disposal of two buildings in the United States.

In this context, free cash flow reached €195 million in 2022, against about €554 million in 2021.

Acquisitions related to non-consolidated and equity-accounted securities amounted to €43 million in 2022, related, in particular, to the acquisition of Proxim (€17 million) and Accunome (€14 million).

The impact of changes in scope includes the cash settlement for Specific Diagnostics ($232 million – see Note 1.1.1) as well as the cash of the acquired company.

Net cash used in financing activities

bioMérieux has purchased treasury shares for €157 million relative to the acquisition of Specific Diagnostics (see Note 1.1.1) and the share buyback program to cover the asset and cash repurchase agreement.

The Company paid a dividend of €101.2 million, a sharp increase over last year.

The new borrowings mainly correspond to the recognition of a debt with Hybiome for €14 million following the entry of a new 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 €28.6 million on December 31, 2022, against €30.0 million on December 31, 2021.

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 revalued at each closure at their fair value as defined contractually (see Note 27). The debt recognized with the BPI for a research program was repaid in 2022.

No debt restructuring occurred over the presented fiscal years. Likewise, current debts at December 31, 2021 were not restructured in the past.

At December 31, 2022, after the €101.2 million dividend payout to bioMérieux SA shareholders, the Group's net cash surplus was €47.1 million, largely consisting of net cash of €529 million offset by the bond issue described below and the debt on lease liabilities related to IFRS 16 (€98.2 million).

In June 2020, bioMérieux had contracted a bond issue for an amount of €200 million, comprising €145 million repayable in 2027 with an annual coupon of 1.5% and €55 million repayable in 2030 with an annual coupon of 1.9%.

The bond issue is shown on the balance sheet at amortized cost calculated using the effective interest rate method, in the amount of €199.7 million.

On December 31, 2022, 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	Less than 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

The other is a medium-term program with the following key features:

Maximum ceiling of the program	€500,000,000.00
Duration	Greater than 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
	Crédit 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	12/31/2021	Net cash acquired related to changes in scope	Disburse-ment related to acquisitions	Non-current to current reclassi-fications	Increase	Decrease	Change to the consoli-dated cash flow statement	Other move-ments[d]	Transla-tion adjust-ments	12/31/2022
NON-CURRENT BORROWINGS (A)										
Borrowings – non current portion	65.6			-1.8	8.0		6.2	-45.6	-1.1	25.1
Non-current lease liabilities	97.6						0.0	-6.3	2.4	93.7
Bond issues	199.6				0.1		0.1			199.7
IFRS 16 right-of-use assets	0.0						0.0			0.0
Non-current liabilities on acquisition of securities	0.0						0.0			0.0
Total borrowings – non-current	**362.8**	**0.0**	**0.0**	**-1.8**	**8.0**	**0.0**	**6.3**	**-51.9**	**1.3**	**318.5**
CURRENT BORROWINGS (B)										
Current bond issue	0.0						0.0			0.0
Borrowings due within one year	48.6	0.0		1.8	39.7	-24.7	16.7	43.6	-2.0	106.9
Current rental agreement liabilities	24.8					-28.6	-28.6	29.7	0.2	26.2
Commercial paper	10.0				20.0		20.0			30.0
Liabilities on acquisition of securities – portion due in less than one year	0.0						0.0			0.0
Borrowings – current portion	**83.4**	**0.0**	**0.0**	**1.8**	**59.7**	**-53.3**	**8.1**	**73.4**	**-1.8**	**163.1**
Total borrowings (B)	**446.1**	**0.0**	**0.0**	**0.0**	**67.7**	**-53.3**	**14.3**	**21.7**	**-0.6**	**481.6**
NET CASH AND CASH EQUIVALENTS										
Cash	547.1	15.7				-158.8	-143.2		-2.3	401.6
Cash investments	84.6				65.1		65.1		-0.2	149.5
Current accounts	171.8				0.3	-170.7	-170.4		0.0	1.5
Cash and cash equivalents[a]	803.5	15.7	0.0	0.0	65.4	-329.5	-248.4	0.0	-2.5	552.6
Bank overdrafts[b]	-16.3	0.0	-220.7		172.0		-48.7		41.1[c]	-23.9
Net cash (A)	**787.3**	**15.7**	**-220.7**	**0.0**	**237.4**	**-329.5**	**-297.2**	**0.0**	**38.6**	**528.7**
NET DEBT (B) – (A)	**-341.1**	**-15.7**	**220.7**	**0.0**	**-169.7**	**276.2**	**311.5**	**21.7**	**-39.3**	**-47.1**

(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 as well as long-term/short-term reclassification of put debt.

At December 31, 2022, non-current borrowings mainly comprised debt related to lease liabilities (see Note 16.5) and the bond issue contracted in 2020 for €199.7 million.

Current borrowings mainly comprised:

- the loan contracted by Shanghai, corresponding to a revolving credit for €51.5 million;
- the put debt on Hybiome minority interests for €42 million;
- short-term marketable securities for €30 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, 2022 concerning loans to be set up in 2023.

16.5 Impact of liabilities related to rental agreements on borrowings and financial debt

In millions of euros	12/31/2022	12/31/2021
Debt related to rental agreements	**119.9**	**122.3**
Of which rental agreements with purchase option	*22.2*	*26.8*
Due beyond 5 years	**42.1**	**47.9**
Of which rental agreements with purchase option	*2.9*	*7.2*
Due in 1 to 5 years	**51.6**	**49.7**
Of which rental agreements with purchase option	*15.4*	*15.9*
In less than one year	**26.2**	**24.8**
Of which rental agreements with purchase option	*3.9*	*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 €2.8 million at December 31, 2022, against €2.5 million at December 31, 2021.

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, 2022.

On December 31, 2022, bioMérieux SA 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.

The other term borrowings at December 31, 2022 primarily correspond to negotiable debt securities, 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, 62% of the Group's borrowings are at fixed rates (€297.9 million), and the remainder is at floating rates (€183.7 million).

At December 31, 2022 the fixed-rate debt consisted of:

- debts on lease liabilities (€98.2 million) at a rate that mostly corresponds to incremental borrowing rates (see Note 6.2.1);
- and the €199.7 million bond issue, including €145 million redeemable in 2027 with an annual coupon of 1.5%, and €55 million redeemable in 2030 with an annual coupon of 1.9%.

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	12/31/2022	12/31/2021
Euros	505.7	346.0
Chinese yuan	54.2	49.4
Japanese yen	10.7	4.0
South Korean won	5.0	0.6
Brazilian real	4.0	3.3
Czech koruna	3.9	-0.8
Mexican peso	1.9	2.1
Philippine peso	1.6	1.1
New Taiwan dollar	0.2	-1.8
Chilean peso	-0.8	-0.9
Canadian dollar	-1.0	-5.7
Argentinian peso	-1.3	-1.3
Turkish lira	-1.4	-0.4
Saudi riyal	-1.5	-0.6
Norwegian krone	-1.9	-1.7
Danish krone	-1.9	-1.5
Polish zloty	-2.0	0.1
Egyptian pound	-2.1	1.0
Hong Kong dollar	-2.1	-3.4
Swedish krona	-3.8	-4.3
Swiss franc	-5.8	-2.1
Pound sterling	-6.3	-3.7
South African rand	-8.2	0.3
Indian rupee	-9.5	0.6
Russian ruble	-9.9	-15.9
Australian dollar	-10.9	-18.2
Singapore dollar	-40.6	-27.0
US dollar	-523.8	-657.8
Other currencies	0.7	-2.5
TOTAL	**-47.1**	**-341.1**

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	12/31/2022	12/31/2021
Trade payables	**269.4**	**239.5**
Advances and deposits	22.1	25.3
Tax and social-security debts	372.6	317.9
Deferred income	88.5	84.0
Other payables	24.6	21.2
Other operating payables	**507.9**	**448.5**
Current tax payables[(a)]	**49.0**	**67.4**
Debt to suppliers of non-current assets	40.7	32.5
Other	35.1	16.9
NON-OPERATING PAYABLES	**75.8**	**49.3**

(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).

Details of other liabilities related to customer contracts (advances, prepayments and deferred income) 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 (€9.5 million in 2022 versus €7.4 million in 2021, see Note 27.2).

NOTE 18 Share-based payments

18.1 Share-based payment and free share grant plans

The transactions paid in shares concern the bioMérieux SA free share grant plans approved by the Combined Annual General Meetings of May 17, 2018; May 23, 2019; June 30, 2020; May 23, 2021; and May 23, 2022.

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	2018	2019	2020	2021	2022	Total
Initial number of options granted	35,000	266,189	126,103	175,315	272,218	874,825
Options canceled	45	83,638	17,976	24,748	36,456	162,864
Number of shares remitted in FY 2022	34,955	182,551	0	0	0	217,506
Number of shares to be remitted as of December 31, 2022	0	0	108,127	150,567	235,762	494,455

Between 2018 and 2022, 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 three-year vesting period.

In 2022, a net expense of €13.0 million was recognized in personnel costs due to compensation in shares, excluding the expenses related to employer contributions (against a net expense of €12.3 million in 2021).

At December 31, 2022:

- regarding 541,385 free shares, the Company considered that the performance criteria were achieved;
- regarding 46,930 free shares, the Company considered that the performance criteria were not achieved.

At December 31, 2022, bioMérieux SA held 361,603 of its own shares for allocation under the above-described free share grant plans. The Company would have to purchase a maximum of 179,782 additional shares at a cost of €17.6 million based on the share price at December 31, 2022.

The fair value of shares corresponds to the market price on the date of assignment of the plans.

NOTE 19 Other operating income and expenses

In millions of euros	2022	2021
Net royalties received	3.3	2.7
Research tax credits	30.4	26.2
Research grants	1.8	5.5
Other	20.9	10.2
TOTAL	**56.4**	**44.6**

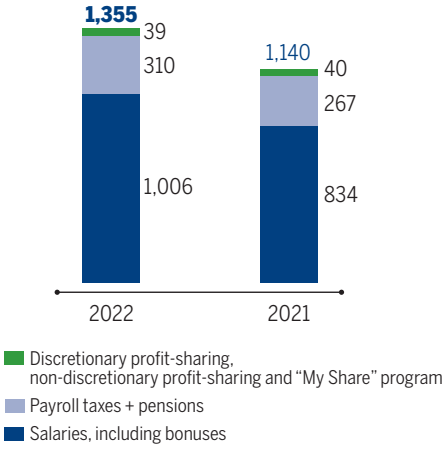
The other income related to customer contracts mainly corresponds to license fees received.

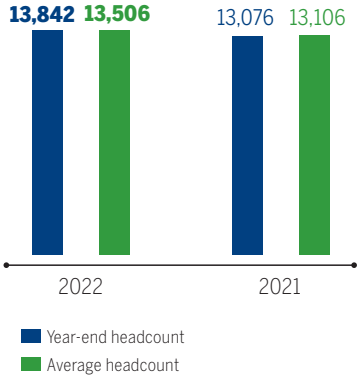
Research grants are down and include subsidies received by bioMérieux SA and Hybiome. In 2021, research grants included a €4.2 million subsidy received by Astute Medical Inc.

The other income mainly includes disposal gains realized on the sale of two buildings in the United States for a total of €12.8 million, rents in the United States in Durham for €6.2 million and the settlement of a provision reversal in Italy for €2.9 million.

In accordance with IAS 20, bioMérieux presents research tax credits as a subsidy within other operating income.

NOTE 20 Personnel costs





At constant exchange rates, personnel costs were up compared to fiscal 2021.

Payroll taxes include amounts paid into defined contribution plans for €5.8 million.

As previously stated, in 2021, an employee share plane, "MyShare", was set up (see Note 1.3).

The discretionary profit sharing only concerns bioMérieux SA.

NOTE 21 Impairment, net additions to amortization and depreciation and provisions

In millions of euros	12/31/2022	12/31/2021
Amortization, depreciation and impairment of non-current assets	210.0	189.0
Amortization and impairment of intangible assets related to acquisitions	66.9	58.8
Provisions	-17.0	-1.7
Impairment of current assets	3.0	12.3
Impairment of non-current financial assets	0.0	-0.6
TOTAL	**262.9**	**257.8**

In order to improve the understanding of the profit & loss statement, amortization and impairment of intangible assets related to acquisitions and acquisition-related costs have been presented on a separate line from operating income (see Notes 2.4 and 23).

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**", include interest income on instruments sold under leasing agreement arrangements, the impact of disposals and impairment of investments in non-consolidated companies, late-payment interest charged to customers, discounting gains and losses on the net monetary situation linked to hyperinflation, and the ineffective portion of currency hedges on commercial transactions.

22.2 Cost of net financial debt

In millions of euros	12/31/2022	12/31/2021
Financial expenses[(a)]	-1.3	-6.6
Currency hedging derivatives	3.1	3.1
Foreign exchange gains and losses	3.0	-1.1
Interest on leasing debt	-2.8	-2.5
TOTAL COST OF DEBT	**2.0**	**-7.1**

(a) The change between the two fiscal years comes from extinction of the debt owed to the BPI for the 2022 fiscal year.

22.3 Other financial income and expenses

In millions of euros	12/31/2022	12/31/2021
Interest income on leased assets	1.2	1.7
Disposals and writedowns of non-consolidated companies	0.0	0.6
Currency hedging derivatives[(a)]	-7.5	-6.3
Other	-2.3	1.3
TOTAL OTHER FINANCIAL INCOME AND EXPENSES	**-8.6**	**-2.7**

(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 and 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	12/31/2022	12/31/2021
Revenue	-0.9	-0.2
Cost of sales	-16.1	-11.4
Financial items	3.0	-1.1
TOTAL	**-14.1**	**-12.6**

NOTE 23 Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs

In order to improve the understanding of the profit & loss statement, amortization and impairment of intangible assets related to acquisitions and acquisition-related costs are now presented on a separate line from operating income (see Note 2.5).

In millions of euros	2022	2021
Amortization of intangible assets	38.0	30.5
Impairment of intangible assets	29.0	28.3
Acquisition-related costs	9.6	0.9
TOTAL	**76.6**	**59.7**

At December 31, 2022, amortization and impairment of intangible assets related to acquisitions and acquisition-related costs amounted to €76.6 million versus €59.7 million in 2021.

In 2022, they mainly include:

- the impairment loss recognized on the CLIA CGU for €29.0 million;
- amortization of assets valued as part of purchase price allocation for acquisitions, especially those for BioFire for €18.0 million. In the past, amortization related to other acquisitions were mainly presented in the gross profit;
- costs associated with the acquisition of Specific Diagnostics for €9.6 million.

NOTE 24 Other non-recurring income and expenses from operations

24.1 Accounting principles

Other non-recurring income and expenses from operations, include 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 especially include restructuring costs when these are significant.

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 at December 31, 2022, non-recurring operating income and expenses from operations were not material, just like the previous year.

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

	2022		2021	
In millions of euros	Tax	Rate	Tax	Rate
Theoretical tax at standard French tax rate	**150.0**	**25.8%**	**220.0**	**28.4%**
• Impact of income tax at reduced tax rates and foreign tax rates	-0.9	-0.2%	-27.3	-3.5%
• Impact of FDII in the United States	-13.3	-2.3%	-12.5	-1.6%
• Impact of permanent differences	11.3	2.0%	2.2	0.3%
• Impact of tax on the payment of dividends	0.7	0.1%	2.4	0.3%
• Deferred tax assets not recognized on tax losses carried forward	1.0	0.2%	0.8	0.1%
• Impact of research tax credits presented in operating income	-7.3	-1.3%	-6.9	-0.9%
• Tax credits (other than research tax credits)	-1.0	-0.2%	-2.7	-0.4%
• Use of previously unrecognized tax assets	-0.4	-0.1%	-0.4	-0.1%
ACTUAL INCOME TAX EXPENSE	**140.1**	**24.1%**	**175.6**	**22.7%**

The basic corporate income tax rate in France is 25.83%, lower than in 2021 (28.41%).

The Group's effective tax rate at December 31, 2022 stood at 24.1%, as against 22.7% at end-2021.

In 2022, the Group's effective tax rate continued to benefit from the Foreign-Derived Intangible Income (FDII) deduction in the United States which amounted to €13.3 million. The effective tax rate was also impacted in 2022 by the negative effect related to an impairment. Restated for this non-recurring effect, the effective tax rate of the Group was 23.4% in 2022.

As previously reported, the Group's effective tax rate in 2021 benefited from the Foreign-Derived Intangible Income (FDII) deduction in the United States, which represented a tax saving of €12.5 million.

It was also significantly impacted 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.

The income tax expense breaks down as follows:

In millions of euros	2022	2021
Current tax	208.0	181.4
Deferred tax	-67.9	-5.8
TOTAL	**140.1**	**175.6**

25.3 Change in deferred tax

In millions of euros	12/31/2022	12/31/2021
Total net deferred tax assets/(liabilities) at beginning of year	**-28.3**	**-29.5**
Translation differences	-4.7	-3.9
Change in the scope of consolidation[(a)]	-16.7	1.4
Movements recognized in income	67.9	4.0
Other comprehensive income (expense)	-8.5	-0.3
Other movements	-4.0	-0.1
TOTAL NET DEFERRED TAX ASSETS / (LIABILITIES) AT YEAR END	**5.6**	**-28.3**

(a) Related to the acquisition of Specific Diagnostics (see Note 1.1.1).

