UBISOFT

2021

UNIVERSAL REGISTRATION DOCUMENT

and Annual Financial Report

Contents

In the table of contents, the components of the annual financial report are identified by the pictogram AFR

In the table of contents, the components of the Statement of non-financial performance are identified by the pictogram DPEF

Universal Registration Document 2021

including the annual financial report

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The Universal Registration Document was filed on June 10, 2021 with the *Autorité des Marchés Financiers* (AMF – the French Financial Markets Authority), the competent authority in this respect under Regulation (EU) 2017/1129, without any prior approval requirement, as set out in article 9 of said regulation.

The Universal Registration Document may be used for the purpose of a public offering of securities or their admission to trading on a regulated market if it is supplemented with a securities note and, where applicable, a summary and all amendments made to the Universal Registration Document. This set of documents is then approved by the AMF in accordance with Regulation (EU) 2017/1129.

Yves GUILLEMOT

Message from the Chairman and Chief Executive Officer

Ubisoft achieved a record year in FY21, both in terms of net bookings and non-IFRS operating income, thanks to our underlying performance that was significantly stronger than expected. During a challenging year, our teams demonstrated incredible resilience, delivering amazing games and experiences. They continued feeding the depth and diversity of our back-catalog, which, again, outperformed our expectations and represented for the third consecutive year more than 50% of our total net bookings, progressively cementing the recurring profile of our business.

Our ambitious long-term growth strategy is based largely on our organic development capacities. By leveraging our vast and talented in-house teams, we are creating a diverse portfolio of owned brands and IPs that can continually fuel our Direct-to-Player ecosystem. While our assets have never been so strong and this value creation model has generated above market shareholder returns over the long term, one of its corollaries is that we may regularly adapt our release schedule. Our decisions will always be dictated by the long-lasting value our diverse portfolio can bring to players and, ultimately, to Ubisoft. This approach is key to continue generating above market shareholder returns over the long term.

For this model to be effective, we have to continuously challenge ourselves and remain nimble. Over the past year, we have continued to pursue the transformation of our organization that we initiated 18 months ago in order to ensure Ubisoft is positioned to meaningfully grow audience, recurring revenues and predictability over the coming years. We have also implemented profound changes to ensure the continued development of an inclusive working environment where all of our talents can thrive and deliver the game experiences that players will love and share. For example, to continue delivering high quality standards, strong marketability and differentiation we have added expertise and production acumen to our editorial department. We have been adjusting our processes, HR organization and remuneration policy to ensure even stronger accountability. We have hired a new Chief People Officer and coopted a new independent Board member, both of whom have recognized experience in orchestrating change in major corporations. We have also appointed new heads of Diversity & Inclusion and Workplace Culture to formalize Ubisoft's values and align the organization around those values. This is only a glimpse of all the changes we have made to transfigure our organization.

Overall, the videogame industry continues to demonstrate its increasing influence, importance and growth potential. This was exemplified during the pandemic, throughout which more and more people from all over the world benefitted from the positive impacts that video games have to offer, including respite, entertainment and fostering of social connections. Also, a recent report from Deloitte (1) highlighted that playing video games is the undisputed top entertainment activity for Generation Z. As we look to the future, opportunities for creators with strong proprietary video game IPs like Ubisoft are immense.

Against this backdrop, Ubisoft has invested meaningfully over the past years to expand its offering and significantly grow its audience reach and recurring revenues. Our upcoming line-ups will be built upon two strong pillars:

- first, a diversity of business models and platforms to reach a significantly larger audience, with major premium games releases as well as F2P titles for mobile, consoles and PC;
- second, the profile of our games will be geared towards strong player engagement, with regular updates, multiplayer, social and community features, further contributing to our long-term recurring profile.

As previously mentioned, the value of our assets has never been so strong and we continue to invest to grow their value, with a major focus on our biggest brands. This is illustrated by the recent announcement of the expansion of The Division universe, with the goal to reach a significantly larger audience through new business models, platforms and entertainment mediums.

We also continue to build the strength of our technology, notably Ubisoft Connect, our online services and distribution platform, as well as i3D.net, our fast-growing video game hosting activity, that we expect to generate great future value for Ubisoft.

Leveraging these assets and a solid balance sheet, we are in a strong position to capitalize on the great opportunities offered by the videogame industry and are entering an exciting phase of our development.

I heartily thank our talented teams, players, partners and shareholders for your loyalty, support and confidence in us.

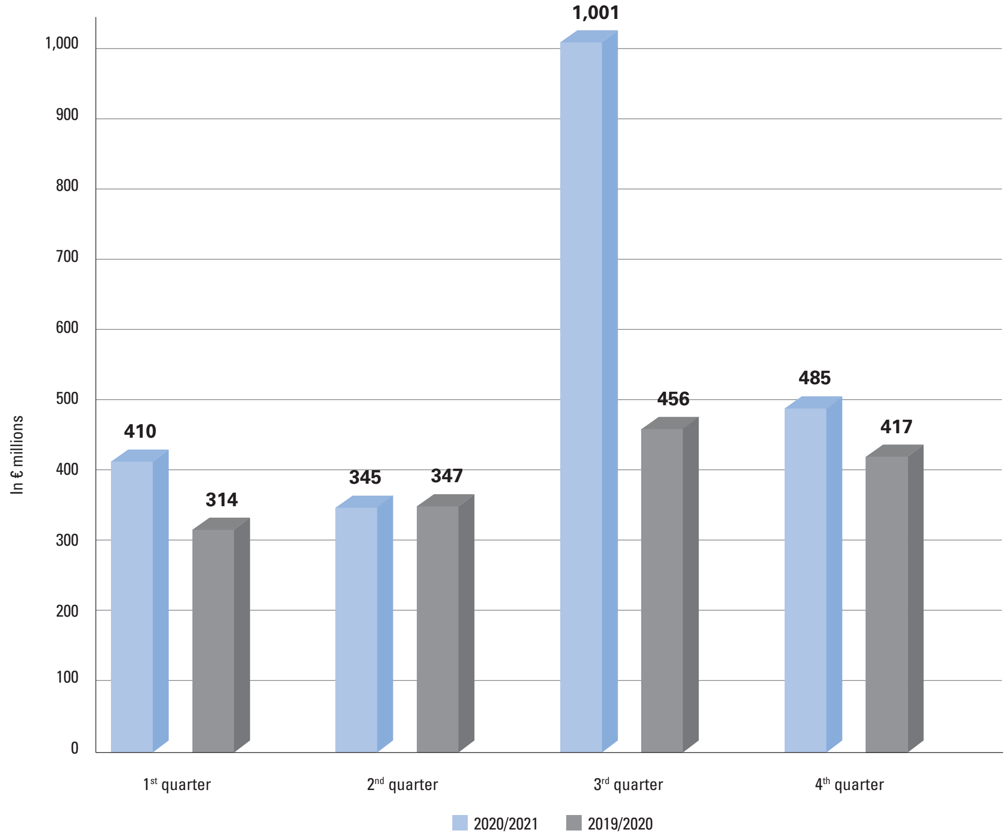
Yves Guillemot
Chairman and Chief Executive Officer