On the asset side, deferred tax mainly results from temporary tax differences due in particular to the (tax) capitalization of research and development costs in the United States, as well as the non-deductibility of certain provisions and the elimination of margins in stocks.

On the liability side, deferred tax originates mainly from the fair value recognition of fixed assets in the United States and China.

The change from a net balance of deferred tax liabilities as at December 31, 2021 to a net balance of deferred tax assets as at December 31, 2022 is mainly explained by the capitalization of research and development costs in the United States, leading to the recognition of deferred tax assets.

Furthermore, entries relating to other comprehensive income correspond to deferred tax for actuarial gains and losses related to post-employment benefit obligations (-€5.6 million in 2022), as well as entries in the fair value of financial instruments (-€2.4 million in 2022) and the revaluation of non-monetary assets and liabilities of companies covered by IAS 29 "Financial Reporting in Hyperinflationary Economies" (-€0.5 million in 2022).

As of December 31, 2022, unrecognized deferred tax assets, largely for tax losses, amounted to €28.3 million. They represent a potential tax saving of €7.6 million.

As previously stated, at December 31, 2021, unrecognized deferred tax assets, largely for tax losses, amounted to €25.8 million. They represented a potential tax saving of €7.0 million.

NOTE 26 Fees of Statutory Auditors

	12/31/2022							12/31/2021						
In thousands of euros	Ernst & Young		Grant Thornton		Other		Total	Ernst & Young		Grant Thornton		Other		Total
Certification of accounts	**1,378**	**91%**	**695**	**99%**	**253**	**46%**	**2,326**	**1,163**	**93%**	**604**	**100%**	**228**	**60%**	**1,996**
• bioMérieux SA	237	16%	199	28%			436	169	13%	165	27%			334
• fully consolidated subsidiaries	1,141	76%	496	71%	253	46%	1,890	994	79%	439	73%	228	60%	1661
Services other than statutory audit	**131**	**9%**	**4**	**1%**	**0**	**0%**	**136**	**93**	**7%**	**1**	**0%**	**132**	**35%**	**226**
Audit	**1,509**	**100%**	**699**	**100%**	**253**	**46%**	**2,462**	**1,256**	**100%**	**605**	**100%**	**361**	**95%**	**2,222**
Legal, tax, labor-related services	0	0%	0	0%	282	51%	282	0	0%	0	0%	21	5%	21
Other	0	0%	0	0%	19	3%	19	0	0%	0	0%	0		0
Other services	**0**	**0%**	**0**	**0%**	**301**	**54%**	**301**	**0**	**0%**	**0**	**0%**	**21**	**5%**	**21**
TOTAL	**1,509**	**100%**	**699**	**100%**	**554**	**100%**	**2,763**	**1,256**	**100%**	**605**	**100%**	**381**	**100%**	**2,243**

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

IFRS 9 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 "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, 2022						
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		70.3			70.3	70.3	1 – 3
Other non-current financial assets			19.8		19.8	19.8	-
Other non-current assets			12.9		12.9	12.9	
Derivative instruments (positive fair value)				8.5	8.5	8.5	2
Trade receivables			740.1		740.1	740.1	-
Other receivables			30.3		30.3	30.3	-
Cash and cash investments	552.6				552.6	552.6	1
TOTAL FINANCIAL ASSETS	**552.6**	**70.3**	**803.1**	**8.5**	**1,434.5**	**1,434.5**	
Financial liabilities							
Bond issue[(a)]			199.7		199.7	199.7	1
Other financing facilities			163.1		163.1	163.1	2
Derivative instruments (negative fair value)				9.5	9.5	9.5	2
Borrowings – current portion			187.0		187.0	187.0	2
Trade payables			269.4		269.4	269.4	-
Other current liabilities			175.9		175.9	175.9	-
TOTAL FINANCIAL LIABILITIES	**-**	**-**	**995.1**	**9.5**	**1,004.6**	**1,004.6**	

(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 2022 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 impairment of trade receivables (see Note 9) and non-current financial assets (see Note 7).

In millions of euros	December 31, 2021 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)				4.1	4.1	4.1	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**	**4.1**	**1,500.1**	**1,500.1**	
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)				7.4	7.4	7.4	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**	**7.4**	**872.4**	**872.4**	

(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, 2022 were as follows:

In millions of euros	Shares in non-consolidated companies
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 Group structure, translation adjustments	-6.8
DECEMBER 31, 2021	**29.5**
Change from level 3 to 2	
Gains and losses recognized in income	
Gains and losses recognized in other comprehensive income	3.3
Acquisitions	41.3
Disposals	
Changes in the scope of consolidation, translation adjustments[(a)]	-4.3
DECEMBER 31, 2022	**69.9**

(a) Corresponds mainly to Specific Diagnostics in 2022 (see Note 1.1.1).

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 2022) 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 30% 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, 2022). Detailed information on hedging transactions is provided in Note 28.1.3.

28.1.2 Exposure of revenue to exchange rate risk

In millions of euros	12/31/2022		12/31/2021	
Eurozone	**858**	**24%**	**806**	**24%**
Other currencies				
Dollars[(a)]	1,664	46%	1,555	46%
Renminbi	237	7%	233	7%
Indian rupee	90	2%	78	2%
Pound sterling	73	2%	82	2%
Japanese yen	97	3%	86	3%
Canadian dollar	61	2%	64	2%
South Korean won	46	1%	42	1%
Australian dollar	37	1%	35	1%
Brazilian real	41	1%	32	1%
Other currencies	386	11%	363	11%
Sub-total	**2,731**	**76%**	**2,570**	**76%**
TOTAL	**3,589**	**100%**	**3,376**	**100%**
Sensitivity	**-36**		**-26**	

(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:

In millions of euros	2022	2021
Net income	-67.6	-80.7
Equity[(a)]	-281.2	-230.2

(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, 2022:

In millions of currency units	USD	CNY	INR	JPY	GBP
Assets denominated in foreign currencies	46	381	1,435	1,913	10
Liabilities denominated in foreign currencies	-7	-15	-48	-7	-1
Net exchange exposure before hedging	**39**	**366**	**1,387**	**1,906**	**9**
Impact of hedging	36	200	300	1,060	9
Net exchange exposure after hedging	**3**	**166**	**1,087**	**846**	**0**
In millions of euros					
Net exchange exposure after hedging	**3**	**23**	**12**	**6**	**0**
SENSITIVITY	**-0.3**	**-2.1**	**-1.1**	**-0.5**	**0.0**

The sensitivity analyzed above shows the impact of a 10% increase in the exchange rate on the net foreign exchange exposure at December 31, 2022, taking into account hedging transactions.

Exposure of borrowings

The Group's borrowings to 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, 2022:

Currency hedge at December 31, 2022 *In millions of euros*	Maturities		2022 market value[(a)]
	< 1 year	1 to 5 years	
Hedges of existing commercial transactions			
• currency forward contracts	152.3	0.0	-0.9
• options	0.0	0.0	0.0
TOTAL	**152.3**	**0.0**	**-0.9**
Hedges of future commercial transactions			
• currency forward contracts	566.2	0.0	0.6
• options	8.4	0.0	0.2
TOTAL	**574.5**	**0.0**	**0.7**
Derivatives not qualifying as hedges	4.9	0.0	0.0
TOTAL	**4.9**	**0.0**	**0.0**

(a) Difference between the hedging price and the market price at December 31, 2022.

Currency hedges in effect at December 31, 2021 were as follows:

Currency hedge at December 31, 2021 *In millions of euros*	Maturities		2021 market value[(a)]
	< 1 year	1 to 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.

There were no net investment hedges of foreign operations at December 31, 2022.

All of the currency forward contracts and options outstanding at December 31, 2022 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:

			Fair value of the hedging instrument at closing		Change in the fair value of the hedging instrument over the fiscal year	
In millions of euros	Category of the hedge	Notional hedge amount at closing	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					-3.3	5.8
Trade receivables in currencies	forward sales	152.3		-0.9		
Trade debts in currencies	forward purchases					
Trade receivables in currencies	options					
Financial receivables in currencies	forward sales	37.1		-0.7		
Borrowings in currencies	forward purchases	524.1		-1.2		
CASH FLOW HEDGING						
EUR interest rate risk						
Debt in EUR	interest rate swap rate					
USD interest rate risk						
Loan in $	cross currency swaps					
Exchange rate risk						
Future commercial sales in currencies	forward sales	566.2	0.6			
Future commercial purchases in currencies	forward purchases					
Future commercial sales in currencies	options	8.4	0.2			
DERIVATIVES NOT QUALIFYING AS HEDGES						
	forward sales	4.9		-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 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 table below shows the projected cash flows from the private placement (divided into two tranches), the property lease agreement and contractual interest payments at December 31, 2022:

In millions of euros	In less than one year	Due in 1 to 5 years	Due beyond 5 years
EuroPP 7 years[(a)]	-2.2	-153.7	0.0
EuroPP 10 years[(a)]	-1.0	-4.2	-58.1
CBI (including VAT)	-5.4	-20.0	-3.5

(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 (see Note 16.7).

A fixed-rate bond issue was set up in 2020 for €199.7 million, including €145 million redeemable in 2027 with an annual coupon of 1.5%, and €55 million redeemable in 2030 with an annual coupon of 1.9%. This financing is therefore not backed by any hedging mechanism.

An indexed variable-rate property leasing 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, 2022 was €21.7 million.

28.4.2 Hedging instruments and sensitivity

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. At December 31, 2022 as also at December 31, 2021, 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, 2022, and the rating of bioMérieux's banking counterparties.

NOTE 29 Off-balance sheet commitments

Off-balance sheet commitments have not significantly changed since December 31, 2021 (see Note 29 of the consolidated financial statements of December 31, 2021) with the exception of shares taken by the Group in a company which has granted it an option to purchase all of its shares, subject to the filing of its application for registration of its product with the American health authorities.

Outstanding commitments given or received at December 31, 2022 are described below:

29.1 Off-balance sheet commitments relating to Group companies

Following acquisition and sale transactions, the Group is subject to price adjustment clauses, the probability of application of which was not deemed sufficient at the closing date.

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 €152 million at December 31, 2022.

29.2.2 Commitments received

- At December 31, 2022, 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 16.3).

29.3 Off-balance sheet commitments relating to the Group's operating activities

29.3.1 Commitments given

- bioMérieux SA has entered into various agreements with third parties that provide for payments based on progress in corresponding research projects or a minimum volume of sales (€0.8 million).
- Under the free share grant plans approved by the Board of Directors of bioMérieux SA, which holds 361,603 shares as coverage, would need to purchase 179,782 additional shares if all promised shares were allocated. This commitment represents an amount of €17.6 million based on the share price at December 31, 2022.
- In China, bioMérieux Suzhou Biotech has committed €0.8 million to suppliers in connection with the construction of its new plant.
- In China, Hybiome has committed €43.5 million to banking institutions.
- Other commitments given (endorsements, deposits and guarantees excluding firm rental commitments) amounted to €1.4 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 €6.5 million.

NOTE 30 Transactions with related parties

30.1 Gross compensation paid to members of the Executive Committee

Members of the Company's Executive Committee were paid an aggregate €9.8 million in compensation during the 2022 fiscal year.

In millions of euros	2022	2021
Fixed compensation	3.4	3.4
Variable compensation	3.3	3.9
Pensions	0.0	0.0
Benefits-in-kind	0.2	0.2
Free shares	2.8	3.1
Compensation to members of the Board of Directors[(a)]	0.0	0.0
Termination benefits	0.0	0.0
TOTAL	**9.8**	**10.6**

(a) This line relates only to Alexandre Mérieux in respect of his directorship.

30.2 Other transactions with non-consolidated affiliates

- The Institut Mérieux, which held 58.9% of bioMérieux SA at December 31, 2022, provided €13.4 million in services and research for the bioMérieux Group over the fiscal year, of which €4.3 million was reinvoiced to bioMérieux Inc., and €4.9 million to BioFire. bioMérieux Group companies re-invoiced €1.0 million to the Institut Mérieux for expenses incurred on its behalf (bioMérieux SA for €0.6 million and bioMérieux India for €0.4 million).
- During 2022, the Group supplied €15.2 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 €1.9 million for services in 2022.
- 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 €0.3 million of raw materials in fiscal year 2022. Conversely, bioMérieux Inc. re-invoiced ABL Inc. for €2.3 million. In addition, at December 31, 2022 ABL received a $1.0 million loan from bioMérieux Inc.
- During financial 2022, bioMérieux SA invoiced €2.7 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 €5.6 million to Mérieux Université for training fees.

NOTE 31 Subsequent events

Establishment of a new syndicated credit facility

In March 2023, bioMérieux signed an agreement for a new syndicated credit facility with the same pool of banks as the previous agreement. This syndicated credit facility amounts to €600 million and matures in March 2028, with extension options for two additional years.

NOTE 32 Consolidation

bioMérieux is a fully consolidated entity of Compagnie Mérieux Alliance (17, rue Bourgelat, 69002-Lyon, France).

NOTE 33 Impacts on the consolidated financial statements

The Group has restated the comparative financial statements in accordance with the new presentation of amortization and impairment of intangible assets related to acquisitions and acquisition-related costs.

Indeed, as indicated in Note 2.5, the Group has decided to harmonize the presentation of its profit & loss statement following the acquisition of Specific Diagnostics.

Previously, amortization of assets related to the acquisition of BioFire Diagnostics was presented on a dedicated line in the profit & loss statement under contributive operating income before non-recurring items while the remaining amortization related to acquisitions was mainly under cost of sales.

In accordance with IAS 8, comparative financial statements have been restated, as if amortization and impairment of intangible assets related to acquisitions and acquisition-related costs had been grouped on a single dedicated line at January 1, 2021.

Impact on the profit & loss statement

Following implementation of the new presentation, amortization and impairment of intangible assets related to acquisitions and acquisition-related costs was reclassified from gross profit and operating expenses to a dedicated line included in the contributive operating income before non-recurring items.

Impact on the balance sheet

The implementation of the new presentation of amortization and impairment of intangible assets related to acquisitions and acquisition-related costs only concerns the profit & loss statement; no change was made in the balance sheet.

Impact on the consolidated cash flow statement

The implementation of the new presentation of amortization and impairment of intangible assets related to acquisitions and acquisition-related costs resulted in:

- reducing the net additions to operating amortization;
- increasing amortization and impairment of intangible assets related to acquisitions and acquisition-related costs.

33.1 Impacts on the main aggregates of the consolidated profit & loss statement at December 31, 2022

In millions of euros	Published 12/31/2021	Presentation restatement	Restated 12/31/2021
REVENUE	**3,376.2**		**3,376.2**
Cost of sales	-1,412.5	37.0	-1,375.4
Gross profit	**1,963.8**	**37.0**	**2,000.8**
Other operating income and expenses	**44.6**		**44.6**
Selling and marketing expenses	-575.7	2.2	-573.5
General and administrative expenses	-242.6	0.5	-242.1
Research and development	-389.0	3.2	-385.8
Total operating expenses	**-1,207.2**	**5.8**	**-1,201.4**
Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs	-16.9	-42.9	-59.7
Operating income before non-recurring items	**784.3**	**0.0**	**784.3**
Other non-recurring income and expenses from operations	0.0		0.0
Operating income	**784.3**	**0.0**	**784.3**
Cost of net financial debt	-7.1		-7.1
Other financial income and expenses	-2.7		-2.7
Income tax	-175.6		-175.6
Share in earnings (losses) of equity-accounted companies	-0.7		-0.7
Consolidated net income	**598.2**	**0.0**	**598.2**
Minority interests	-2.9		-2.9
ATTRIBUTABLE TO THE PARENT COMPANY	**601.1**	**0.0**	**601.1**
Basic earnings per share	€5.08		€5.08
Diluted (net) earnings per share	€5.06		€5.06

33.2 Impacts on the main aggregates of the consolidated cash flow statement at December 31, 2022

In millions of euros	Published 12/31/2021	Presentation restatement	Restated 12/31/2021
Consolidated net income	**598.2**		**598.2**
• Investments in associates	0.7		0.7
• Cost of net financial debt	7.1		7.1
• Other financial income and expenses	2.7		2.7
• Income tax expense	175.6		175.6
• Net additions to operational depreciation – non-current provisions	231.0	-41.9	189.0
• Non-recurring income and expenses, depreciation from the BioFire acquisition	16.9	41.9	58.8
EBITDA (before non-recurring items)	**1,032.2**	**0.0**	**1,032.2**
Other non-recurring income and expenses from operations *(excluding non-recurring provisions for impairment and capital gains (losses) on disposals of fixed assets)*	0.0		0.0
Other financial income and expenses *(excluding provisions and disposals of non-current financial assets)*	-2.7		-2.7
Net additions to operating provisions for contingencies and losses	-2.3		-2.3
Fair value gains (losses) on financial instruments	0.4		0.4
Share-based payment	12.4		12.4
Elimination of other non-cash or non-operating income and expenses	**7.7**	**0.0**	**7.7**
Change in inventories	-48.8		-48.8
Change in trade receivables	23.6		23.6
Change in trade payables	24.2		24.2
Change in other operating working capital	-23.5		-23.5
Change in operating working capital requirement	**-24.6**	**0.0**	**-24.6**
Other non-operating working capital	-1.0		-1.0
Change in non-current non-financial assets and liabilities	2.7		2.7
Change in working capital requirement	**-22.8**	**0.0**	**-22.8**
Income tax paid	**-185.4**		**-185.4**
Cost of net financial debt	**-7.1**		**-7.1**
Net cash from operating activities	**824.7**	**0.0**	**824.7**
Purchases of property, plant and equipment and intangible assets	-290.1		-290.1
Proceeds from disposals of property, plant and equipment and intangible assets	20.0		20.0
Proceeds from other non-current financial assets	-0.4		-0.4
Free cash flow	**554.1**	**0.0**	**554.1**
Disbursements/receipts related to non-consolidated and equity-accounted securities	-3.3		-3.3
Impact of changes in Group structure	-33.5		-33.5
Net cash flows from (used in) investment activities	**-307.3**	**0.0**	**-307.3**
Purchases and sales of treasury shares	-17.4		-17.4
Dividends paid to owners	-73.1		-73.1
Cash flows from new borrowings	18.2		18.2
Cash flows from loan repayments	-68.3		-68.3
Net cash used in financing activities	**-140.6**	**0.0**	**-140.6**
Net change in cash and cash equivalents	**376.8**	**0.0**	**376.8**
NET CASH AT BEGINNING OF YEAR	**371.3**		**371.3**
Impact of currency changes on net cash and cash equivalents	39.2		39.2
NET CASH AT END OF YEAR	**787.3**		**787.3**

NOTE 34 Alternative performance indicators

The Group uses alternative performance indicators not defined by accounting standards. These include EBITDA and free cash flow, as defined in Note 16, and contributive operating income before non-recurring items.