(1) **Deloitte Digital media trends**, 15th edition, April 16, 2021. Among Generation Z surveyed, 26% state that playing video games is their top entertainment activity, followed by listening to music (14%), browsing the internet (12%), engaging on social platforms (11%) and watching TV or movies at home (10%)

1 Key figures

1.1 Quarterly and annual consolidated sales

NET BOOKINGS



Net bookings (1) *(in € millions)*	2020-2021	2019-2020	Change at current exchange rates	Change at constant exchange rates (2)
1st quarter	410	314	30.5%	29.3%
2nd quarter	345	347	-0.6%	2.1%
3rd quarter	1,001	456	119.7%	125.5%
4th quarter	485	417	16.2%	21.1%
FINANCIAL YEAR TOTAL	**2,241**	**1,534**	**46.1%**	**49.5%**

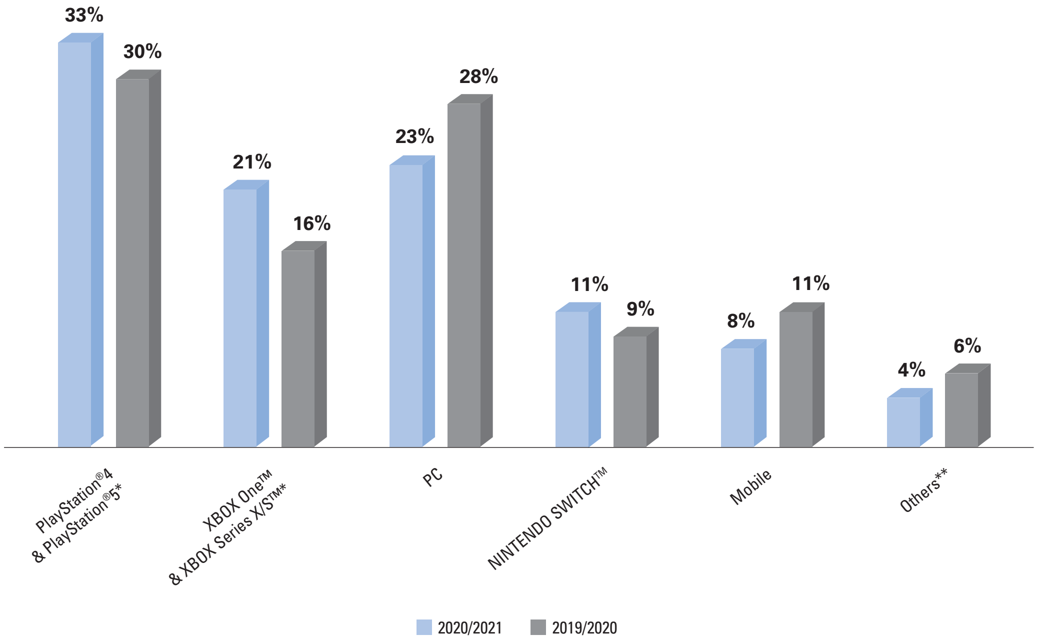
(1) Net bookings are defined in section 2.6.1

(2) Net bookings at constant exchange rates are calculated by applying to the data for the period under review the average exchange rates used for the same period of the previous financial year

IFRS 15 Sales *(in € millions)*	2020-2021	2019-2020	Change at current exchange rates	Change at constant exchange rates (1)
1st quarter	427	363	17.6%	16.6%
2nd quarter	330	334	-1.3%	1.6%
3rd quarter	965	416	131.9%	138.0%
4th quarter	502	481	4.3%	8.7%
FINANCIAL YEAR TOTAL	**2,224**	**1,595**	**39.4%**	**42.7%**

(1) Sales at constant exchange rates are calculated by applying to the data for the period under review the average exchange rates used for the same period of the previous financial year

1.2 Sales by platform (net bookings)

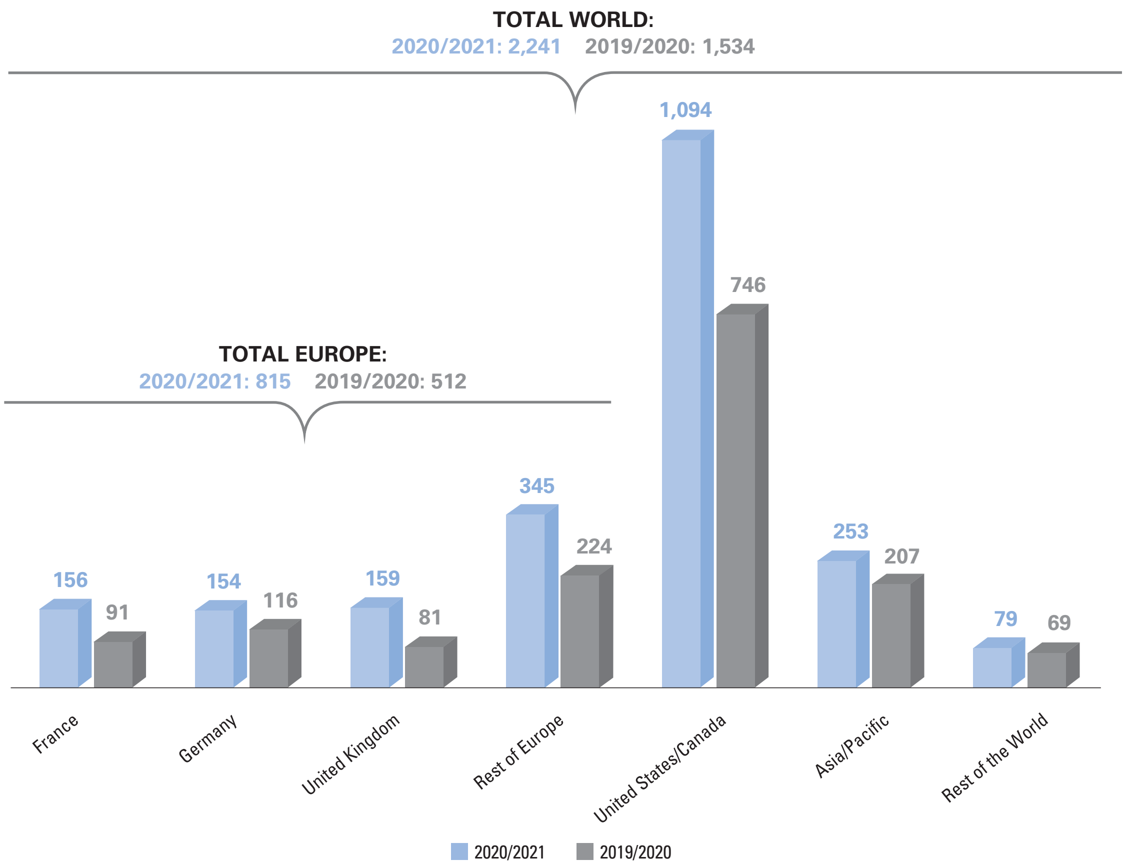


* Compatibility allows next-generation console players to continue to play games previously purchased on the older generation of consoles

** Derivatives, etc.

1.3 Sales by geographic region (net bookings)

The breakdown of Group net bookings by geographic region is as follows *(in € millions)*:



2 Group presentation

2.1 Group business model and strategy

Ubisoft is a leader in the video game industry. the Group's main business activities are centered around the production, publishing, distribution and "operation" of video games for consoles, PC and smartphones. Ubisoft stands out thanks to a unique production organization which enables the Group to continue creating successful new brands, to hold all of its most significant franchises, and to release high quality new content and games on a regular basis. This strategy has enabled Ubisoft to grow strongly and organically over the years, while significantly increasing the recurrence of its revenues. Taking advantage of these assets, the Group has considerably transformed and expanded its portfolio of franchises, which now focus more on long-term player engagement: *Assassin's Creed®, The Crew®, Far Cry®, For Honor®, Just Dance®, Immortals Fenyx Rising™, Mario + Rabbids®, Tom Clancy's Ghost Recon®, Tom Clancy's Rainbow Six® Siege, Tom Clancy's The Division®* and *Watch Dogs®*.

Moreover, with the strong growth in its digital business in recent years, Ubisoft has managed to successfully transform its economic model into a more profitable and sustainable business. Thanks to the depth of its portfolio of franchises, the full ownership of its brands and studios, the leading production team among the industry's "pure players" and a culture which is profoundly focused on long-term sustainability, innovation and cooperation, the Group provides a sustainable environment for ensuring the full development of its talents, and for creating long-term value for its shareholders. Player communities are at the very heart of our games and the digital transformation seen in the last 10 years has enabled Ubisoft to establish a direct relationship with these groups. Ubisoft is committed to creating gaming experiences that enhance players' lives and environments in which they can fully enjoy the gaming experience with their friends in complete safety. This requires:

- the creation of games that offer more than just entertainment:
  - with *Assassin's Creed®*, players can immerse themselves in history by traveling back to the time of the Viking raids in England, the Crusades, the Italian Renaissance, the American or French revolutions, the industrial revolution during the reign of Queen Victoria, and even ancient Egypt or ancient Greece. They can also interact with famous individuals such as Leonardo da Vinci, Napoleon, George Washington, Cleopatra or Socrates, etc.,
  - *Just Dance®* is a fitness game to be enjoyed by the whole family today,
  - games such as *The Division, Ghost Recon Wildlands*, and *Rainbow Six Siege* require players to develop tactical and cooperative skills,
  - open-world games such as *Far Cry®*, *The Crew*, *Watch Dogs®* or *Immortals Fenyx Rising™* offer players the freedom to define their own experience,
  - Ubisoft ensures that diversity is well represented in its games, including *Assassin's Creed Freedom Cry*, *Assassin's Creed Odyssey*, *Beyond Good & Evil*, *Child of Light*, *Prince of Persia*, *Rainbow Six Siege*, *Watch Dogs 2*,
  - in addition, some Ubisoft games touch on a wide range of subjects including autism, slavery, or the experiences of combat troops in the First World War through the letters sent by soldiers,
  - *Dig Rush™*, a game developed jointly with doctors, helps treat amblyopia (an eye condition),
  - while *Rocksmith®* is an excellent way of learning to play guitar;
- the adoption of monetization and engagement policies that respect the player experience and are sustainable in the long term. At Ubisoft, the golden rule when developing AAA games is to allow players to enjoy the game in full without having to spend more. Our monetization offer within pay-to-play games makes the player experience more fun by allowing them to personalize their avatars or progress more quickly, however this is always optional;
- the development of a safe player environment. Ubisoft is constantly investing in the implementation of efficient solutions for the protection of player privacy and data and to prevent toxic behavior online.

With growth that has been mainly organic over the 35 years of its existence, Ubisoft has placed its teams at the very heart of its value creation process. The Group's long-term potential depends substantially on its capacity to attract and retain the best talent in a highly competitive environment. Building on these achievements, the Group strives to constantly improve and adapt its organization to offer a safe and inclusive working environment so that its teams can learn, express their full potential and perform to the best of their ability. Ubisoft therefore makes a point of promoting and enriching a strong corporate culture:

- focused on innovation;
- with a long-term approach in order to give its teams the opportunity to bring their visions to life and adapt to changes in the market;
- by providing a stimulating working environment in which each individual is respected;
- by developing autonomy to ensure each team is able to thrive, fulfill its potential, and constantly improve its processes;
- by encouraging efficient cooperation, based on the sharing of skills, know-how, and technology;
- with particular attention being paid to individual and collective well-being and within teams.