Contributive operating income before non-recurring items corresponds to operating income before non-recurring items (as defined in Note 3.3) excluding amortization and impairment of intangible assets related to acquisitions and acquisition-related costs (see Note 23).

	12/31/2022	12/31/2021
Operating income before non-recurring items	**587.2**	**784.3**
Amortization and impairment of intangible assets related to acquisitions and acquisition-related costs	76.6	59.7
CONTRIBUTIVE OPERATING INCOME BEFORE NON-RECURRING ITEMS	**663.8**	**844.1**

NOTE 35 List of consolidated companies at December 31, 2022

Changes in the scope of consolidation during the 2022 fiscal year are described in Note 1.1.

		2022[(a)]	2021	2020
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%
Applied Maths Inc.	11940 Jollyville Road, Suite 115N – Austin, Texas 78759 – United States	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%
Banyan Biomarkers Inc.	16470 West Bernardo Drive, Suite 100 San Diego, California 92127 – United States	100%	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%

(a) Percentage control is identical to percentage interest, except in the case of Suzhou Lianjian Anhua Biomedical Co. Ltd where it is 100%.

		2022[a]	2021	2020
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%
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%	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%
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	A-15-13A Tower A, Menara Prima Avenue, Jalan PJU 1/39, 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 Dubai – United Arab Emirates	100%	100%	100%
bioMérieux Nigeria	2nd Floor, Plot 100, Ajose Adeogun Street, Victoria Island, Lagos State, Nigeria	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	Chineham Gate, Crockford Lane, Hampshire RG24 8NA	100%	100%	100%
bioMérieux Russia	1st Nagatinskiy proezd, 10, str.1, business center "Newton Plaza" – Moscow 115 533 – Russia	100%	100%	100%

(a) Percentage control is identical to percentage interest, except in the case of Suzhou Lianjian Anhua Biomedical Co. Ltd where it is 100%.

		2022[a]	2021	2020
bioMérieux (Shanghai) Biotech Co. Ltd	N° 4633 Pusan Road, Kangqiao Industrial Park – Pudong New District – Shanghai – 201315 – China	100%	100%	100%
bioMérieux Shanghai Company Ltd.	N° 4633 Pusan Road, Kangqiao Industrial Park – Pudong New District – Shanghai – 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%
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%
Invisible Sentinel	3711 Market St., Suite. 910 Philadelphia, PA 19104 United States	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%
Specific Diagnostics (US)	130 Baytech Drive, 95134 San Jose, California, USA	100%		
Specific Diagnostics (France)	3, boulevard de Sébastopol 75001 Paris – France	100%		
Specific Diagnostics (Ireland)	10 Earlsfort Terrace, Dublin 2, D02 T380 – Ireland	100%		
Specific Diagnostics (UK)	55 Baker Street, London, United Kingdom, W1U 7EU	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%	67%

(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, 2022, as appended to this report.

We hereby 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 previous fiscal year 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, 2022 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

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 consolidated 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 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.

Acquisition of Specific Diagnostics

Risk identified	Our response
As described in Note 1.1.1 to the consolidated financial statements, on May 18, 2022 your group acquired a 100% interest in Specific Diagnostics. Previously it had held a non-controlling interest (7.4% of the shares) worth €4.4 million at December 31, 2021. The total amount of the acquisition was €386.7 million, part of which (€220.7 million) was paid in cash and the rest paid through the issuance of 1,288,901 new shares of your company for the benefit of a number of Specific Diagnostics shareholders. Specific Diagnostics has been fully consolidated since the acquisition, resulting in the recognition of net deferred tax liabilities of €186.6 million, deferred tax assets of €41.5 million (mostly corresponding to the valuation of losses carried forward) and provisional goodwill of €164.4 million. When making an acquisition, your group applies the accounting principles set out in IFRS 3 (Revised) and described in Note 4.1 to the consolidated financial statements. We considered the accounting and presentation of this transaction to be a key audit matter given both the material nature of the acquisition and the judgment required in performing the valuations, particularly the fair value of intangible assets and valuation of liabilities.	We included assessment specialists in the audit team in order to review the work performed by management. Our work consisted mainly in: • reviewing the legal aspects related to this acquisition; • assessing how the provisions of IFRS 3 (Revised) were applied and how the standard was implemented (particularly the determination of the acquisition price, the identification of assets and liabilities, and the valuation of the resulting goodwill); • analyzing, most notably through interviews with senior management, the main data and assumptions used to determine the fair value of the recognized technologies (such as the discount rate and the perpetuity growth rate); • reviewing business forecasts and prospects for product ranges through interviews with senior management in order to prepare the cash flow projections needed to evaluate the technologies; • reviewing the analyses prepared by senior management to justify the recognition of deferred tax assets (especially the analysis of losses carried forward); • analyzing the appropriateness of the disclosures related to this acquisition that appear in the notes to the consolidated financial statements.

Valuation of goodwill and intangible assets

Risk identified	Our response
At December 31, 2022, goodwill amounted to €812.5 million and intangible assets to €625 million. Together, they account for almost 28% of your group's total assets. As described in Notes 4 and 5.1.2 to the consolidated financial statements, at the acquisition date, goodwill and intangible assets were allocated to a cash-generating unit (CGU) based on expected synergies 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 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.	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 and intangible assets; • 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; • 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; • comparing with accounting records any impairment losses resulting from impairment test calculations prepared by management.

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 concerning 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 is included in the information about the group presented in the 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.

Due to the technical limitations inherent in the macro-tagging of consolidated financial statements in accordance with the European Single Electronic Format (ESEF), the content of certain tags in the notes to the financial statements may not be identical to the consolidated financial statements attached to this report.

Additionally, 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, 2022, GRANT THORNTON was in the sixth continuous year of its audit engagement, while ERNST & YOUNG et Autres was in the 11th 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 financial and accounting 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 17, 2023

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, 2021 and 2022

Balance sheet

Assets

In millions of euros	Note	Net 12/31/2022	Net 12/31/2021
Non-current assets			
• Intangible assets	3.1	170.6	174.5
• Property, plant and equipment	3.2	319.8	298.8
• Investments and related receivables	3.3	906.9	779.2
• Other non-current financial assets	3.3	23.8	15.2
Total		**1,421.2**	**1,267.8**
Current assets:			
• Inventories and work-in-progress	4	207.6	183.8
• Trade receivables	5	453.3	480.2
• Other operating receivables	5	55.0	52.8
• Non-operating receivables		37.6	18.7
• Cash and cash pooling	6	531.8	727.0
Total		**1,285.3**	**1,462.5**
• Deferred charges spread over several years		0.5	0.6
• Bond redemption premiums		0.0	0.0
• Unrealized foreign exchange losses	7	7.8	3.4
TOTAL ASSETS		**2,714.8**	**2,734.3**

Shareholders' equity and liabilities

In millions of euros		12/31/2022	12/31/2021
Shareholders' equity			
• Share capital		12.0	12.0
• Additional paid-in capital		74.0	63.5
• Reserves		1,030.0	925.5
• Statutory provisions and grants		76.0	72.1
• Net income for the fiscal year		87.0	205.6
Total	**8**	**1,279.0**	**1,278.8**
Provisions	**9**	**48.4**	**82.0**
Liabilities			
• Borrowings and financial debt	10	895.7	886.1
• Trade payables	11	256.0	227.4
• Other operating payables	11	205.9	196.8
• Non-operating payables		29.6	62.0
Total		**1,387.1**	**1,372.3**
• Translation differences - gains	7	0.4	1.3
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**2,714.8**	**2,734.3**

Profit & loss statement

In millions of euros	2022	2021
Sales of goods and finished products	1,171.4	1,199.2
Other income	292.2	257.5
Revenue	**1,463.6**	**1,456.8**
Production included in inventories (work-in-progress and finished products)	9.0	-28.5
Capitalized production	12.2	14.2
Total production	**1,484.9**	**1,442.4**
Purchases	-584.3	-562.5
Change in raw material and instrument inventories	14.1	41.1
External expenses	-412.5	-370.5
Added value	**502.2**	**550.5**
Taxes other than income tax	-18.3	-17.0
Payroll and benefits	-383.5	-357.7
Gross operating income (EBITDA)	**100.4**	**175.8**
Depreciation, amortization and provisions	-36.4	-77.5
Other operating income (expense)	-21.5	-24.8
Operating income	**42.5**	**73.6**
Financial income and expenses	0.1	0.7
Net investment income	27.2	154.5
Net income before non-recurring items and tax	**69.8**	**228.8**
Non-recurring income	0.1	-8.0
Employee profit-sharing	-2.0	-2.0
Income tax	19.0	-13.1
NET INCOME	**87.0**	**205.6**

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.

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 Acquisition of Specific Diagnostics by the subsidiary bioMérieux Inc.

On May 18, 2022, the bioMérieux Group fully acquired Specific Diagnostics, a privately held American company that has developed a rapid antimicrobial susceptibility testing (AST) system making it possible to deliver a phenotypic AST test directly from positive blood cultures.

The acquisition amount of $407.0 million (€386.7 million) covers the acquisition of 100% of the securities, paid by a combination of cash settlement by bioMérieux Inc. for $232.2 million and the issuance of 1,288,901 shares to certain shareholders of Specific Diagnostics.

The issuance of these new bioMérieux SA shares resulted in a capital increase of €130,952 and shareholder dilution of around 1% of its share capital.

These new shares were transferred to bioMérieux Inc. for payment of the acquisition, in return for an increase in the equity investments of bioMérieux Inc for an amount of €127.4 million.

In order to offset this dilution, a share buyback program of 1,288,901 shares with a view to their cancellation was launched in September 2022.

On December 14, 2022, the Board of Directors, on delegation of the Annual General Meeting, decided on a capital reduction through the cancellation of redeemed shares.

The impact of this operation on capital and share premium are detailed in Note 8.

2.2 Change in the securities portfolio

In 2022, bioMérieux SA subscribed to several equity investments and capital increases of securities in the portfolio for a total amount of €138.4 million, including the capital increases of its subsidiaries for €128.8 million (including bioMérieux Inc. for €127.4 million related to the acquisition of Specific Diagnostics), the creation of a subsidiary in Nigeria for €1.3 million, the acquisition of a stake in Aurobac Therapeutics SAS for an amount of €2.5 million, and investments in other fixed securities of the portfolio for €5.7 million.

These events are detailed in Note 3.3.

2.3 Russia's military offensive against Ukraine

The Russian military offensive against Ukraine and the sanction measures adopted by various countries against Russia, especially restrictions relating to exports and interbank transactions with Russia, have had a limited impact on bioMérieux SA's operating income in 2022.

The indirect effects of the Ukraine crisis, such as the increase in energy and raw material prices have had a direct impact on the Company's financial performance.

2.4 Significant subsequent events

In March 2023, bioMérieux SA signed an agreement for a new syndicated credit facility with the same pool of banks as the previous agreement. This syndicated credit facility amounts to €600 million and matures in March 2028, with extension options for two additional years.

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

Gross value *In millions of euros*	Software	Business assets	Patents & Technology	Other intangible assets	Assets under construction	Total
DECEMBER 31, 2021	**111.0**	**142.0**	**43.8**	**27.8**	**5.0**	**329.5**
Acquisitions/Increases	7.0	0.0	0.0	0.0	3.9	11.0
Disposals/Decreases	-2.6	0.0	0.0	0.0	0.0	-2.6
Reclassifications	5.3	0.0	0.0	0.0	-4.9	0.4
DECEMBER 31, 2022	**120.8**	**142.0**	**43.8**	**27.8**	**4.0**	**338.3**

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 €11 million.

Amortization and impairment *In millions of euros*	Software	Business assets	Patents & Technology	Other intangible assets	Assets under construction	Total
DECEMBER 31, 2021	**86.5**	**9.5**	**36.0**	**23.0**	**0.0**	**155.0**
Additions	10.0	0.6	1.5	3.0	0.0	15.0
Reversals	-2.2	0.0	0.0	0.0	0.0	-2.2
Reclassifications	0.0	0.0	0.0	0.0	0.0	0.0
DECEMBER 31, 2022	**94.2**	**10.0**	**37.4**	**26.0**	**0.0**	**167.7**

The distribution rights for Hybiome products were written off, resulting in an allocation of €2.6 million over the fiscal year (including €1.5 million in amortization and €1.1 million in impairment).

Net values *In millions of euros*	Software	Business assets	Patents & Technology	Other intangible assets	Assets under construction	Total
DECEMBER 31, 2021	**24.5**	**132.5**	**7.8**	**4.7**	**5.0**	**174.5**
DECEMBER 31, 2022	**26.5**	**131.9**	**6.3**	**1.8**	**4.0**	**170.6**

Technical merger losses are allocated as follows:

In millions of euros	Gross value	Amortization	Net value
AES CHEMUNEX			
Goodwill	111.0	0.0	111.0
Technology	6.4	3.8	2.6
Customer relationships	5.4	3.6	1.8
Total	**122.8**	**7.4**	**115.4**
ARGÈNE			
Goodwill	19.4	0.0	19.4
Technology	11.5	8.8	2.8
Total	**30.9**	**8.8**	**22.2**
CEERAM			
Technology	2.4	1.9	0.5
Total	**2.4**	**1.9**	**0.5**
TOTAL	**156.1**	**18.0**	**138.1**

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 property, plant and equipment to which this method applies are buildings.

For buildings, the depreciation periods are set for each group of components.

Depreciation period	Accounting	Tax
Shell	30 to 40 years	Straight line basis 30 years
Finishing work, fixtures and fittings	10 to 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 period	Accounting	Tax
Machinery and equipment	3 to 10 years	Accelerated 5-10 years
Instruments*	3 to 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

Gross value *In millions of euros*	Land and buildings	Machinery and equipment	Capitalized instruments	Other assets	Assets under construction	Total
DECEMBER 31, 2021	**325.2**	**256.5**	**60.1**	**58.0**	**50.2**	**750.1**
Acquisitions/Increases	5.6	5.8	10.9	2.3	36.2	60.8
Disposals/Decreases	-3.1	-3.2	-3.5	-8.1	0.0	-18.0
Reclassifications	14.1	13.5	0.0	1.1	-29.2	-0.4
DECEMBER 31, 2022	**341.8**	**272.7**	**67.5**	**53.3**	**57.2**	**792.5**

The main capital expenditure for the fiscal year consists of instrument investments with customers or for internal use amounting to €10.9 million. It also relates to the construction in progress at La Balme of a research and development building for €6.5 million and an industrial building for plastic injection for €4.5 million, and to capital expenditure for the transformation of the storage site in Saint-Vulbas for €3.8 million.