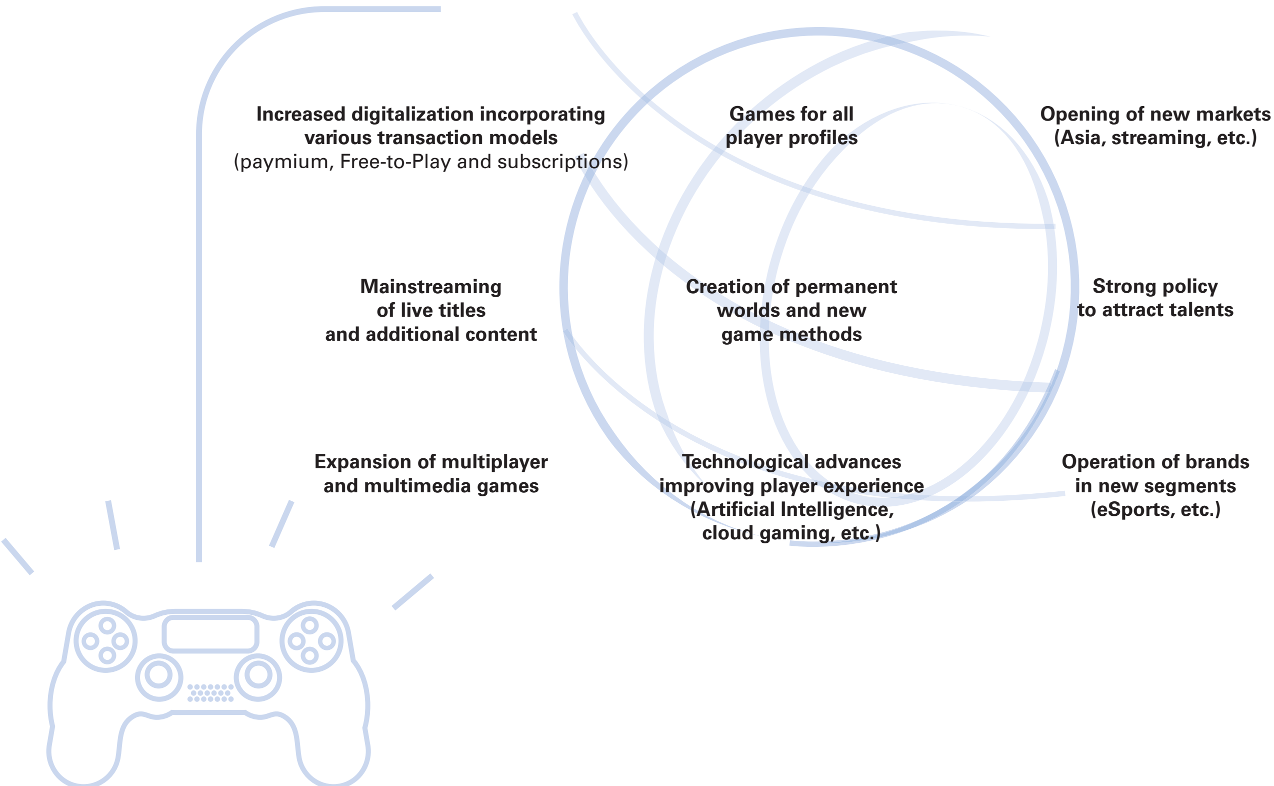
Over the coming years, Ubisoft will benefit from numerous solid drivers of growth with, in particular, significant opportunities in the digital sector generated by the extension of the multi-player and social gaming experience and by even greater integration of Live services.

The Group will also benefit from the strong growth potential of the mobile and PC segments, particularly in the Asian market, and the growing footprint of e-sports. The potential generated by these opportunities must be balanced against certain risks, such as regulatory risks in China in particular, and those related to gaming time and monetization. Ubisoft monitors these topics closely in order to remain fully compliant with the rules in force and offer players a positive experience. New methods of gaming and forms of monetization have emerged in recent years on PCs and consoles, Ubisoft's traditional segments. This is the case in particular with regard to the "free-to-play" and subscription options which, in parallel with the "premium" model, offer the possibility of reaching a wider and more diverse public and strengthening player engagement. This means that Ubisoft's games must be sufficiently flexible so as to adapt to these three forms of monetization (premium, free-to-play, and subscription). This impact should be amplified by streaming, which the Group sees as a major long-term opportunity. Firstly, this will allow the potential market to be extended by offering the option of playing anywhere, anytime, on any screen (including cellphones), without the obligation to purchase an expensive console or PC to play. Secondly, the video gaming industry has always grown through technological progress and cloud computing is going to provide developers with unprecedented calculation power which they will use to create permanent worlds that are increasingly captivating, rich, and high-quality. However, while the potential represented by cloud gaming is significant, this does however raise questions as to the monetization model. Ubisoft will also closely monitor the impact of streaming on the environment as it necessitates intensive server use.

Video gaming is by far the largest entertainment industry in the world and its growth will continue thanks to its unique characteristics: interactivity, social links with communities, and the fact that players are active rather than passive. The development of this industry will continue to benefit from new technological developments and have an increasing impact on people's day-to-day lives. Ubisoft is ideally positioned to benefit from this long-term trend, as it has already proven over the last 30 years, due to its capacity to act with agility and react quickly.

Thanks to the total control of its brands and studios, its unique enterprise culture which allows talented individuals to develop and reach their full potential, a portfolio of rich and varied franchises, and a profound wish to add value to players' lives, Ubisoft offers long-term visibility to its talents, its player community, and its shareholders.

Trends/Outlook for Ubisoft's business



OUR STRATEGY TO ENRICH THE LIVES OF OUR PLAYERS WHILE CREATING ORIGINAL AND MEMORABLE GAME EXPERIENCES

Video games for consoles,
PCs and mobiles in digital and physical format

OUR STRATEGY

Development of franchises with strong player commitment to provide them with benefits through entertainment and much more.

- **Closer developer/player and communities relationships**
- **More electronic, multiplayer and multimedia games, leveraging new technologies and accessible to all**
- **A protected environment, in which players' personal data are protected, building up solid relationships in the communities**

RESOURCES

VALUE CREATION FOR OUR STAKEHOLDERS

To enrich the lives of players through entertainment and much more

PLAYERS

Resources	Value creation for our stakeholders
High quality and diversified games and experiences	141 million active players Games that promote strategic and collective thinking, learning, cognitive skills, etc.
Engaged player communities who are stakeholders in our universes	Brands recognized for their quality and their relationships with their communities
Games tailored to the individual permitting a positive and risk-free experience	Prevention of toxic behaviors and problematic game usage Monetization policy in premium games which is exclusively optional Data protection strengthened by the GDPR Games accessible to people with disabilities

Thanks to a **corporate culture** focused on the long-term, **creativity** and **innovation**

ECONOMIC AND STRATEGIC

Resources	Value creation for our stakeholders
Ownership of all our brands, studios and key technologies	All the main brands are wholly owned
Recognized agility and adaptability	Transformation of *Assassin's Creed*® into an RPG franchise and of *Rainbow Six*® into an e-sport game
Organic growth and targeted acquisitions	Net bookings: +53% over five financial years (FY17 through FY21)
An R&D policy that incorporates the most recent technological advances	*Streaming & Cloud Gaming*
Internalization of the vast majority of the production	Percentage of internal production in total R&D expenses: 95%
A mostly independent Board of directors that complements the long-term presence of the founders	50% independent directors and 40% female directors
Transformation of the business model toward more recurring activity (back catalog) and more profitability (digitalization)	Share of recurring revenue (back catalog): 57.5% Share of digital revenue: 71.8% Non-IFRS operating margin: from 12.1% in FY16 to 21.1% in FY21

A fulfilling work environment

TALENTS

Resources	Value creation for our stakeholders
An appropriate production force	20,324 team members in 31 countries
An attractive employer brand	2,026 net jobs created in FY21
Team diversity, a strategic issue	23.5% female representation within our teams/ 111 nationalities
147,055 hours of training to remain at the leading edge of the market	An average of 63% of team members completed training during the year
A collaborative culture	10 years of experience in inter-studio cooperative culture

Long-term relationships with our business partners

BUSINESS PARTNERS

Resources	Value creation for our stakeholders
Trusted partners	Lasting win-win relationships with Tencent, Google, EPIC, Apple, Nintendo, Sony, Microsoft, Amazon, Disney, etc.
A responsible supply chain (i.e. for the manufacturing of derived products, etc.)	Criteria focused on Human Rights in the selection of partners
Limited use of outsourcing	24% outsourcing (excluding film) in 2020

By developing **our local roots**

LOCAL SOCIO-ECONOMIC ECOSYSTEM

Resources	Value creation for our stakeholders
Partnerships with local suppliers Direct and indirect job creation in regions with high potential	4,765 direct jobs and 2,175 indirect jobs supported in Quebec in 2020
A commitment to social causes related to our business Local charitable actions	51 Group subsidiaries involved in local charitable actions
Contribution to regional standing through technology and culture	University chairs in Quebec, India and France

And **by optimizing our environmental impact**

ENVIRONMENT

Resources	Value creation for our stakeholders
A commitment to contribute to global carbon neutrality	GHG sequestration projects with partners
A decarbonization plan for our direct operations Increasing digitization of our products	A quantified target for reducing our emissions per employee by 2023
Inspire to commit to action within our games	Active participation in the Playing for the Planet alliance

2.2 History

1986: Creation of Ubisoft

By the five Guillemot Brothers.

1989-1995: International expansion

Ubisoft opens its first sales and marketing subsidiaries in the United States, Germany and the United Kingdom and its first internal development studios in France and Romania.

Launch in 1995 of *Rayman*®, Ubisoft's first major franchise.

1996-2001: Internal growth and strategic acquisitions

Flotation on the Paris stock exchange in 1996.

Opening of new studios including Shanghai in 1996 and Montreal in 1997. Acquisition in 2000 of Red Storm Entertainment (*Tom Clancy* games) and acquisition in 2001 of Blue Byte Software (*The Settlers*®). This strategy powered Ubisoft into the world's top 10 independent publishers in 2001.

2002-2006: A development strategy for owned franchises

Launch *of Tom Clancy's Ghost Recon*®, *Prince of Persia*® and *Tom Clancy's Splinter Cell*®, acquisition of *Driver*® and *Far Cry*® franchises.

2007-2020: A real creator of franchises and acceleration of the digital business

Ubisoft maintains its reputation as a key player. With *Assassin's Creed*®, *Watch Dogs*® and *Tom Clancy's The Division*®, Ubisoft has achieved three of the best new brand launches in the history of video gaming. During this period, Ubisoft also created the video game series *Just Dance*® and the open-world game *Immortals Fenyx Rising*™.

The Group is part of a significant movement towards multiplayer franchises with the successful comeback of *Tom Clancy's Ghost Recon*® and *Tom Clancy's Rainbow Six*® and creations of *For Honor*®, *The Crew*®, and *Tom Clancy's The Division*®.

Launch in 2012 of Uplay, an online services platform (PC and consoles) and distribution platform (PC), and extension of this platform in 2020 under the name Ubisoft Connect, in particular to make cross-platform functionalities a standard for the future.

Between 2013 and 2021, the percentage of Net Bookings Digital rose from 11.7% to 71.8%.

Studios opened in Chengdu (China) in 2007, Singapore and Kiev in 2008 and Toronto in 2009. Launch in 2011 of the Motion Pictures business. Studios opened in the Philippines and in Belgrade in 2016, in Bordeaux, Berlin, Saguenay and Stockholm in 2017, in India, Ukraine and Winnipeg in 2018 and in Vietnam in 2019.

Acquisitions:

- the *Tom Clancy* name for video games and ancillary products, the Massive Entertainment studio (Sweden) and Pune (India) in 2008;
- the Nadeo studio in 2009;
- the Owlient studio, specializing in free-to-play games, and RedLynx, specializing in downloadable games in 2011;
- THQ Montreal and two specialists in free-to-play games: Digital Chocolate (Barcelona) and Futur Games of London in 2013;
- the Ivory Tower studio (France) and the assets of Longtail Halifax (Canada) in 2015;
- the publisher of the free-to-play Ketchapp mobile games and the assets of the Leamington studio in 2016;
- the free-to-play mobile game *Growtopia*® in 2017;
- the 1492 Studio and Blue Mammoth Games, specialists in free-to-play games in 2018;
- i3D.net, leader in hosting solutions for the video game industry and a majority stake in Green Panda Games, a specialist in "hyper casual" free-to-play mobile games in 2019;
- a majority stake in the free-to-play mobile game publisher Kolibri Games, leader in idle games, in 2020.

2.3 Financial year highlights

July 2020 – All resolutions adopted at the Ubisoft General Meeting held on July 2, 2020

The shareholders approved all of the resolutions featured on the agenda for the meeting. In particular, they voted to approve the resolutions authorizing the Board to grant share purchase and/or subscription options in the Company, in favor of employees, a key tool in the Group's talent recruitment and retention policy. The voting also led to the appointment of John Parkes as Director representing employee shareholders and the renewal of the terms of office as Directors of Florence Naviner, Yves Guillemot and Gérard Guillemot.

July 2020 – Ubisoft announces a number of departures and confirms its commitment to implementing major changes in its corporate culture

Ubisoft announced significant changes in its management as part of the far-reaching work undertaken by the Company to improve and enhance its corporate culture. Serge Hascoët resigned from his position as Chief Creative Officer. Yannis Mallat, Head of Ubisoft's Canadian studios, left his position. Cécile Cornet, Head of the Global Human Resources Department, resigned from her position.

July 2020 – Implementation of numerous measures to improve and strengthen the corporate culture

A confidential and anonymous whistle-blowing and listening platform has been set up, run by an independent external firm. The Group has launched a global survey covering its entire workforce on a completely anonymous basis and has set up listening groups where employees can talk and be heard. An external consulting firm has been tasked with conducting an audit of human resources processes. The Group has introduced training modules to raise its employees' awareness of harassment and has begun the revision of its code of conduct. Lastly, Lidwine Sauer has been appointed Head of Corporate Culture.

August 2020 – Ubisoft appoints Virginie Haas as Chief Studios Operating Officer

Ubisoft announced that Virginie Haas, member of the Board of directors of Ubisoft, has been appointed Executive Director, Chief Studios Operating Officer and thus joins Ubisoft's Executive Committee. This appointment has been effective since September 1, 2020. Virginie Haas succeeds Christine Burgess-Quémard, who retired at the end of 2020.

October 2020 – Update on the transformation of the corporate culture

Ubisoft announced that more than 14,000 employees participated in a range of group-wide assessments, including an anonymous questionnaire, focus groups and listening sessions. A *Content Review Committee* has been set up to ensure that the Group's marketing content is aligned with Ubisoft's values of respect and fairness. In addition, mandatory training on harassment has been rolled out and nearly all employees had undertaken this training by the end of December 2020. Lastly, more than 85% of employees have signed the code of conduct.