Depreciation and impairment *In millions of euros*	Land and buildings	Machinery and equipment	Capitalized instruments	Other assets	Assets under construction	Total
DECEMBER 31, 2021	**193.0**	**180.0**	**33.2**	**45.1**	**0.0**	**451.3**
Additions	14.3	14.1	7.6	4.0	0.0	40.0
Reversals	-5.3	-2.6	-2.7	-8.0	0.0	-18.5
Reclassifications	0.0	0.0	0.0	0.0	0.0	0.0
DECEMBER 31, 2022	**202.0**	**191.5**	**38.1**	**41.1**	**0.0**	**472.7**

Net values *In millions of euros*	Land and buildings	Machinery and equipment	Capitalized instruments	Other assets	Assets under construction	Total
DECEMBER 31, 2021	**132.3**	**76.4**	**27.0**	**13.0**	**50.2**	**298.8**
DECEMBER 31, 2022	**139.8**	**81.1**	**29.4**	**12.2**	**57.2**	**319.8**

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 revenue, 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

Gross value *In millions of euros*	Equity investments	Other financial assets	Related receivables	Other	Total
DECEMBER 31, 2021	**880.5**	**17.0**	**18.9**	**2.3**	**918.6**
Acquisitions/Increases	132.6	5.7	3.4	3.2	145.0
Disposals/Decreases	-0.1	-0.1	-0.9	-0.1	-1.2
Reclassifications/Other	0.0	0.0	-1.5	0.0	-1.5
DECEMBER 31, 2022	**1,013.1**	**22.7**	**19.8**	**5.4**	**1,061.0**

In 2022 bioMérieux SA subscribed to several investments and capital increases in its equity investments portfolio:

- bioMérieux Inc. capital increase, related to the acquisition of Specific Diagnostics for an amount of €127.4 million (see Note 2.1);
- acquisition of a stake in Aurobac Therapeutics SAS for €2.5 million;
- release of bioMérieux Suzhou Biotech capital subscribed in 2021 having generated a currency effect of €1.5 million in 2022;
- creation of the bioMérieux Nigeria subsidiary for an amount of €1.3 million.

bioMérieux SA has also acquired stakes in other fixed assets, namely Weezion for €2 million and EMSponsors for €2 million. Finally, the Company subscribed to the convertible bond issued by Qvella for €1.7 million.

Amortization and impairment *In millions of euros*	Equity investments	Other financial assets	Related receivables	Other	Total
DECEMBER 31, 2021	**120.1**	**4.0**	**0.0**	**0.1**	**124.1**
Additions	8.9	0.3	0.0	0.0	9.1
Reversals	-3.0	0.0	0.0	-0.1	-3.1
Reclassifications	0.0	0.0	0.0	0.0	0.0
DECEMBER 31, 2022	**126.0**	**4.2**	**0.0**	**0.0**	**130.2**

Net values *In millions of euros*	Equity investments	Other financial assets	Related receivables	Other	Total
DECEMBER 31, 2021	**760.4**	**13.0**	**18.9**	**2.2**	**794.4**
DECEMBER 31, 2022	**887.1**	**18.4**	**19.8**	**5.4**	**930.7**

Allocations to impairment of equity investments amounted to €8.9 million over the fiscal year and relate to the impairment of Quercus Scientific NV shares for €4.4 million, following the announcement of the gradual discontinuation of the marketing of products from its subsidiary Applied Maths, GNEH securities for €3.2 million, bioMérieux Argentina for €0.9 million, the discontinued subsidiary AB bioMérieux for €0.4 million and Mérieux Université for €0.1 million. Reversals of impairment of equity investments concern bioMérieux Brazil for €3 million.

3.3.3 List of subsidiaries and minority interests

See table below.

INFORMATION ABOUT SUBSIDIARIES AND MINORITY INTERESTS AT DECEMBER 31, 2022

	Share capital (Currencies in millions)		Equity other than share capital (Currencies in millions)	Share of ownership as %	Value of the securities held before impairment losses (In millions of euros)	Value of the securities held after impairment losses (In millions of euros)	Unrepaid loans and advances from the Company (In millions of euros)	Total revenue of the last fiscal year (Currencies in millions)	Net profit or net loss of the last fiscal year (Currencies in millions)	Dividends received by Company during the fiscal year (In millions of euros)	Notes
A – SUBSIDIARIES (OVER 50% OWNED BY BIOMÉRIEUX)											
AB bioMérieux	SEK	0.2	47.2	100.0%	74.2	4.3	0.0	0.0	-0.2	0.0	01/01/22-12/31/2022
bioMérieux West Africa	CFA	180.0	25.9	100.0%	0.3	0.3	0.0	0.0	162.8	0.0	01/01/22-12/31/2022
bioMérieux Germany	EUR	3.5	23.2	100.0%	3.8	3.8	0.0	121.1	2.9	5.0	01/01/22-12/31/2022
bioMérieux Algeria	DZD	58.0	118.2	100.0%	0.6	0.6	0.0	44.7	23.7	0.0	01/01/22-12/31/2022
bioMérieux Argentina	ARS	15.4	877.7	99.1%	8.3	4.7	0.0	2,914.8	240.4	0.0	01/01/22-12/31/2022
bioMérieux Asia Pacific	SGD	0.0	51.0	100.0%	0.0	0.0	0.0	608.9	23.7	0.0	01/01/22-12/31/2022
bioMérieux Austria	EUR	0.1	1.6	100.0%	0.1	0.1	0.0	21.2	0.8	0.8	01/01/22-12/31/2022
bioMérieux Australia	AUD	1.6	7.5	100.0%	23.8	23.8	1.0	55.2	0.7	0.5	01/01/22-12/31/2022
bioMérieux Colombia	COP	0.5	28.8	100.0%	2.2	2.2	0.0	134.3	2.3	0.0	01/01/22-12/31/2022
bioMérieux Brazil	BRL	136.8	-86.2	100.0%	49.7	20.0	0.0	232.0	2.1	0.0	01/01/22-12/31/2022
bioMérieux Belgium	EUR	0.3	2.4	100.0%	0.3	0.3	2.7	31.7	0.5	0.5	01/01/22-12/31/2022
bioMérieux Benelux	EUR	0.0	7.3	100.0%	0.1	0.1	10.6	115.0	1.6	0.0	01/01/22-12/31/2022
bioMérieux Canada	CAD	1.3	5.5	100.0%	20.5	20.5	2.3	84.0	3.6	2.0	01/01/22-12/31/2022
bioMérieux Chile	CLP	1,686.6	9,434.3	100.0%	3.1	3.1	0.0	27,826.0	1,489.7	0.3	01/01/22-12/31/2022
bioMérieux China	HKD	971.6	181.1	100.0%	112.4	112.4	1.6	247.5	6.2	0.0	01/01/22-12/31/2022
bioMérieux Korea	KRW	1,000.0	1,9266.8	100.0%	0.7	0.7	0.0	62,675.4	2,328.6	0.0	01/01/22-12/31/2022
bioMérieux Denmark	DKK	0.5	13.2	100.0%	0.5	0.5	0.0	64.9	3.6	0.3	01/01/22-12/31/2022
bioMérieux Spain	EUR	0.2	38.2	100.0%	0.6	0.6	0.0	104.7	4.4	3.0	01/01/22-12/31/2022
bioMérieux Egypt	EGP	0.2	-68.7	100.0%	0.0	0.0	1.7	153.9	-37.8	0.0	01/01/22-12/31/2022
bioMérieux Egypt Distribution	EGP	1.0	0.0	49.0%	0.1	0.1	0.0	0.0	0.0	0.0	01/01/22-12/31/2022
bioMérieux Finland	EUR	0.0	2.4	100.0%	0.1	0.1	0.0	9.8	0.5	0.0	01/01/22-12/31/2022
bioMérieux Greece	EUR	2.0	4.2	100.0%	4.1	4.1	0.0	17.7	0.5	0.5	01/01/22-12/31/2022

	Share capital (Currencies in millions)		Equity other than share capital (Currencies in millions)	Share of ownership as %	Value of the securities held before impairment losses (In millions of euros)	Value of the securities held after impairment losses (In millions of euros)	Unrepaid loans and advances from the Company (In millions of euros)	Total revenue of the last fiscal year (Currencies in millions)	Net profit or net loss of the last fiscal year (Currencies in millions)	Dividends received by Company during the fiscal year (In millions of euros)	Notes
bioMérieux Hungary	HUF	3.0	282.0	100.0%	0.0	0.0	0.3	1,856.8	75.2	0.3	01/01/22-12/31/2022
bioMérieux HK Investment	HKD	0.0	0.0	100.0%	0.0	0.0	0.0	0.0	0.0	0.0	01/01/22-12/31/2022
bioMérieux India	INR	66.0	2,299.0	99.9%	2.9	2.9	0.0	7,404.7	12.0	0.0	01/01/22-12/31/2022
bioMérieux Inc.	USD	0.0	1774.4	100.0%	524.9	524.9	76.7	2,076.7	282.7	0.0	01/01/22-12/31/2022
bioMérieux Italy	EUR	9.0	32.1	100.0%	12.8	12.8	0.0	140.9	7.4	0.0	01/01/22-12/31/2022
bioMérieux Japan	JPY	0.5	1.4	100.0%	15.4	15.4	12.6	13.3	0.5	1.5	01/01/22-12/31/2022
bioMérieux Kenya	KES	18.3	44.5	100.0%	0.2	0.2	0.0	0.0	12.5	0.0	01/01/22-12/31/2022
bioMérieux Malaysia	MYR	0.1	0.3	100.0%	0.0	0.0	0.1	0.0	0.0	0.0	01/01/22-12/31/2022
bioMérieux Middle East	AED	0.1	3.3	100.0%	0.0	0.0	0.8	0.0	1.0	0.1	01/01/22-12/31/2022
bioMérieux Nigeria	NGN	601.0	-410.9	100.0%	1.3	1.3	0.0	51.3	-410.9	0.0	01/01/22-12/31/2022
bioMérieux Norway	NOK	2.8	15.3	100.0%	0.3	0.3	0.0	68.6	4.8	0.1	01/01/22-12/31/2022
bioMérieux Philippines	PHP	10.3	8.9	100.0%	0.2	0.2	0.0	865.4	15.2	0.0	01/01/22-12/31/2022
bioMérieux Poland	PLN	0.4	38.7	100.0%	1.5	1.5	0.0	127.8	6.7	0.4	01/01/22-12/31/2022
bioMérieux Portugal	EUR	1.6	7.2	100.0%	2.0	2.0	0.0	20.2	0.4	0.5	01/01/22-12/31/2022
bioMérieux Czech Republic	CZK	0.2	8.9	100.0%	0.0	0.0	6.9	881.8	2.5	0.3	01/01/22-12/31/2022
bioMérieux Russia	RUB	55.7	667.4	100.0%	1.3	1.3	0.0	2,252.8	106.4	4.4	01/01/22-12/31/2022
bioMérieux South Africa	ZAR	50.0	103.2	100.0%	5.4	5.4	5.3	413.6	8.8	0.2	01/01/22-12/31/2022
bioMérieux Sweden	SEK	0.5	27.4	100.0%	0.2	0.2	0.0	313.0	5.6	0.5	01/01/22-12/31/2022
bioMérieux Switzerland	CHF	0.4	4.8	100.0%	0.6	0.6	0.0	42.3	2.8	1.0	01/01/22-12/31/2022
bioMérieux Suzhou Biotech Co.	CNY	600.0	-114.7	100.0%	80.2	80.2	0.0	0.0	-53.5	0.0	01/01/22-12/31/2022
bioMérieux Thailand	THB	35.0	71.3	100.0%	0.9	0.9	0.0	559.2	11.7	0.0	01/01/22-12/31/2022
bioMérieux Turkey	TRY	23.3	170.0	100.0%	5.0	5.0	0.0	406.1	25.3	0.0	01/01/22-12/31/2022
bioMérieux UK	GBP	0.0	14.4	100.0%	1.2	1.2	0.0	77.6	3.7	3.0	01/01/22-12/31/2022
bioMérieux Vietnam	VND	6.3	2.9	100.0%	0.2	0.2	0.0	0.0	0.8	0.0	01/01/22-12/31/2022
bioMérieux Serbia	RSD	1.2	25.5	100.0%	0.0	0.0	0.0	0.0	4.0	0.0	01/01/22-12/31/2022

	Share capital (Currencies in millions)		Equity other than share capital (Currencies in millions)	Share of ownership as %	Value of the securities held before impairment losses (In millions of euros)	Value of the securities held after impairment losses (In millions of euros)	Unrepaid loans and advances from the Company (In millions of euros)	Total revenue of the last fiscal year (Currencies in millions)	Net profit or net loss of the last fiscal year (Currencies in millions)	Dividends received by Company during the fiscal year (In millions of euros)	Notes
bioMérieux Singapore	SGD	0.1	6.0	100.0%	0.1	0.1	0.0	21.8	0.5	0.3	01/01/22-12/31/2022
BTF	AUD	4.1	38.5	100.0%	13.6	13.6	0.0	44.4	21.7	8.5	01/01/22-12/31/2022
Quercus Scientific	EUR	3.9	-0.2	100.0%	19.9	3.7	0.0	0.0	-4.4	0.0	01/01/22-12/31/2022
Total subsidiaries					**995.5**	**876.0**					
B – MINORITY INVESTMENTS (5%-50% OWNED BY BIOMÉRIEUX)											
GNEH	EUR	22.5	-5.3	18.9%	4.2	0.1	1.5	0.0	-0.1	0.0	01/01/21-12/31/2021
Lumed Inc.	CAD	1.8	-0.7	16.2%	0.7	0.7	0.0	1.2	0.4	0.0	06/01/19-05/31/2020
Mérieux Université	EUR	5.7	-3.5	40.0%	3.2	0.9	0.0	6.4	-0.1	0.0	01/01/22-12/31/2022
Qvella	CAD	0.0	-73.0	5.8%	7.0	7.0	0.0	0.0	-12.0	0.0	07/01/21-06/30/2022
Théra Conseil	EUR	0.5	0.5	0.8%	0.0	0.0	0.0	2.7	0.0	0.0	01/01/21-12/31/2021
Aurobac Therapeutics SAS*	EUR	0.0	0.0	12.5%	2.5	2.5	0.0	0.0	0.0	0.0	11/10/21-12/31/2021
Total equity investments					**17.6**	**11.1**					
C – OTHER SECURITIES											
Amorçage Technologique Investissement	EUR	30.8	-13.4	2.6%	0.8	0.8	0.0	0.0	-2.5	0.0	01/01/21-12/31/2021
Avesthagen	INR	76.1	-648.9	3.5%	1.4	0.0	0.0	32.3	56.7	0.0	04/01/21-03/31/2022
Innovaprep	USD	3.7	-1.4	3.5%	0.4	0.0	0.0	5.0	0.4	0.0	01/01/21-12/31/2021
Labtech system	AUD	46.3	-24.9	3.1%	1.3	0.3	0.0	2.1	-6.6	0.0	07/01/21-06/30/2022
Lyon Biopôle	EUR	1.0	-1.0	0.0%	0.3	0.0	0.0	0.9	0.1	0.0	01/01/21-12/31/2021
My Cartis	EUR	2.5	-2.3	1.6%	1.2	0.0	0.0	0.0	0.0	0.0	01/01/21-12/31/2021
Pertinence Invest 2	EUR	4.2	4.0	7.8%	4.0	4.0		0.0	-1.4	0.0	01/01/21-12/31/2021
Sino French (Innovations) Fund II	EUR	675.8	-13.1	0.8%	5.0	5.0	0.0	0.0	-13.1	0.0	01/01/21-12/31/2021
Supernova 2	EUR	37.8	-7.6	1.3%	1.0	1.0	0.0	0.1	-1.6	0.0	01/01/21-12/31/2021
Weezion*	EUR	0.0	0.0	4.3%	2.0	2.0	0.0	0.0	0.0	0.0	09/25/2020-12/31/2021
EMSponsors*	EUR	0.0	0.0	1.4%	2.0	2.0	0.0	0.0	0.0	0.0	07/01/21-06/30/2022
Total other securities					**19.4**	**15.2**					
GRAND TOTAL					**1,032.5**	**902.2**					

* *Fiscal year acquisitions for which capital payments are subsequent to the date of the latest available financial statements.*

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*	12/31/2022	12/31/2021
Raw materials	50.2	46.6
Work-in-progress	31.7	27.7
Finished products and goods held for resale	141.6	126.1
TOTAL GROSS VALUE	**223.5**[(a)]	**200.3**
Impairment losses	-15.8[(b)]	-16.5
TOTAL NET VALUE	**207.6**	**183.8**

(a) Of which gross value of inventories related to instrumentation and related spare parts of €54.7 million, compared to €44 million in 2021.
(b) Including specific impairment losses related to the public health crisis for €4.3 million in 2022 as against €5.1 million in 2021 (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*	12/31/2022	12/31/2021
Gross trade receivables	468.8	496.7
Impairment[(a)]	-15.5	-16.5
NET VALUE	**453.3**	**480.2**

(a) Including a €12.4 million writedown of export trade receivables at December 31, 2022 versus €14 million at December 31, 2021, due to the economic situation and risks encountered, particularly in Africa and the Middle East.