October 2020 – Launch of Ubisoft Connect

Ubisoft announced that its current service ecosystem and community program, Uplay and Ubisoft Club, will be enriched and expanded under the name Ubisoft Connect. Designed and created for the next generation of gaming, Ubisoft Connect sets the foundations that will enable Ubisoft's games and services to come alive on all platforms and will make cross-platform functionalities a standard for the future.

October 2020 – Partnership with Amazon Luna

The Ubisoft+ subscription service is now available on Amazon Luna, a new cloud gaming service, using a dedicated channel.

October 2020 – Partnership with Netflix on the *Assassin's Creed* brand

Netflix announced that a series based on the *Assassin's Creed* universe is in preparation for its streaming platform.

November 2020 – Record launch of *Assassin's Creed Valhalla*

Ubisoft announced that sales of *Assassin's Creed Valhalla* reached record levels in the first week of launch, selling more units (sell-through) than any other game in the *Assassin's Creed*® franchise. The game also became Ubisoft's biggest PC launch.

November 2020 – Bond issue of €600 million

Ubisoft successfully placed a €600 million 7-year bond issue (maturing in November 2027), with an annual coupon of 0.878%. The order book amounted to almost €3 billion, making it nearly five times over-subscribed. This operation, which achieved record European terms for a non-rated company over seven years, enabled the Group to extend the maturity of its debt profile at a more attractive cost.

December 2020 – Ubisoft appoints Raashi Sikka as Vice-President Diversity & Inclusion

Ubisoft appointed Raashi Sikka to the position of Vice-President Diversity & Inclusion. This appointment marks a decisive step for the Group, which is actively working to strengthen its culture and initiatives in the area of diversity and inclusion. She will promote, pilot and develop inclusion strategies and diversity initiatives, across all Ubisoft's regions and in all the Group's divisions.

December 2020 – Appointment of Belén Essioux-Trujillo to the Ubisoft Board of directors

The Ubisoft Board of directors co-opted Belén Essioux-Trujillo as independent director, on the proposal of the Nomination, Compensation and Governance Committee, and subject to ratification by the General Meeting of July 1, 2021. She will bring her experience in the field of human resources in large international companies.

January 2021 – Announcement of the development of a new *Star Wars*™ game with Lucasfilm Games

Ubisoft announced its collaboration with Lucasfilm Games to develop a new open-world narrative game set in the famous Star Wars galaxy. Led by Massive Entertainment, Ubisoft's renowned AAA studio based in Malmo, Sweden, the project uses the cutting-edge technology developed by Massive, including the powerful Snowdrop game engine, to create a groundbreaking innovative Star Wars adventure.

2.4 Subsidiaries and equity investments

2.4.1 INVESTMENTS DURING THE FINANCIAL YEAR

Creation, acquisition of new companies

None.

Merger, dissolution of subsidiaries

March 2021: Merger of the Company SmartDC Holding BV with the Company i3D.net BV.

2.4.2 BUSINESS ACTIVITIES OF SUBSIDIARIES

Production subsidiaries

These are responsible, under the supervision and within the framework set out by the parent company, for the design and development of the software, including in particular the scenarios, animation, gameplay, layouts and game rules, as well as the development of design tools and game engines, enhanced by the increasingly direct relationship with player communities.

Sales and marketing subsidiaries

These are in charge of the worldwide distribution of Ubisoft products in physical and digital format, under the supervision of and within the framework defined by the parent company. They are also in charge of implementing local marketing strategies and campaigns associated with game promotion, as decided by the parent company.

MAIN DISTRIBUTION SUBSIDIARIES

	03/31/21			03/31/20			03/31/19		
Subsidiary *(in € millions)* IFRS financial statements	Sales	Operating profit (loss)	Net income	Sales	Operating profit (loss)	Net income	Sales	Operating profit (loss)	Net income
Ubisoft Inc. (United States)	975.9	25.6	(23.1)	675.1	17.8	(3.8)	822.4	61.8	34.8
of which intra-group sales	*53.5*			*42.9*			*44.2*		
Ubisoft EMEA SAS*	785.6	13.4	7.9	599.4	11.4	6.5	793.0	10.7	6.0
of which intra-group sales	*148.4*			*88.7*			*183.9*		
Ubisoft Mobile Games SARL	106.1	(37.8)	(103.9)	107.9	(83.9)	(107.8)	99.3	(10.1)	(21.3)
Ubisoft Ltd (United Kingdom)*	72.7	2.2	57.6	27.0	(5.1)	1.5	86.7	8.3	54.6
Ubisoft Entertainment Inc. (Canada) Distribution only	49.3	0.9	1.3	30.1	0.3	-	46.6	3.9	3.2
Ubisoft GmbH (Germany)*	68.9	1.5	1.0	43.2	1.1	0.7	92.6	2.1	1.0
Ubisoft France SAS*	49.8	1.1	1.1	27.7	0.4	(0.9)	56.9	1.4	0.7

** Excluding IFRS 15 impact for EMEA subsidiaries*

Relations between the parent company and subsidiaries

The existence of the subsidiaries involves:

- production subsidiaries billing the parent company for development costs based on the progress of their projects;
- the invoicing by the parent company of a distribution license to the sales and marketing subsidiaries.

The parent company also centralizes a certain number of costs that it then allocates to its subsidiaries, in particular in relation to:

- general and administrative expenses;
- interest related to the cash management agreement, guarantees and loans.

2.4.3 SIMPLIFIED ORGANIZATION CHART

The organization chart below shows the Group companies and/or branches as at March 31, 2021. Unless otherwise indicated, these companies are wholly owned, directly or indirectly.