The decrease in trade receivables is mainly explained by the decrease in intragroup receivables at December 31, 2022.

Other operating receivables *In millions of euros*	12/31/2022	12/31/2021
Advances and deposits	21.5[(a)]	24.1
Prepaid expenses	12.3[(b)]	8.5
Other operating receivables	21.2[(c)]	20.2
TOTAL GROSS VALUE	**55.0**	**52.8**

(a) Including a €13.7 million advance paid in 2020 and 2021 under a license agreement signed in 2020, of which €4.2 million was used as of December 31, 2022. This advance will be applied against future royalties for the next eight years, €7.8 million of which was due in more than one year as of December 31, 2022.

(b) Prepaid expenses primarily consist of external expenses. In 2022, they also include coverage for the retirement benefits scheme amounting to €1.4 million (see Note 9.3).

(c) Including VAT receivables of €16 million at December 31, 2022, against €17.7 million at December 31, 2021.

Maturities of trade and other receivables *Net value in millions of euros*	12/31/2022	12/31/2021
Customers	**453.3**	**480.2**
• Due in less than one year	453.3	480.2
Other operating receivables	**55.0**	**52.8**
• Due in less than one year	40.2	36.0
• Due in more than one year	14.8	16.7

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*	12/31/2022	12/31/2021
Cash investments	174.1	83.8
Cash pooling	123.3[(a)]	242.6
Cash and financial instruments	234.4[(b)]	400.5
TOTAL	**531.8**	**727.0**

(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.

Cash investments break down as follows:

	12/31/2022	12/31/2021
Investment	Treasury shares	Treasury shares
Amount	€30.8m	€8.2m
Classification	Equities	Equities
ISIN Code	FR0010096479	FR0010096479
Investment	BNP PARIBAS SIGNATURE CLASSIC money market fund	BNP PARIBAS SIGNATURE CLASSIC money market fund
Net amount	€13.0m	€13.0m
Classification	Euro money-market fund	Euro money-market fund
ISIN Code	FR0011046085	FR0011046085
Investment	BNP PARIBAS SIGNATURE R money market fund	BNP PARIBAS SIGNATURE R money market fund
Amount	€80.3m	€0.0m
Classification	Euro money-market fund	Euro money-market fund
ISIN Code	FR0013245651	FR0013245651
Investment	Time-deposit account	Time-deposit account
Amount	€50.0m	€62.7m
Classification	Euro money-market fund	Euro money-market fund
ISIN Code		

Among short-term investments are 361,603 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 translation differences. Provisions are created for unrealized translation differences (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	12/31/2022	12/31/2021
On operating items	3.7	1.2
On borrowings and financial receivables	4.2	2.2
TOTAL	**7.8**	**3.4**

7.3 Translation differences - gains

In millions of euros	12/31/2022	12/31/2021
On operating items	0.4	1.3
On borrowings and financial receivables	0.0	0.0
TOTAL	**0.4**	**1.3**

NOTE 8 Equity and free share grant plans

8.1 Accounting principles

Capital expenditure subsidies are recognized in equity. The Company elected to spread a capital improvement subsidy financing a depreciable fixed asset over several periods. The capital expenditure 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, 2022 and was divided into 118,361,220 shares with a total of 190,950,683 voting rights (of which 72,589,463 shares carry double voting rights). Following a decision taken by the Annual General Meeting of March 19, 2001, the Company's articles of association 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, 2022.

At December 31, 2022, the Company held:

- 53,471 treasury shares under a liquidity agreement with an outside firm. In 2022, the Company purchased 726,248 and sold 689,511 treasury shares;
- 361,603 treasury shares were purchased as part of a hedging program for the various free share grant plans. At December 31, 2022, these shares were not specifically allocated to one plan. In 2022, the Company purchased 500,000 shares and awarded 217,506.

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, 2021	**12.0**	**63.5**	**1,131.2**	**70.4**	**1.7**	**1,278.8**
Net income for the fiscal year			87.0			87.0
Dividends paid			-101.2			-101.2
Changes in statutory provisions				4.0	-0.1	3.9
Capital transactions		10.5				10.5
EQUITY AT DECEMBER 31, 2022	**12.0**	**74.0**	**1,116.9**	**74.4**	**1.6**	**1,279.0**

In 2022, the Company had a capital increase by issue of new shares, then a capital reduction by cancellation of the same number of shares:

- the acquisition operation for Specific Diagnostics shares was carried out by contributing a fraction of the Specific Diagnostics shares in exchange for newly issued ordinary shares of bioMérieux SA. On May 18, 2022, the Company recognized the capital increase of €130,952 through the creation of 1,288,901 new shares. These new shares were transferred to bioMérieux Inc. for payment of the acquisition, in return for an increase in the equity investments of bioMérieux Inc. for an amount of €127.4 million. The difference between the value of the Specific Diagnostics shares contributed and the nominal amount of the capital increase constitutes a share premium of €127.2 million;
- a share buyback program with a view to their cancellation was launched following this operation. On December 14, 2022, the Board of Directors decided to cancel the 1,288,901 shares purchased and reduced the capital by an amount of €130,952. The difference between the repurchase price of the canceled Company shares and the nominal amount of the capital reduction, i.e. €116.7 million, was deducted from the share premium.

The two consecutive operations led to a capital-related premium increase of €10.5 million.

The following table presents the Company's free share grant plans:

	Date on which plans opened				
Number of shares	**2018**	**2019**	**2020**	**2021**	**2022**
Initial number of options granted	35,000	266,189	126,103	175,315	272,218
Allocations canceled in respect of departures and performance criteria	45	83,638	17,976	24,748	36,456
Number of shares remitted in FY 2022	34,955	182,551	0	0	0
Number of shares to be remitted as of December 31, 2022	0	0	108,127	150,567	235,762

Between 2018 and 2022, 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 2022, after taking into account all free shares that were re-invoiced, a net expense of €9.3 million was recognized in operating income, compared to a net expense of €11.4 million the previous year.

With the 361,603 treasury shares held at December 31, 2022, the Company will have to purchase 132,853 additional shares at a cost of €13 million, based on the share price at December 31, 2022, to cover existing plans.

8.3 Change in regulated provisions and investment grants

In millions of euros	Accelerated depreciation and amortization	Provisions for price increases	Capital expenditure subsidies	Total
DECEMBER 31, 2021	**66.7**	**3.8**	**1.7**	**72.1**
Additions	14.5	2.0	0.1	16.6
Reversals	-12.2	-0.3	-0.2	-12.7
DECEMBER 31, 2022	**68.9**	**5.5**	**1.6**	**76.0**

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, 2021	**32.0**	**0.7**	**49.3**	**82.0**
Additions		*0.5*	*20.2*	*20.8*
Reversals (utilizations)	*-18.8*	*-0.7*	*-34.6*	*-54.2*
Reversals (surplus)			*-0.1*	*-0.1*
Net change	-18.8	-0.2	-14.5	-33.5
DECEMBER 31, 2022	**13.1**	**0.5**	**34.8**	**48.4**

(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) Including, at December 31, 2022, a provision for share grants of €19.4 million (addition of €10.2 million and reversal of €26.5 million in 2022); a provision for foreign exchange losses of €7.8 million (addition of €7.8 million and reversal of €3.5 million in 2022); provisions for commercial claims and litigation of €1.9 million (no change over the fiscal year); and other provisions for expenses of €5.7 million (addition of €2.1 million and reversal of €4.7 million in 2022).

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

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	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Salary increase rate	2.70%	2.50%	2.70%	2.50%
Discount rate	3.90%	1.00%	3.85%	0.80%
Employee mobility rate[a]	0 to 5%	0% to 5%	0 to 5%	0% to 5%
Average duration	12.3	14.0	8.7	9.0

(a) Depending on the age and status of the employee (managerial/non-managerial).

The actuarial valuation of employee benefit obligations is as follows:

	Retirement benefits		Long-service awards	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
Present value of obligation	33.1	46.2	13.1	16.6
Fair value of hedging assets	34.5	30.8		
NET SITUATION	**-1.4**	**15.4**	**13.1**	**16.6**

At December 31, 2022, the increase in the discount rate adopted led to a significant reduction in the valuation of net retirement benefit obligations.

The Company's obligations relating to retirement benefits are prefinanced by means of an insurance contract. In 2022 as well as in 2021, the Company paid €3 million into this insurance fund. At December 31, 2022 the amount of plan assets exceeded the present value of commitments by €1.4 million. This excess coverage was recognized as prepaid expenses (see Note 5.2).

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 flows from operating activities;
- cash flows from investment 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	12/31/2022	12/31/2021
Net income	87.0	205.6
Depreciation, amortization and provisions, net	27.8[a]	69.9[b]
Gains and losses on Corporate actions	-0.3	8.5
Capital expenditure subsidies	-0.2	-0.1
Cash flow from operating activities	**114.3**	**283.9**
Change in inventories	-23.1[c]	-12.5
Change in trade receivables	21.0[d]	-73.4
Change in trade payables and other operating working capital	36.0[e]	60.8
Change in operating working capital requirement	**33.9**	**-25.2**
Change in receivables, net of tax	-26.4[f]	18.2
Change in other non-operating working capital requirements	-0.1	2.3
Total change in working capital requirement	**7.4**	**-4.6**
Net cash from operating activities	**121.6**	**279.3**
Capital expenditures	-71.8[g]	-77.8
Income from sales of fixed assets	2.4[h]	9.4
Increase in net amounts payable on fixed assets	3.3	3.1
Acquisition of equity investments, subscr. to capital increases net of reductions	-159.5[i]	-27.6[j]
Net change in advances and loans to subsidiaries	-2.5[k]	
Net change in other non-current financial assets	-10.3[l]	-3.8
Net cash flows from (used in) investment activities	**-238.3**	**-96.7**
Dividends paid	-101.2	-73.1
Capital transactions	10.5[m]	
Capital expenditure subsidy	0.1	1.7
Net cash used in shareholders' equity	**-90.6**	**-71.4**
Change in net debt (excluding exchange rate impact)	**-207.3**	**111.2**
Breakdown of change in net debt		
Net debt at beginning of year	159.1	269.1
Impact of changes in exchange rates on net debt	-2.5	1.2
Change in net debt:	**207.3**	**-111.2**
• Committed debt	5.3	-23.9
• Cash and bank overdrafts	201.9	-87.2
NET DEBT AT END OF YEAR	**363.8**	**159.1**

(a) Including depreciation, amortization and impairment of property, plant and equipment and intangible assets for €52.8 million, impairment of equity investments for €6.9 million, net additions to regulated provisions for €4 million and net reversals of provisions for liabilities and expenses for -€34.4 million.

(b) 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.

(c) Inventory changes are described in Note 4.2.

(d) Including Group customers for +€40.5 million and export customers for -€20.5 million.

(e) Including net trade payables of +€29.3 million, tax and social security receivables and payables of +€26.6 million, customer credit balances of -€15.2 million and prepaid expenses of -€3.8 million.

(f) Including the 2022 research tax credit provision of -€19.5 million and adjustment of tax profit for the 2019 and 2020 fiscal years of -€7.7 million.

(g) Including property, plant and equipment for €60.4 million (see Note 3.2) and intangible assets for €11.4 million (see Note 3.1).

(h) Including various disposals of property, plant and equipment amounting to +€1.6 million.

(i) Including a bioMérieux Inc. capital increase related to the acquisition of Specific Diagnostics for -€127.4 million, payment of the capital increase of bioMérieux Suzhou Biotech subscribed in 2021 for -€28.9 million (including -€1.5 million corresponding to the currency effect), acquisition of a stake in Aurobac Therapeutics SAS for -€2.5 million and creation of the bioMérieux Nigeria subsidiary for an amount paid up at December 31, 2022 of -€0.7 million.

(j) 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.

(k) Including the change in dividends to be received of -€2.1 million (bioMérieux Russia -€1.7 million and bioMérieux Greece -€0.5 million) and interest on intragroup loans amounting to -€1.4 million.

(l) Including net buyback of treasury shares under the liquidity contract of -€3.1 million, equity investment in Weezion of -€2 million, and EMSponsors of -€2 million, payment of Qvella convertible bonds of -€1.7 million, and payments made into funds of -€1.4 million (FCPI Sino French Innovation 2 for -€0.7 million and FCPI Pertinence Invest 2 for -€0.6 million).

(m) Issuance of 1,288,901 new shares as part of the acquisition of Specific Diagnostics, with a share premium of +€127.2 with no ultimate impact on indebtedness due to the increase in bioMérieux Inc. shares in consideration (see Note (i) above). Subsequent capital reduction by canceling treasury shares, i.e. -€116.7 million charged to the share premium. That is, an impact of €10.5 million on capital and share premium, as detailed in Note 8.

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. This syndicated credit facility has not been drawn on at December 31, 2022.

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, 2022.

bioMérieux SA also had €30 million in negotiable debt securities at December 31, 2022, versus €10 million at December 31, 2021.

10.3 Change

Exposure of borrowings *In millions of euros*	**12/31/2022**	**12/31/2021**
Bond issues	201.6	201.6
Bank overdrafts and financial instruments	2.8	1.2
Cash pooling	656.5	653.8
Other borrowings	34.7[(a)]	29.4
TOTAL BORROWINGS	**895.7**	**886.1**

(a) Including negotiable debt securities of €30 million at December 31, 2022, versus €10 million at December 31, 2021.

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. In return, bioMérieux SA received grants and reimbursable aid. These advances, included in the other borrowings line at December 31, 2021 for €15.2 million (including €14.2 million in debt at more than one year) were fully repaid early in November 2022.

10.4 Debt schedule

Maturities of borrowings *In millions of euros*	**12/31/2022**	**12/31/2021**
Due beyond 5 years	55.0	204.1
Due in 1 to 5 years	149.7[(a)]	14.3
Total due beyond 1 year	**204.7**	**218.4**
In less than one year	690.9[(b)]	667.7
Total borrowings	**895.7**	**886.1**
Cash investments	-174.1	-83.8
Cash and financial instruments	-357.7[(c)]	-643.2
NET DEBT	**363.8**	**159.1**

(a) Including a bond issue of €145 million.
(b) Including borrower cash pooling of €656.5 million, versus €653.8 million at December 31, 2021 (which included a debt owed to BioFire Diagnostics of €586.4 million, versus €580.7 million at December 31, 2021).
(c) Including lender cash pooling of €123.3 million, versus €242.6 million at December 31, 2021 (which included a receivable from bioMérieux Inc. of €76.7 million compared to €52.6 million at December 31, 2021).

NOTE 11 Trade and other operating payables

Composition of trade and other operating payables *In millions of euros*	12/31/2022	12/31/2021
Trade payables	**256.0**	**227.4**
Tax and social-security debts	187.4	162.7
Deferred income	5.9[(a)]	6.5
Other payables	12.6	27.6
OTHER OPERATING PAYABLES	**205.9**	**196.8**

(a) Including a rental and maintenance agreement for €3.9 million and the sale of reagents and instruments for €2 million.

Due dates of trade and other operating payables *In millions of euros*	12/31/2022	12/31/2021
Trade payables	**256.0**	**227.4**
Due within one year	256.0	227.4
Other operating payables	**205.9**	**196.8**
Due within one year	204.7	196.5
Due beyond one year	1.2	0.3

NOTE 12 Accrued expenses and income

Accrued expenses and income *In millions of euros*	12/31/2022	12/31/2021
Miscellaneous borrowings and financial debt	1.8	9.8
Trade payables	66.9	71.3
Tax and social-security debts	171.6	148.0
Other operating payables	9.7	24.2
Other non-operating payables	10.8	14.7
TOTAL ACCRUED EXPENSES	**260.7**	**267.9**
TOTAL ACCRUED INCOME	**19.7[(a)]**	**22.8**

(a) Including unbilled customer payables (€12.5 million versus €19 million at December 31, 2021) and accrued interest on loans to subsidiaries (€2.7 million at December 31, 2022 versus €2.3 million at December 31, 2021).

NOTE 13 Revenue

13.1 Accounting principles

Revenue from product sales (reagents and instruments) and related services (after-sales, training, delivery, etc.) are presented in "Revenue" 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.

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.

13.2 Change

Breakdown of revenue *In millions of euros*	**France**	**Export**	**Total 12/31/2022**	**Total 12/31/2021**
Sales of goods for resale	13.2	136.0	149.2	153.7
Sold production (goods)	177.2	815.9	993.1	1,020.0
Sold production (services)	25.9	295.4	321.4	283.2
TOTAL	**216.4**	**1,247.3**	**1,463.6**	**1,456.8**

Revenue by geographic area *In millions of euros*	**12/31/2022**	**12/31/2021**
France & Overseas France	219.4	222.3
Europe, Africa, Middle East	631.5	661.4
South America	48.1	51.8
North America	164.7	153.3
Asia Pacific	154.8	153.6
Other related activities not broken down	245.1	214.5
TOTAL	**1,463.6**	**1,456.8**

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, 2022.

Research & Development expenses in fiscal year 2022 amounted to €143.9 million, compared to €135.1 million the previous year.

NOTE 15 Personnel costs and employee benefits

15.1 Change

Personnel costs *In millions of euros*	12/31/2022 12 months	12/31/2021 12 months
Wages and salaries	239.7	225.1
Discretionary profit-sharing	28.5	20.9
Payroll taxes and other personnel costs	115.3	111.8
TOTAL	**383.5**	**357.7**
Average headcount	**3,913**	**3,798**
Headcount at year-end	**3,982**	**3,860**

Pursuant to the statutory formula, the taxable net income for the 2022 fiscal year did not yield any amount in employee profit sharing. However, a request to amend the 2019 tax return, initiated in 2021, led to a revision of the basis for calculating the 2019 profit sharing and a profit-sharing recall of €2 million was recognized in 2022.

Compensation allocated to members of administrative, management and supervisory bodies and senior management bodies (Company directors and members of the Executive Committee who are employees of the Company) in respect of their duties in 2022 consisted of directors' fees of €0.4 million and fixed and variable compensation of €12 million.

15.2 Headcount

Breakdown of headcount *In FTE*	12/31/2022 12 months	12/31/2021 12 months
AVERAGE HEADCOUNT		
Managers	2,171	1,898
Technicians and supervisors	1,209	1,283
Employees and workers	533	617
TOTAL	**3,913**	**3,798**

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	12/31/2022	12/31/2021
Net finance costs	-6.1[(a)]	-2.0
Impairment of investments	-6.1[(b)]	-10.2
Provisions for financial contingencies and losses	-0.7	0.6
Revenue from equity investments	34.1[(c)]	164.2
Foreign exchange gains and losses	6.3	2.7
TOTAL	**27.4**	**155.2**

(a) Including a net financial expense of €6.1 million in interest on cash pooling (compared to income of €2.1 million in 2021), and financial income of €2.6 million following the early repayment of ADNA debt (versus an expense of €1.1 million in 2021).

(b) Including a net addition of €5.9 million for equity investments in 2022 (versus €10 million in 2021), and €0.2 million for other long-term investments in 2022 (as well as in 2021).

(c) Including distribution of dividends of bioMérieux BTF for €8.5 million (+€1.1 million compared to 2021), bioMérieux Germany for €5 million (versus no payment in 2021), bioMérieux Russia for €4.4 million (+€2.4 million compared to 2021), bioMérieux Spain for €3 million (stable compared to 2021) and bioMérieux UK for €3 million (-€5.3 million compared to 2021). The change in the item of -€130.1 million compared to the previous year is mainly due to the absence of dividend distribution in 2022 from bioMérieux Inc., versus €125 million in 2021, and from bioMérieux Italy versus 8 million in 2021.

16.3 Foreign exchange gains and 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 profit & loss statement impact:

In millions of euros	12/31/2022	12/31/2021
Operation	-18.0	-3.9
Financial items	6.3	2.7
TOTAL	**-11.8**	**-1.2**

NOTE 17 Non-recurring income

Non-recurring income *In millions of euros*	Income	Expenses	Net 12/31/2022	Net 12/31/2021
Exits and disposals of fixed assets	2.4	2.1	0.3	-0.5
Statutory provisions	12.5	16.5	-4.0	-6.2
Other non-recurring income and expenses	24.0	20.2	3.8	-1.3
TOTAL	**38.9**	**38.8**	**0.1**	**-7.9**

In 2022, other extraordinary income includes the reversal of the provision for free shares of €23.8 million and other extraordinary expenses for the loss on withdrawal of treasury shares of €20.1 million.

NOTE 18 Corporate income tax

18.1 Change

Corporate income tax in 2022 showed net income of €19 million, versus a net expense of €13.1 million the previous year.

In fiscal year 2022, the Company recognized various tax credits totaling €21.7 million, including a research tax credit of an estimated €19.5 million for 2022 and a credit for charitable contributions of €1.5 million. These various tax credits represented the majority of non-operating receivables at December 31, 2022, and have a maturity of less than one year.

The tax audit of fiscal years 2019 and 2020 was closed at December 31, 2022. In 2021, bioMérieux initiated a request to amend its 2019 tax return, leading to provisioning of the amount due to the French tax authorities at December 31, 2021.

18.2 Breakdown of Corporate income tax

In millions of euros	Before tax	Tax	12/31/2022 After tax	12/31/2021
Recurring income	69.8	19.1	89.0	222.5
Non-recurring income	0.1		0.1	-5.8
Employee profit-sharing	-2.0	0.5	-1.5	-2.0
Adjustments to prior years		-0.6	-0.6	-9.0
NET INCOME FOR THE YEAR	**67.9**	**19.0**	**87.0**	**205.6**

18.3 Net income for the year excluding provisions recognized for tax purposes

In millions of euros	12/31/2022	12/31/2021
Net income for the year	87.0	205.6
Income tax	19.0	-13.1
Net income before tax	**67.9**	**218.8**
Accelerated depreciation, amortization and tax-regulated provisions	-4.0	-6.2
Total provisions recognized for tax purposes	**-4.0**	**-6.2**
Net income before tax and excluding provisions recognized for tax purposes	**71.9**	**224.9**
Income tax	19.0	-13.1
Tax on provisions recognized for tax purposes	1.0	1.8
Net tax benefit (expense)	**18.0**	**-14.9**
NET INCOME FOR THE FISCAL YEAR EXCLUDING PROVISIONS RECOGNIZED FOR TAX PURPOSES	**89.9**	**210.1**

18.4 Change in deferred taxes

In millions of euros	12/31/2022 Rate 25.83%	12/31/2021 Rate 25.83%
Accelerated depreciation, amortization and tax-regulated provisions	19.2	18.2
Depreciation of artwork	0.3	0.3
Total deferred tax liabilities	**19.6**	**18.5**
Non-deductible provisions and expenses	-8.6	-13.7
Unrealized translation differences (gains)	-0.1	-0.3
Total deferred tax assets	**-8.7**	**-14.0**
Tax credits carried forward[(a)]	-14.8	-13.8
TOTAL FUTURE TAX BENEFIT (-) OR EXPENSE (+)	**-3.9**	**-9.3**

(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 revenue for the fiscal year. 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. At December 31, 2022, carry-forward tax credits were increased by the 2022 sponsorship tax reduction not charged to tax in 2022.

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 revenue, earnings and assets and liabilities may be impacted by changes in exchange rates between the euro and other currencies. Revenue is 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, 2022).

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, 2022 are recognized in the balance sheet whenever they are in a hedging relationship with receivables or payables.

Hedges in effect at December 31, 2022 were as follows:

- forward sales of €75.8 million to hedge trade receivables;
- forward sales of €37.1 million to hedge financial receivables;
- forward purchases of €524.1 million to hedge borrowings.

Furthermore, currency hedges were set up to cover the budget positions of the 2023 fiscal year. The net amount of these hedges is €222.7 million.

The market value at December 31, 2022 of all the budget hedges represented an unrealized gain of €5.0 million.

At December 31, 2022, the Company had no hedges covering the earnings of foreign subsidiaries.

The December 31, 2022 market value of financial hedges represented an unrealized loss of €1.9 million.

The table below shows the currencies in which revenue was generated:

	12/31/2022		12/31/2021	
In millions of euros	12 months	%	12 months	%
Eurozone	**916.6**	**63%**	**867.9**	**60%**
Other				
US dollar	152.1	10%	166.8	11%
Singapore Dollar	142.5	10%	104.3	7%
Pound sterling	57.6	4%	71.5	5%
Czech koruna	33.1	2%	35.9	2%
Swiss franc	29.1	2%	24.8	2%
Swedish krona	24.7	2%	29.7	2%
Russian ruble	17.0	1%	29.3	2%
Turkish lira	15.8	1%	13.6	1%
South African rand	13.0	1%	14.0	1%
Mexican peso	10.7	1%	10.4	1%
Other currencies	51.5	4%	88.5	6%
TOTAL	**1,463.6**	**100%**	**1,456.8**	**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 €45 million property leasing agreement set up in 2015 to finance Campus de l'Etoile is indexed to a variable rate. At December 31, 2022, there was no mechanism set up to back this financing.

19.3.2 Hedging instruments

At December 31, 2022, 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	12/31/2022	12/31/2021
Endorsements and guarantees	137.8[(a)]	138.7
Leasing agreement and rent commitments	25.3	30.3
TOTAL	**163.1**	**169.0**

(a) Including related parties in the amount of €136.6 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 €61.1 million at December 31, 2022.

The Company is also committed to various sponsorship activities for a total amount of €0.9 million over a three-year period and an amount of €2 million to the Fondation Mérieux.

Leasing agreement *In millions of euros*		Royalties		Depreciation and amortization expense	
	Gross	fiscal year	cumulative	fiscal year	cumulative
Land	2.3	0.2	1.2		
Buildings	42.1	3.7	22.9	2.4	15.4
TOTAL	**44.4**	**3.9**	**24.2**	**2.4**	**15.4**

Leasing agreement *In millions of euros*	Outstanding royalties				Residual value
	Less than 1 year	1 to 5 years	More than 5 years	Total	
Land	0.2	0.8	0.1	1.1	
Buildings	3.7	14.6	2.7	21.0	
TOTAL	**3.9**	**15.4**	**2.9**	**22.2**	

20.1.2 Commitments received

In millions of euros	12/31/2022	12/31/2021
Credit facilities with a banking syndicate	500.0	500.0
TOTAL	**500.0**	**500.0**

20.2 Research & development commitments

At December 31, 2022, commitments given in respect of various research agreements amounted to €0.8 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	12/31/2022	12/31/2021
TOTAL NON-CURRENT FINANCIAL ASSETS	**1,025.9**	**892.4**
Operating receivables	342.5	388.7
TOTAL RECEIVABLES	**342.5**	**388.7**
TOTAL CASH[(a)]	**123.3**	**242.6**
Operating payables	162.2	145.1
Non-operating payables	0.0	0.1
Borrowings[(b)]	656.5	653.8
TOTAL PAYABLES	**818.8**	**799.1**

(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	12/31/2022	12/31/2021
Net impairment of equity investments	-5.9	-10.0
Revenue from equity investments	34.1	164.2
Other financial income and expenses	-9.3[(a)]	-2.3
TOTAL	**18.9**	**151.8**

(a) Other financial income and expenses take into account:
- net interest paid on loans and the cash pool for -€6.1 million;
- additions net of unrealized losses on intra-group loans for -€1.9 million;
- additions net of provisions for financial risks on securities for -€0.7 million;
- currency exchange losses, net of hedging, realized on cash pooling and other intragroup financial transactions for -€0.6 million.

21.3 Related party transactions

Institut Mérieux, which held 58.9% of bioMérieux SA at December 31, 2022, provided €13.4 million in services for bioMérieux SA over the fiscal year, reinvoiced to bioMérieux Inc. for €4.3 million, and to BioFire for €4.9 million. bioMérieux SA rebilled €0.6 million to Institut Mérieux for expenses paid on its behalf.

The Company rebilled €4.4 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 €1.9 million for services in 2022. Conversely, bioMérieux SA re-invoiced Théra Conseil for €0.1 million of rental.

bioMérieux SA contributed €2 million to the Fondation Christophe et Rodolphe Mérieux for humanitarian projects. The company has also made personnel available as donations of skills amounting to €0.6 million.

bioMérieux SA paid €5.6 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 €2.7 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 €0.3 million. bioMérieux SA rebilled other companies of the ABL group for instruments and reagents amounting to €0.2 million.

The companies of the Pierre Fabre Group were billed €0.4 million for services and reagent sales.

Bioaster billed bioMérieux SA €0.6 million for research expenses.

bioMérieux SA made a €0.1 million donation to the Université de Lyon Foundation.

bioMérieux SA rebilled the Fondation Mérieux for services for €0.1 million.

bioMérieux SA rebilled the bioMérieux Endowment Fund for services for €0.1 million.

bioMérieux SA rebilled royalties for patent maintenance costs to Geneuro for €0.1 million.

Lumed billed bioMérieux SA €0.1 million in fees.

Saint Gobain billed bioMérieux SA €0.1 million for raw materials and supplies.

Solvay 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 €0.2 million for reagents.

6.2.3 Analysis of the results and other financial information

6.2.3.1 Revenue and financial position

Revenue

During the fiscal year ended December 31, 2022, the Company's net revenue amounted to €1,463.6 million, as compared to €1,456.8 million for the previous year, representing a year-on-year increase of 0.5%.

Revenue remained stable in 2022, reflecting a slight decline in sales at subsidiaries and on the domestic market, for 2.3% and 1.3% respectively, mainly due to the decrease in sales of products used to in COVID-19 testing and lower volumes of the VIDAS® PCT range. Export sales remained table.

Gross operating income (EBITDA)

Gross operating income was €100.4 million, or 6.7% of revenue. It shows a decrease of €75.4 million, or 42.9%, compared to the previous fiscal year, due to the growth in external expenses of €42 million, personnel costs of €25.8 million and the decrease in value generated by sales of €6.3 million.

Operating income

After depreciation, amortization and provisions, operating income decreased by €31.1 million, from €73.6 million in 2021 to €42.5 million at December 31, 2022.

The change in operating income is explained by the decline in gross operating income of €75.4 million, combined with the decline in depreciation, amortization and provisions of €41.1 million mainly due to the decrease in the provision for retirement benefits and long-service awards generating income in 2022 of €18.8 million following the increase in the discount rate.

Net financial income

In 2022, net financial income was €27.3 million, versus €155.2 million the previous year.

This change was largely due to a €130.1 million decrease in income from equity investments, €125 million of which came from bioMérieux Inc.

Recurring income

Net income before non-recurring items and tax totaled €69.8 million, versus €228.8 million one year earlier.

Non-recurring income

The non-recurring income generated as at December 31, 2022 was nil versus a loss of €8 million as at December 31, 2021. This improvement mainly comes from the free share grant plans delivered, which generated income of €3.7 million in 2022 due to the decline in the share price.

Employee profit-sharing

Profit sharing to be paid to employees is recognized for €2 million at December 31, 2022 for 2019 following an amended 2019 tax profit report. No profit sharing was generated during the 2022 fiscal year.

In the previous fiscal year, profit sharing of €2 million was recognized.

Income tax and tax credits

Income tax amounted to net income of €19 million, versus net expense of €13.1 million at December 31, 2021.

The €2 million income tax expense (versus €26.2 million in 2021) was offset by tax credits, primarily the provisioned research tax credit of €19.5 million (versus €18.4 million in 2021), and tax credits for charitable contributions of €1.5 million (versus €3.3 million in 2021). 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 amounted to €87 million, versus €205.6 million the previous fiscal year, or a year-on-year decline of €118.7 million. It represented 5.9% of revenue, as compared to 14.1% at December 31, 2021.

Capital expenditures

Capital expenditure in intangible assets represented €11 million and primarily involved acquisition-related costs of software and the development of IT solutions.

Capital expenditure for property, plant and equipment of €60.8 million mainly involved instruments placed with customers or for internal use, amounting to €10.9 million, the construction in progress on the La Balme site of a research and development building for €6.5 million and a building for plastic injection production for €4.5 million.

Non-current financial assets (acquisitions/disposals) increased by €143.8 million in gross value, mainly due to subscriptions and capital increases of subsidiaries (including bioMérieux Inc. for €127.4 million, bioMérieux Suzhou Biotech Co. Ltd. for €1.5 million relating to currency impact and bioMérieux Nigeria for €1.3 million), and equity investments (Aurobac Therapeutics SAS for €2.5 million, Weezion for €2 million, and EMSponsors for €2 million).

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, 2022, totaling €239,705,972.86 and consisting of €86,966,341.44 in net income and €152,739,631.42 in retained earnings, as follows:

- €10,000,000 to be transferred to the General Reserve account, increasing the balance from €875,000,000.28 to €885,000,000.28;
- a sum of €0 will be wired to the Special Philanthropic Reserve account which will remain at €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, 2023;
- the balance of €129,098,935.86 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 €708,088. 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 €177,022.