Ubisoft Entertainment SA

Production/Distribution (video/mobile games)				Movies
France Ubisoft Production Internationale SAS	Germany Ubisoft Blue Byte GmbH	Finland RedLynx Oy	Vietnam Ubisoft Vietnam Company Ltd	France Ubisoft Motion Pictures SARL
France Ubisoft Paris SAS	Germany Kolibri Games GmbH (1)	Sweden Ubisoft Entertainment Sweden AB	Japan Ubisoft Osaka KK	France Ubisoft Motion Pictures Rabbids SAS
France Ubisoft Création SAS	Germany Ubisoft GmbH	Denmark Ubisoft Nordic A/S	Japan Ubisoft KK	United States Ubisoft L.A. Inc.
France Ubisoft Montpellier SAS	Poland Ubisoft GmbH spółka z ograniczoną	Bulgaria Ubisoft EooD	China Shanghai Ubi Computer Software Co. Ltd	United States Script Movie Inc.
France Ubisoft Annecy SAS	Netherlands BMG Europe BV	Romania Ubisoft Srl	China Chengdu Ubi Computer Software Co. Ltd	United States Dev Team LLC
France Ubisoft Bordeaux SAS	Netherlands Ubisoft BV	Ukraine Ubisoft Ukraine LLC	Hong Kong Ubisoft Ltd	United States Robot Parking Productions LLC
France Ivory Tower SAS	Belgium Ubisoft	Serbia Ubisoft Doo Beograd	Taiwan Ubisoft Limited Taiwan Branch (Hong Kong)	United States Very Perry Productions LLC
France Ivory Art & Design SARL	Spain Ubi Studios SL	Russia Ubisoft Games LLC	Korea Ubisoft Entertainment	United States Creature Within Productions LLC
France Nadéo SAS	Spain Ubisoft Barcelona Mobile SL	United Arab Emirates Ubisoft Emirates FZ LLC	Brazil Ubisoft Entertainment Ltda	Canada Hybride Technologies Inc.
France Owlient SAS	Spain Ubisoft SA	Singapore Ubisoft Singapore Pte Ltd	Australia Ubisoft Pty Ltd	**Other Business**
France Ubisoft Mobile Games SARL	Italy Ubisoft Studios Srl	Philippines Ubisoft Entertainment Philippines	Marroco Ubisoft SARL	France Ubisoft International SAS
France Ubisoft Paris - Mobile SARL	Italy Ubisoft SpA	Canada Ubisoft Entertainment Inc.	India Ubisoft Entertainment India Private Ltd	Sweden Ubisoft Fastigheter AB
France 1492 Studio SAS	Switzerland Ubi Games SA	Canada Ubisoft Toronto Inc.	**Games Hosting**	
France Green Panda Games SAS (2)	United Kingdom Ubisoft Reflections Ltd	Canada Ubisoft Winnipeg Inc.	Netherlands Performance Group BV	
France Puzzle Games Factory SAS (2)	United Kingdom Future Games of London Ltd	Canada Ubisoft Music Publishing Inc.	Netherlands i3D.net BV.	
France Solitaire Games Studio SAS (2)	United Kingdom Ubisoft Ltd	United States Red Storm Entertainment Inc.	United States i3D.net LLC	
France Ubisoft Emea SAS	United Kingdom Ubisoft CRC Ltd	United States Blue Mammoth Games LLC	Netherlands SmartDC BV	
France Ubisoft France SAS	United Kingdom Hyper Beats Ltd	United States Ubisoft Inc.	Netherlands SmartDC Heerlen BV	

Branch

Indirectly owned

Ownership
(1) 75% stake
or
(2) 70% stake

2.5 Research and development, investment and financing policy

2.5.1 RESEARCH AND DEVELOPMENT POLICY

In order to develop exceptional video games, Ubisoft has established a project-led R&D policy for tools and technologies using the most recent technological advances.

The technical decisions of a game are made very early in the creative process, years before its release, so as to align innovative efforts, both in terms of human resources and funding. Thanks to its integration of teams of engineers mastering the best existing technologies, Ubisoft employs a very pragmatic approach to its projects: depending on the problems and expected results for a game, the choice of tools will either focus on specific internal developments or on existing software on the market, or most commonly, on a combination of both. Research and analysis are thus focused on innovation and functionality using technologies that are suited to the development of a high-quality product.

In a sector where technological innovation is a constant, a culture of knowledge-sharing and re-use is essential to the performance of the teams. A collaborative [(1)] approach is favored to encourage the sharing and transfer of technological knowledge within the Group's different teams (production, support, IT) and to provide the possibility of contributing to ongoing advances in tools and production processes.

Different initiatives have been implemented over the years, driven mainly by the Knowledge Management and Technology Group departments, to develop various tools and sharing platforms to support knowledge capitalization. On the other hand, the re-use of the technological building blocks that are vital to the creation of a video game is encouraged and allows the production team to focus on their research and development work on the non-generic parts of the games, thus maximizing their added value. These advances, associated with promoting networking between the Group's studios, have enabled the Company to master the development of new products, particularly with regard to the transition toward new generations of consoles and the exploration of new technologies such as cloud gaming and virtual and augmented reality.

Although the Group does not conduct any basic research, it has worked closely with a variety of research partners for many years in order to collaborate with researchers in fields connected to game development. For example, the Montreal studio works closely with university research departments on the joint development of innovative prototypes to obtain a better understanding of player activity or on the use of artificial intelligence and machine learning to improve production and player experience. In addition, the Strategic Innovation Lab, which reports to Executive Management, and whose mission is to anticipate the future and to help the organization prepare itself for it, supports these research efforts and strategic recommendations with prototypes and open innovation projects with the academic world, industrial partners and startups. Lastly, specific collaborations are also taking place with external software providers to improve the productivity of the tools and methods used by Ubisoft in game production.

Ubisoft invests in open-source software, as well as both contributing to and using it. Further to joining the Blender Development Fund in early 2019 in order to support open-source animation, Ubisoft has confirmed its sponsorship of the Dear ImGui project. Certain of Ubisoft's in-house projects are open source and the Company has adopted InnerSource (the application of the principles of open source development to Ubisoft's in-house development) in order to improve sharing and re-use and accelerate the development process.

These different initiatives have enabled Ubisoft to complement its internal software developments while still encouraging openness to the many technological fields that now fuel the creation of increasingly advanced and immersive interactive experiences and content. Thanks to this openness and its active participation in various technical events and conferences (Games Developers Conference, Dice, Siggraph, etc.), Ubisoft contributes to the influence of the video game sector for the whole industry.

With regard to the 2020-2021 financial year, commercial software and movie costs reached €1,050 million, 20% higher than the previous financial year.

2.5.2 INVESTMENT POLICY

The vast majority of Ubisoft's production is in-house, thereby affording it full control over its expertise in game development and the ability to share this knowledge between its various studios and projects. This approach is crucial for the development of open-world games – which involve large teams and therefore require close collaboration between the different studios – and for live games with the development of additional game content.

Ubisoft has continued its investment expenditure policy to enable the Company to gain traction in new platforms, develop its online business and more generally increase its market share and improve its financial performance. Studio production costs, financed by the parent company, increased in financial year 2020-2021.

(1) See 5.4.1.3

	2020-2021	2019-2020	2018-2019
Internal production-related capex	€1,041 million	€858 million	€759 million
Capex per member of production staff	€65,562	€58,381	€59,742

2.5.3 FINANCING POLICY

Ubisoft has broadly two kinds of cash flows:

- cash flows for financing development costs, which are spread evenly throughout the year;
- cash flows linked to the highly seasonal nature of games marketing.

These cash flows include a lag between production costs and cash inflows. The business must first of all finance the manufacturing of the products as well as the marketing costs before it can record any income. The Group must therefore finance significant cash flow peaks linked to the game release dates.

However, progress in the development of digital activity is easing financing requirements associated with the physical production of marketed products.