6.2.3.3 Five-year financial summary (Article R. 225-102 of the French Commercial Code)

	Fiscal year ended 12/31/2022	Fiscal year ended 12/31/2021	Fiscal year ended 12/31/2020	Fiscal year ended 12/31/2019	Fiscal year ended 12/31/2018
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 existing ordinary shares	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)*					
Revenue	1,463,637,568	1,456,769,994	1,301,088,081	1,258,157,229	1,188,752,991
Income before tax, employee profit-sharing, depreciation, amortization and provisions	97,769,544	290,693,609	112,241,543	164,775,272	135,210,344
Income tax[(a)]	-19,034,981	13,129,696	-18,444,155	1,139,111	-562,410
Employee profit-sharing for the year	2,013,060	2,031,081	0	0	0
Income after tax, employee profit-sharing, depreciation, amortization and provisions	86,966,342	205,625,092	23,812,951	119,592,999	75,140,870
Dividends paid[(b)]	100,607,037	100,607,037	73,383,956	22,488,632	41,426,427
Special dividend paid from the general reserve	0	0	0	0	0
III. EARNINGS PER SHARE *(in euros)*					
Income after tax and employee profit-sharing, but before depreciation, amortization and provisions	0.97	2.33	1.10	1.38	1.15
Income after tax, employee profit-sharing, depreciation, amortization and provisions	0.73	1.73	0.20	1.01	0.63
Dividend per share	0.85	0.85	0.62	0.19	0.35
IV. EMPLOYEE DATA					
Average headcount during the fiscal year[(c)]	3,913	3,798	3,697	3,674	3,649
Total annual payroll *(in euros)*	268,158,102	245,899,960	228,271,773	215,921,602	211,591,174
Total employee benefits paid during the year (social security, charities) *(in euros)*	115,313,012	111,759,753	99,680,527	93,736,765	101,882,387

(a) The negative amounts signify tax income.
(b) Subject to the non-payment of dividends on treasury shares held on the ex-dividend date.
(c) 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, 2022 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, 2022 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	206	76	118	42	193	429
Total amount of invoices concerned (inclusive of tax)	5,681,632	2,077,199	839,435	871,361	962,357	4,750,352
Percentage of total purchases for the fiscal year	0.90%	0.33%	0.14%	0.14%	0.17%	0.78%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED DEBTS OR UNRECOGNIZED DEBTS						
Number of invoices excluded			138			
Total amount of invoices excluded (inclusive of tax)			453,111			
(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	208	106	142	54	227	529
Total amount of invoices concerned (inclusive of tax)	6,216,529	6,262,793	5,603,014	3,325,824	6,586,880	21,778,511
Percentage of total purchases for the fiscal year	0.54%	0.60%	0.56%	0.32%	0.66%	2.14%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED DEBTS OR UNRECOGNIZED DEBTS						
Number of invoices excluded			140			
Total amount of invoices excluded (inclusive of tax)			492,160			
(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, 2022 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, 2022 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	2,329	2,422	1,584	708	2,527	7,241
Total amount of invoices concerned (inclusive of tax)	6,554,624	5,545,200	5,505,537	2,958,063	2,329,266	16,338,066
Percentage of revenue for the fiscal year	1.45%	1.23%	1.22%	0.66%	0.52%	3.62%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNIZED RECEIVABLES						
Number of invoices excluded			2,751			
Total amount of invoices excluded (inclusive of tax)			12,528,025			
(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	2,329	2,733	1,843	781	3,275	8,632
Total amount of invoices concerned (inclusive of tax)	6,554,624	9,388,901	7,393,052	4,371,665	12,890,968	34,044,587
Percentage of revenue for the fiscal year	0.43%	0.62%	0.49%	0.29%	0.85%	2.25%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DISPUTED OR UNRECOGNIZED RECEIVABLES						
Number of invoices excluded			2,775			
Total amount of invoices excluded (inclusive of tax)			15,035,789			
(C) REFERENCE PAYMENT PERIODS 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, 2022, 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, 2022 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

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 €887.1 million at December 31, 2022, and represented 32.7% of total assets. 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, potentially adjusted to reflect the value of any unrecognized identifiable assets (particularly real estate or technologies); • or, 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.	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. 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 dates 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, 2022, GRANT THORNTON was in the sixth continuous year of its audit engagement, while ERNST & YOUNG et Autres was in the 11th 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 financial and accounting 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 for in Article 6 of EU Regulation No. 537/2014 confirming our independence, within the meaning of 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 17, 2023

The Statutory Auditors

GRANT THORNTON	ERNST & YOUNG et Autres
French member of Grant Thornton International	
Françoise Mechin	Sylvain Lauria

7

Share capital and shareholding

7.1 Shareholder dialogue

To ensure constant dialogue, 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 dialogue 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 dialogue 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.

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 diagnosis, 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 reserves may be used, upon decision of the Annual General Meeting to which they are subject, to pay a dividend with 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. However, 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

Pursuant to the authorization of the Annual General Meeting of May 20, 2021, the decisions of the Board of Directors of April 4, 2022, May 9, 2022 and May 18, 2022, and the decisions of the Chairman and the CEO of May 18, 2022, the Company's share capital was increased by a nominal amount of €130,952 on May 18, 2022, due to 1,288,901 new shares being issued in consideration for the contribution to the Company of 9,157,535 shares of Specific Diagnostics Inc. by certain shareholders of that company. Moreover, pursuant to the authorization of the Extraordinary General Meeting of May 20, 2021 and the decision of the Board of Directors of December 14, 2022 the Company's share capital was reduced by a nominal amount of €130,952 by the cancellation of 1,288,901 shares. 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.

At December 31, 2022 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:

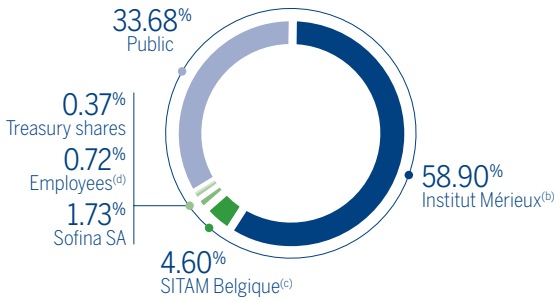
- there are no securities which do not represent share capital;
- the Company has not been informed of any pledging of shares;
- there are no other securities granting access to the Company's share capital;
- there are no options on the share capital of any Group member.

7.3.2 Ownership structure

The table below shows the Company's ownership structure on the dates indicated.

	Situation at 02/28/2023				Situation at 02/28/2022				Situation at 02/28/2021			
Share-holders[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	73.02	69,720,270	58.90	139,440,540	73.04	69,720,270	58.90	139,440,540	73.06
SITAM Belgique[c]	5,440,410	4.60	5,440,410	2.85	5,440,410	4.60	5,440,410	2.85	5,440,410	4.60	5,440,410	2.85
Sofina SA	2,046,857	1.73	4,093,714	2.14		1.73	4,093,714	2.15	2,046,857	1.73	4,093,714	2.14
Employees[d]	855,920	0.72	1,395,920	0.73	860,200	0.73	1,399,850	0.73	724,724	0.61	1,219,574	0.64
Treasury shares	439,225	0.37	0.00	0.00	113,809	0.10	0.00	0.00	224,365	0.19	0.00	0.00
Public	39,858,538	33.68	40,584,521	21.25	40,179,674	33.95	40,432,596	21.19	40,204,594	33.97	40,664,441	21.31
TOTAL	**118,361,220**	**100**	**190,955,105**	**100**	**118,361,220**	**100**	**190,807,110**	**100**	**118,361,220**	**100**	**190,858,679**	**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 in the last three years. 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 73.02% of the voting rights of the Company at February 28, 2023 (see Section 1.1.2). 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, as at December 31, 2022, 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, 2022), employees held around 1,213,922 shares or around 1.03% of the share capital, including all of the shares held in an OPUS Classic Corporate Mutual Fund (FCPE).

At February 28, 2023, employees held around 1,202,991 shares or around 1.02% of the share capital , including all the shares held in an OPUS Classic Corporate Mutual Fund (FCPE).

In 2022, the Company did not offer a share ownership plan to its employees.

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, May 20, 2021 and May 23, 2022 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, 2022, the Company held 415,074 shares, i.e. 0.35% of the share capital.

Summary of transactions in treasury shares between January 1, 2022 and December 31, 2022

Pursuant to the authorizations given by the Annual General Meetings of June 30, 2020, May 20, 2021 and May 23, 2022:

- 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	726,248
Average purchase price	€94.83
Shares sold	689,511
Average selling price	€94.98
Fees and commissions	0
Number of treasury shares held at December 31, 2022	53,471
Value of shares held at the end of the year based on their average purchase price	€5,070,655
Book value at December 31, 2022	€5,235,880
Nominal value of shares	/
Purpose of transactions	Regulation of prices
Percentage of treasury shares held at year-end	0.05%

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 Uptevia 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, in accordance with the authorizations given by the Annual General Meeting.

Shares purchased	500,000
Average purchase price	€85.48
Shares sold	0
Average selling price	/
Number of treasury shares held at December 31, 2022	361,603
Value of shares held at the end of the year based on their average purchase price	€30,908,768
Book value at December 31, 2022	€35,408,166
Nominal value of shares	/
Purpose of transactions	Delivery of shares upon delivery of free shares
Percentage of treasury shares held at year-end	0.31%

On May 18, 2022, bioMérieux purchased 100% of Specific Diagnostics for €387 million, which it paid by combining a cash settlement of €221 million with the issue of 1,288,901 shares for some Specific Diagnostics shareholders. Issuing these shares diluted shareholders by around 1% of bioMérieux SA share capital, which was offset by a €116,868,082 share buyback program for the same number of shares. The shares issued initially were canceled in December 2022.

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 Combined General Meeting of May 23, 2023 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 use them subsequently as exchange or payment 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 Combined General Meeting of May 23, 2023: 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 €2,959,030,500.00 (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, 2023

At February 28, 2023, the Company's share capital was made up of 118,361,220 shares. On this date, the Company held 439,225 shares, i.e. 0.37% of the share capital:

- of which 77,622 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;
- including 361,603 shares under an agency agreement entered into with Uptevia 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, as well as employee share ownership plans.

The purchase, sale and transfer of the aforementioned securities was carried out to meet two of the program's objectives approved by the Combined Annual General Meetings of May 20, 2021 and May 23, 2022, i.e. ensuring liquidity and stimulating the share market through 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.

In the context of the acquisition of the U.S. company Specific Diagnostics on May 18, 2022, the Company issued 1,288,901 new shares, which led to a dilution of the shares representing approximately 1% of the share capital.

The share buyback program intended to compensate for the dilution of shares issued to partially finance the acquisition price of Specific Diagnostics was carried out.

Pursuant to the authorization of the Extraordinary General Meeting of May 20, 2021 and the decision of the Board of Directors of December 14, 2022, the Company's share capital was reduced by a nominal amount of €130,952 by the cancellation of 1,288,901 shares.

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 Combined General Meeting on May 23, 2023, this buy-back program may be implemented over an eighteen-month period from the Combined General Meeting until November 22, 2024.

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 Annual 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 2022

Shareholders	Date	Description of threshold crossed
Amundi	12/02/2022	disclosure threshold of 1% of voting rights not reached
Candriam	02/10/2022	disclosure threshold of 2% capital and voting rights not reached
	03/07/2022	disclosure threshold of 2% capital and voting rights exceeded
	04/12/2022	disclosure threshold of 2% capital and voting rights not reached
	04/15/2022	disclosure threshold of 2% capital and voting rights exceeded
	04/19/2022	disclosure threshold of 2% capital and voting rights not reached
	04/28/2022	disclosure threshold of 2% capital and voting rights exceeded
	05/09/2022	disclosure threshold of 2% capital and voting rights not reached
Institut Mérieux	05/31/2022	disclosure threshold of 73% of voting rights not reached
	12/31/2022	disclosure threshold of 73% of voting rights exceeded

Crossing of thresholds reported to the Company in 2023 until the publication date of the Universal Registration Document

Shareholders	Date	Description of threshold crossed
Amundi	01/17/2023	Disclosure threshold of 1% of voting rights exceeded
	02/02/2023	disclosure threshold of 1% of voting rights not reached

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 2022 and reported in accordance with the procedures set forth by the French financial markets authority (*Autorité des marchés financiers* – AMF):

Number of shares vested:	• Yasha Mitrotti:
	  ◦ Vesting of 5,444 free shares on February 26, 2022
	• Mark Miller:
	  ◦ Vesting of 6,052 free shares on February 26, 2022
	• François Lacoste:
	  ◦ Vesting of 5,375 free shares on February 26, 2022
	• Pierre Charbonnier:
	  ◦ Vesting of 6,261 free shares on February 26, 2022
	• Pierre Boulud:
	  ◦ Vesting of 7,634 free shares on February 26, 2022
	• Valérie Leyldé:
	  ◦ Vesting of 3,951 free shares on February 26, 2022
	• Guillaume Bouhours:
	  ◦ Vesting of 6,261 free shares on February 26, 2022
	  ◦ Vesting of 20,000 free shares on May 17, 2022

Number of shares sold:	• Yasha Mitrotti: ◦ Disposal of 2,350 shares at a unit price of €86.8220 on March 3, 2022
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
Share buyback by the Company *(16th resolution)*	AGM May 23, 2022 18 months 11/22/2023	10% of capital per year	1,288,901 shares
Authorization by the Board to reduce the share capital by canceling treasury shares *(17th resolution)*	AGM May 23, 2022 18 months 11/22/2023	10% of share capital per 24 month period	1,288,901 shares
Delegation of authority to the Board to increase the share capital with shareholders' pre-emptive subscription rights. *Capital increase by issuing shares and securities (21st resolution)*	AGM May 20, 2021 26 months 07/19/2023	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 with cancellation of the shareholders' pre-emptive subscription rights (other than the offers referred to in Article L. 411-2 of the French Monetary and Financial Code) *Capital increase by issuing shares and securities (22nd resolution)*	AGM May 20, 2021 26 months 07/19/2023	4,210 (capital increases)[(a)] 1,000 (issues of securities representing receivables)[(b)]	N/A

(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).

Relevant securities	Date and duration of the authorization Expiration	Maximum nominal amount of capital increase *(in millions of euros)*	Use of authorizations
Delegation of authority to the Board to increase the share capital as part of an offer referred to in Article L. 411-2-1 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 07/19/2023	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 07/19/2023	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 shares and securities (26th resolution)*	AGM May 20, 2021 26 months 07/19/2023	10% of the capital (on the day of implementation of the delegation)[(a)]	1,288,901 shares awarded (approximately 1% of the share capital)
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 07/19/2023	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 07/19/2023	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 (30th resolution)*	AGM May 20, 2021 26 months 07/19/2023	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 07/19/2024	10% of the capital (on the day of the decision by the Board of Directors)	175,315 shares[(c)] 272,218 shares[(d)]
Delegation of authority to the Board to allocate options to purchase and/or subscribe to shares for the benefit of salaried staff members and/or executive corporate officers of the Company and of French and foreign companies affiliated with it, with cancellation of the shareholders' pre-emptive subscription rights *(17th resolution)*	AGM June 30, 2020 38 months 08/29/2023	10% of the capital (on the day of the decision by the Board of Directors)	N/A

(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.
(d) Meeting of the Board of Directors on August 30, 2022.

7.5 bioMérieux shares in 2022

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).

At the end of December 2022, the closing price for the bioMérieux share was €97.92 (€124.90 at the end of December 2021), and bioMérieux's market capitalization was €11.6 billion. In 2022, 30,086,616 of the Company's shares were traded on Euronext compared with 34,838,855 in 2021.

During 2022, the average liquidity of the bioMérieux share was as follows (source: Thomson Reuters Eikon):

- average closing price: €95.75;
- average daily trading volume: 117,069 shares;
- average trading day: approximately €11.1 million.

7.5.2 Change in bioMérieux share price in euros during 2022 compared with benchmark indices

	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Low	99.44	95.30	81.80	88.54	84.00	81.80	95.04	91.26	79.66	79.78	87.48	94.98
High	125.55	105.70	100.75	100.55	98.48	96.50	106.05	108.05	92.06	92.30	102.80	101.05
Closing	104.05	98.12	96.74	90.78	97.90	93.20	105.60	91.26	81.40	89.54	96.06	97.92

Source: Thomson Reuters Eikon, data extracted on January 3, 2023.

7.5.3 bioMérieux historical share price performance

Period	High (in euros)	Low (in euros)	Closing (in euros)
2022	125.55	79.66	97.92
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

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.

At the Annual General Meeting to be held on May 23, 2023, the Board of Directors will recommend a dividend of €0.85 per share, representing a total of €100.6 million to be paid on June 8, 2023.

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)*
12/31/2021	101,702,602.85	0.85
12/31/2020	73,383,956.40	0.62
12/31/2019	22,488,631.80	0.19

* *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 2022. At the date of this report, no stock options are exercisable.

For the fiscal year ended December 31, 2022, the Board of Directors granted 272,218 free shares under free share grant plans set up by the Board – after consulting with the Human Resources, Compensation 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 7,875 free shares to Pierre Boulud, Chief Operating Officer (EC 220830 A&B plan).

The table below details the free shares granted at the end of the 2022 fiscal year:

Grant date	Number of shares granted	Share price (in euros)
08/30/2022	272,218	96.68

The table below shows the number of free shares granted and not fully vested at the end of 2022:

Grant date	Share price *(in euros)*	Number of shares granted	Beneficiary category
08/30/2022	96.68	36,000	7 members of the Executive Committee, of which 1 corporate officer
Total EC 220830 plan (A&B)			
08/30/2022	96.68	236,218	456 employees
Total TPGL 220830 plan (A&B)			
GRAND TOTAL		**272,218**	**463**

Vesting period

In the 2022 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 fiscal year, the Board of Directors decided, at the recommendation of the Human Resources, Compensation and CSR Committee, to grant free shares that are fully vested, (i) subject to a continuous employment condition and (ii) subject to 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 2022 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, 2022, 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
May 20, 2021	EC 220830 and TPGL 220830 Plan	August 30, 2022	272,218	463	1	August 30, 2025	August 30, 2025	0	0	272,218
May 20, 2021	2021 EC and TPGL Plan	August 31, 2021	175,315	366	1	August 31, 2024	August 31, 2024	13,133	0	162,182
June 30, 2020	2020 EC Plan	September 1, 2020	29,000	8	1	September 1, 2023	September 1, 2023	2,000	0	27,000
June 30, 2020	2020 TPGL Plan	September 1, 2020	97,103	335	0	September 1, 2023	September 1, 2023	15,470	0	81,633
May 17, 2018	Invisible Sentinel Plan[a]	February 26, 2019	22,300	10	0	February 26, 2022	February 26, 2022	22,300	0	0
May 17, 2018	2019 EXCOM Plan	February 26, 2019	80,510	12	0	February 26, 2022	February 26, 2022	27,469	53,041	0
May 17, 2018	2019 BioFire Plan	February 26, 2019	26,250	7	0	February 26, 2022	February 26, 2022	15,000	11,250	0
May 17, 2018	2019 Global Leader/TP Plan	September 3, 2019	137,129	357	0	September 3, 2022	September 3, 2022	18,179	118,950	0
May 17, 2018	Global Leader Plan[b] 2018	May 17, 2018	15,000	1	0	May 17, 2022	May 17, 2022	0	15,000	0
May 17, 2018	2018 EXCOM Plan	May 17, 2018	20,000	1	0	May 17, 2022	May 17, 2022	0	20,000	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.

Performance share grants to employees during the 2022 fiscal year

In fiscal year 2022, the 10 non-corporate officer employees who were granted the most performance shares received a total of 59,537 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 were used to refinance the public debt of €300 million issued in 2013, which matured 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 3.7.6);
- powers granted to the Board of Directors to buy back shares: the Annual General Meeting of May 23, 2022 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, 2023 (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 (AT 12/31/2022)

Nature of agreement	Contracting party	Purpose
Loan agreement	8 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
Property leasing agreements	2 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

8.1 General information on the Company

Company name	bioMérieux No trade name has been registered. In this Universal Registration Document, bioMérieux is referred to as the "Company", "bioMérieux" or the "Group."
Legal status	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.
Trade and Companies Registry	Lyon, number 673 620 399
Registered office	Marcy l'Étoile (69280) – France
Incorporation	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 has been established in France since its incorporation.
Company fiscal year	From January 1 to December 31 each year
APE code	2059 Z
Identification	• Code: BIM • ISIN code: FR0013280286 • LEI code: 549300AK8Y0LBIQ4T071
Telephone	+33 (0)4 78 87 20 00
Website	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 21, 2023

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 – Telephone: +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. The Annual General Meeting of May 23, 2023 will be asked to renew Grant Thornton's term of office as a standing statutory auditor.

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 2021:
  - the consolidated financial statements and the corresponding Statutory Auditors' report appear in Sections 6.1.1 and 6.1.2 (pages 194 to 257) and in Section 6.1.3 (pages 258 to 260), respectively,
  - the annual financial statements and the corresponding Statutory Auditors' report appear in Sections 6.2.1 and 6.2.2 (pages 261 to 288) and in Section 6.2.4 (pages 293 to 296), respectively,
  - the review of the financial position and results appear in Section 5.1 (pages 186 to 190),
  - capital expenditure (or capex) appears in Section 5.4 (page 191);

of the Universal Registration Document of fiscal year 2021 filed with the AMF on March 17, 2022, under No. D.22-0122.

- 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 appearing in Section 5.4 (page 202 to 203);

of the Universal Registration Document of fiscal year 2020 filed with the AMF on March 17, 2021, under No. D.21-0136.

Other information in these documents is irrelevant to investors or is covered by another section in the 2022 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 2023

Date	Event
April 27, 2023	First-quarter 2023 revenue
May 23, 2023	Annual General Meeting
September 1, 2023	Second-quarter 2023 revenue and first-half results at June 30, 2023
October 26, 2023	Third-quarter 2023 revenue

The Company reserves the right to modify this calendar at any time.

Appendices

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	330
1.2. Statement by the persons responsible	8.2.2	330
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	331
2.2. Changes	NA	
3. Risk factors		
3.1. Description of significant risks	2.1/2.2	72/73
4. Information concerning the issuer		
4.1. Corporate purpose and trade name of the issuer	8.1	330
4.2. Registration place and number of the Company (and LEI)	8.1	330
4.3. Date of constitution and duration of the issuer	8.1	330
4.4. Registered office, legal form, applicable legislation and website	8.1	330
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	39
5.1.2. New products	1.2.3/5.1.3	42/206
5.2. Principal markets	1.2.1	36
5.3. Significant events in the issuer's business growth	NA	
5.4. Strategy and objectives	1.3/5.5.2	59/209
5.5. Dependence of the issuer on patents, licenses, industrial, commercial or financial contracts, or new manufacturing processes	1.5.2/2.2.2.2	68/80
5.6. Competitive position	1.2.2.4	41
5.7. Capital expenditures		
5.7.1. Significant capital expenditure completed	5.4.1	208
5.7.2. Significant capital expenditure in progress or firm commitments	5.4.2	208
5.7.3. Joint ventures and significant interests	1.2.4.2	59
5.7.4. Environmental questions relative to property, plant and equipment	3.5.1/3.12	104/151
6. Organizational structure		
6.1. Group to which the issuer belongs	1.1.2	34
6.2. Important subsidiaries of the issuer	1.2.4.1	57
7. Review of financial position and result		
7.1. Financial position	5.1	204
7.1.1. Explanation of the development and result of activities	5.1/5.2	204/207
7.1.2. Future developments and research and development activities	1.5.1	64
7.2. Operating income		
7.2.1. Significant factors that have a material impact on the issuer's operating income	5.1.2	205
7.2.2. Explanation for significant changes in net revenue or net income	5.1.1	204

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	207
8.2. Sources, amount and description of the issuer's cash flows	5.2.2	207
8.3. Issuer's financing requirements and financing structure	5.2.3	207
8.4. Restrictions on the use of share capital	5.2.4	207
8.5. Expected financing sources necessary to honor commitments relative to future capital expenditure and property, plant and equipment	5.2.5	207
9. Regulatory environment		
9.1. Description of the regulatory environment and external factors affecting the issuer's business	1.4/2.2.3.2/ 3.6.4	61/86/116
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	209
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	209
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	158/160/169
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	160/169
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	177/182/191
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	194
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	155/156/ 158/160
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	195/196/196
14.3. The Board Committees	4.2.2/4.2.3/ 4.2.6.7	156/158/173
14.4. Declaration of conformity with the Corporate Governance system in force in France	4.1	154
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	158

Sections of Appendix I of the Delegated Regulation (EU) 2019/980	Section(s)	Page(s)
15. Employees		
15.1. 15.1. Number of employees	Appendix 2	344
15.2. 15.2. Equity investments and stock options	7.7	325
15.3. 15.3. Agreements providing for employee profit-sharing in the issuer's share capital	3.7.6/7.4.2	132/319
16. Main shareholders		
16.1. Shareholders holding over 5% of capital on the date of the Universal Registration Document	7.3.2	318
16.2. Existence of different voting rights	7.2.2.2/7.3.2	317/318
16.3. Ownership or control of the issuer	7.4.1	319
16.4. Agreements whose implementation could result in a change of control	7.9	327
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	195
18. Financial information concerning the issuer's assets and liabilities, financial position and results		
18.1. Historical financial information		
18.1.1. Audited historical financial information	8.4	331
18.1.2. Change of date of accounting reference	NA	
18.1.3. Accounting standards	6.1.2 (note 2)	220
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	212/217/ 279/281
18.1.6. Consolidated financial statements	6.1.1/6.1.2	212/217
18.1.7. Age of latest financial information	5.1	204
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	276/311
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	325
18.5.2. Dividend amount per share	7.6	325
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	87
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	208

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	318
19.1.2. Shares held by the issuer or its subsidiaries	7.4.3	319
19.1.3. Securities that are convertible, exchangeable or with subscription warrants	7.8	327
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	322
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	322
19.1.6. Changes in share capital for the period covered by the historical financial information	7.3	318
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	316
19.2.2. Rights, privileges and restrictions attached to each share category	7.2.2	317
19.2.3. Statutory or other provisions that may delay, defer or prevent a change of control	7.9	327
20. Material contracts	**7.10**	**327**
21. Documents available		
a) Articles of association	7.2/8.4	316/331
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	330

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	279/281
Consolidated annual financial statements	6.1.1/6.1.2	212/217
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	330
Statutory Auditors' report on the parent company annual financial statements	6.2.4	311
Statutory Auditors' report on the consolidated annual financial statements	6.1.3	276

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.

1. Themes	Section(s)	Page(s)
I. Activity		
Objective and exhaustive review of the change in business, the results and financial position of the Company 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	204/207/307
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	205/208/209/307
Forecast changes for the Company and Group	5.5.2	209
Significant events for the Company and Group after the year end	5.5.1	209
Research & development activities of the Company and the Group	1.5.1	64
List of existing branches	1.2.4.2	59
Investments in companies with their registered offices on the French Republic's territory	1.2.4.2	59
Activities and results for the Company, its subsidiaries and companies over which it has control	5.1/6.2.2 (Note 3.3.3)	204/287
Key performance indicators of a financial and, where relevant, non-financial nature, related to the Company's specific business, 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	93/204
II. Risk factors		
Principal risks and uncertainties to which the Company and Group are exposed	2	71
Company and Group objectives and policy in terms of financial risk management, including the hedging policy	2.5	91
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	84/104
Main characteristics of the internal control and risk management procedures relating to the preparation and processing of financial and accounting information	2.4	87
Company and Group exposure to price, credit, liquidity and cash flow risks	2.2.3.3/6.1.2 (Note 28)	265
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	318
Modifications that have occurred during the fiscal year	7.3.2	318
Name of companies controlled and share of the Company's share capital that they hold (treasury shares)	1.2.4.1/6.2.2 (Note 3.3.3)	57/287
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	319
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	322
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	319/325
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	325
Special report on transactions by the Company or companies connected to it under stock option plans restricted to employees and executives	7.7	325

1. Themes	Section(s)	Page(s)
IV. Financial information		
Table indicating the Company's results over the last five fiscal years	6.2.3.3	308
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	309
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	325
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	319
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	178/325
Conditions for the conservation of free shares granted to executive corporate officers	4.3.1.2.2/7.7	178/325
Breakdown of trading in the Company's shares by senior executives, senior managers or by their close relations	7.4.4.2	322
V. Social and environmental information		
Social information	3.7	122
Environmental information	2.2.2.6/3.5	84/104
Information on Corporate commitments to promote sustainable development	3.8.4	140
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	**Introduction**	**8 and 9**
1.1. Organization and structure		
1.1.1. Organizational structures	1.1.2/1.2.4	34/57
1.1.2. Governance	4.2	155
1.2. Markets in which it operates		
1.2.1. The in vitro diagnostics industry	1.2.1	36
1.2.2. Areas of expertise	1.2.2.1	39
1.3. Main activities		
1.3.1. Research and development	1.5.1	64
1.3.2. Production	1.6.1	69
1.3.3. Commercial network	1.2.2.2	40
1.4. Market position		
1.4.1. Competition	1.2.2.4	41
1.4.2. Customers	1.2.2.3	40
1.4.3. Trade payables	3.8.1	137
1.4.4. Regulations	1.4	61
1.5. Products and services	1.2.3	42
1.6. Revenue and performance indicators	5.1	204
1.7. Objectives and strategies		
1.7.1. Market trends and growth prospects	1.2.1.4	37
1.7.2. bioMérieux's strategy	1.3	59
1.7.3. bioMérieux trends and objectives	5.5.2	209
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	97
2.2. Presentation of the policies applied with regard to those risks	3.4 to 3.8	101
2.3. Result of the policies, including key performance indicators	3.4 to 3.8	101
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	104
3.2. Circular economy	3.5.1	104
3.3. Fighting food waste	3.5.2.5	112
3.4. Collective agreements within the Company and their impacts on the economic performance of the Company as well as employee working conditions	3.7.4	129
3.5. Actions to combat discrimination and promote diversity, and measures taken to support individuals with disabilities	3.7.3	126
3.6. Corporate commitments to promote sustainable development	3.8.4	140
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**	**139**

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	154
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	155
Any restrictions placed by the Board of Directors on the Chief Executive Officer's powers	4.2.1/4.2.6.2	155/171
List of all directorships and positions in any company exercised by all of these officers over the course of the fiscal year	4.2.42	160
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	169
Committees of the Board/composition and conditions for preparing and organizing the work of the Board	4.2.6.7	173
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	171
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	171
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	196
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	195
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	195/196/199
Summary table of valid delegations granted by the Annual General Meeting of shareholders to the Board of Directors or Management Board in the area of capital increases and the use made of these delegations during the fiscal year	7.4.5	322
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	317
Factors likely to have an impact in the event of a public offer	7.9	327

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	182
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	178/187
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	191
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	177
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	183
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	183
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	182
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	177/182
Variable or exceptional compensation awarded over the course of the previous fiscal year to those executives	4.3.2.2/ 4.3.2.3	187/189
Total amounts provisioned or recognized by the issuer or its subsidiaries for the payment of pensions, retirement or other benefits	4.3.5	194

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 reduction of hazardous substances in water (réduction 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 3.5.2.1.*

Other indicators monitored by the Company[a]

	2022	2021	2020	2019
HUMAN RESOURCES INDICATORS				
Overall change in headcount[b]				
End of period headcount (number of employees)	13,135	12,379	12,128	11,399
Headcount at the end of the period (in fulltime equivalent)	12,978	12,228	11,972	11,225
EMEA	43%	43%	43%	45%
AMERICAS	47%	47%	47%	45%
ASPAC	10%	10%	10%	10%
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%	15%	14%	14%
45–54	11%	11%	11%	12%
55 and over	7%	7%	7%	7%
Headcount – Men	52%	52%	52%	52%
< 25	2%	2%	2%	2%
25–34	14%	14%	15%	15%
35–44	16%	15%	15%	16%
45–54	12%	12%	12%	12%
55 and over	8%	8%	8%	8%
Part-time headcount*(%)*				
Men	0.6%	0.7%	0.7%	0.9%
Women	3.8%	4.2%	4.4%	5.1%
Headcount on temporary contracts *(%)*	4%	4%	4%	4%
HSE INDICATORS				
Number of fatal occupational accidents	0	0	0	0
Number of lost-time occupational accidents	23	30[c]	28	44
Number of occupational accidents without lost time	40	34	32	41
Number of days lost	660	962[c]	488	917
Number of reportable commuting accidents with or without lost time	24	20	25	22
Frequency of total reportable commuting accidents	1.0	0.8	1.1	1.1

a) See Section 3.9 for the organizational scope covered.

b) As indicated in Section 3.9, the headcounts do not include Hybiome employees (442 employees at December 31, 2022)

c) 2021 data updated in 2022 – see Section 3.7.2.2.

Appendix 3. Glossaries

Scientific terms

Acute coronary syndrome: decreased blood flow in the coronary arteries resulting in reduced circulation rate and inadequate oxygenation of the myocardial muscle.

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.

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.

Antimicrobial susceptibility testing (AST): 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).

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.

Bacterium: a unicellular microorganism lacking chlorophyll and visible only under a microscope. Bacteria do not belong to either the plant or the animal kingdom.

Biochemistry: an area of science which studies the correlation between the structure of natural molecules and the consequences on their activity.

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.

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.

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.

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.

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.

DNA sequencing: method used to determine the order of the nucleotide bases in a DNA molecule.

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.

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.

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.

Healthcare-associated infection: a disease contracted in a hospital or other healthcare establishment by a patient who did not have this disease on admission.

***In vitro* diagnostics:** tests performed outside the human body using diagnostic tools.

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.

Mass spectrometry: a technique used to identify and determine the chemical structure of multiple molecules simultaneously, analyzing the mass and charge of their ions.

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.

Molecular biology: technology that analyses genetic sequences of DNA or RNA that are characteristic of a bacterium, virus, protein or cell.

MRSA: methicillin-resistant Staphylococcus aureus bacterium.

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 two to four targets).

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.

National Medical Products Administration (NMPA): the Chinese agency responsible for regulating food and medical products, formerly the China Food and Drug Administration (CFDA).

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.

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.

Point-of-care (POC) – Point-of-care testing (POCT): services offered "at the bedside" including, in particular, analysis of the diagnosis.

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.

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.

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.

Salmonella: a genus of enterobacteria. 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.

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.

Test panel: a set of predetermined medical tests used in the diagnosis and treatment of medical conditions.

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.

WHO (World Health Organization): executive authority in healthcare for international projects within the UN system.

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, excluding items relating to the amortization and impairment of intangible assets related to acquisitions and acquisition-related costs. 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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