Equity financing

The video game business line requires substantial capital expenditure in development, over average periods of between two and five years, which publishers must be able to finance out of their own resources.

In addition, publishers are required to launch new releases on a regular basis, and their levels of success cannot always be guaranteed.

For these reasons, significant capitalization is essential to guarantee the continuous financing of capital expenditure and to deal with contingencies stemming from the success or failure of games without endangering the future of the Company.

With equity of €1,656 million, the Ubisoft group financed investment expenditure on internal and external production of games and movies to the tune of €1,104 million for the 2020-2021 financial year.

Other sources of financing

Over the 2020-2021 financial year, the Ubisoft group used the following resources to meet its operating cash requirements:

- a €300 million syndicated loan signed in July 2017, with a term of five years, with two one-year extension options: the first extension option was exercised in 2018 and extends maturity through July 2023, while the second extension option, exercised in 2019, extends maturity through July 2024;
- a €500 million OCEANE bond issued in September 2019 (maturing in September 2024);
- a bond issue of €500 million (maturing in January 2023);
- a bond issue of €600 million (maturing in November 2027);
- bilateral credit lines of €10 million (maturing in less than one year);
- a Schuldschein-type loan of €50 million issued in September 2020 (maturing in September 2026);
- a program of short-term negotiable securities (NEU CP or Negotiable EUropean Commercial Paper) with a ceiling of €300 million.

The Group has recourse to factoring via disposals of receivables on rights to multimedia title credits (CTMM) in Canada, for one-off transactions.

However, Ubisoft does not use securitization agreements, Daily assignment agreements or sale and repurchase agreements.

Covenant management

With regard to the syndicated loan and the bilateral credit lines, Ubisoft must comply with the following ratios calculated on the basis of the IFRS consolidated annual financial statements:

- the "Net debt restated for assigned receivables/equity restated for goodwill" ratio must be below 0.8;
- the "Net debt restated for assigned receivables/EBITDA over the last 12 months" ratio must be below 1.5.

As at March 31, 2021, the Ubisoft group was in compliance with these ratios and expects to remain so in the 2021-2022 financial year.

Financing in 2021-2022

For the financial year 2021-2022, and barring a major acquisition, Ubisoft should finance its operations using its cash and the various available credit lines described above.

2.6 2020-2021 performance review (non-IFRS data)

2.6.1 DEFINITION OF NON-IFRS FINANCIAL INDICATORS

Ubisoft has concluded that these indicators, which are not strictly accounting measures, provide pertinent additional information for analyzing the Group's operating and financial performance. Management uses these measures since they are the best reflection of business performance and exclude the majority of non-operating and non-recurring items.

Alternative performance indicators, not presented in the financial statements, are:

- net bookings corresponds to sales restated for the services component and including unconditional amounts related to license or distribution agreements recognized independently of the achievement of performance obligations;
- Player Recurring Investment (PRI) corresponds to sales of digital items, DLC, season passes, subscriptions and advertising;
- non-IFRS operating profit, calculated based on net bookings corresponds to operating profit less the following items:
  - stock-based compensation expense arising on free share plans, Group savings plans and share purchase and/or subscription options,
  - impairment of acquired intangible assets with an indefinite useful life,
  - non-operating profit linked to the Group's organizational restructuring;
- non-IFRS operating margin corresponds to non-IFRS operating profit expressed as a percentage of net bookings. This ratio reflects economic performance;
- non-IFRS net income corresponds to net income after deduction of:
  - restatements included in the non-IFRS operating profit above,
  - income and expenses relating to the remeasurement after the measurement period of any variable compensation granted in connection with business combinations,
  - OCEANE bond interest expense recognized in accordance with IFRS 9,
  - tax impacts on these adjustments;
- non-IFRS net income attributable to owners of the parent corresponds to that portion of non-IFRS net income attributable to the owners of the parent company;
- non-IFRS diluted EPS corresponds to non-IFRS net income attributable to owners of the parent divided by the weighted average number of shares after exercise of the rights attached to dilutive instruments.

The adjusted cash flow statement includes:

- non-IFRS cash flows from operations, which includes:
  - the costs of internal software and external development (presented under cash flows from investing activities in the IFRS cash flow statement) as these costs are an integral part of the Group's operations,
  - the restatement of impacts (after tax) related to the application of IFRS 15,
  - the restatement of commitments related to leases due to the application of IFRS 16,
  - current and deferred taxes;
- non-IFRS change in working capital requirement which includes movements in deferred taxes and restates the impacts (after tax) related to the application of IFRS 15, thus canceling out the deferred tax income or expenses presented in non-IFRS cash flows from operations;
- total non-IFRS cash flows from operating activities, which includes:
  - the costs of internal software and external developments, presented in accordance with IFRS under cash flows from investing activities,
  - the restatement of lease commitments relating to the application of IFRS 16 presented under IFRS in cash flows from financing activities;
- non-IFRS cash flows from investing activities, which excludes the costs of internal software and external developments presented under non-IFRS cash flows from operations;
- free-cash-flow corresponds to non-IFRS cash flow from operating activities after cash inflows/outflows relating to other intangible assets and property, plant and equipment and commitments relating to leases under IFRS 16;
- free-cash-flow before working capital requirement corresponds to cash flow from operations after cash inflows/outflows arising on the disposal/acquisition of other intangible assets and property, plant and equipment and commitments related to leases recognized on the application of IFRS 16;
- non-IFRS cash flows from financing activities, which excludes commitments linked to leases relating to the application of IFRS 16 presented as non-IFRS cash flows from operating activities;
- IFRS net financial position corresponds to cash and cash equivalents and cash management financial assets, less financial liabilities excluding derivatives;
- non-IFRS net financial position corresponds to the net financial position restated for commitments related to leases (IFRS 16).

RECONCILIATION OF IFRS NET INCOME AND NON-IFRS NET INCOME

(in € millions) except per share data	2020-2021			2019-2020		
	IFRS	Adjustment	Non-IFRS	IFRS	Adjustment	Non-IFRS
IFRS 15 Sales	**2,223.8**		**2,223.8**	**1,594.8**		**1,594.8**
Deferred revenues related to IFRS 15		16.7	16.7		(60.8)	(60.8)
Net bookings			**2,240.6**			**1,534.0**
Total operating expenses	**(1,934.5)**	**167.2**	**(1,767.2)**	**(1,654.3)**	**154.6**	**(1,499.7)**
Stock-based compensation	(56.8)	56.8	-	(53.8)	53.8	-
Goodwill/brand impairment	(110.4)	110.4	-	(100.8)	100.8	-
OPERATING INCOME	**289.4**	**184.0**	**473.3**	**(59.5)**	**93.7**	**34.2**
Net financial income	(51.6)	32.4	(19.2)	(19.1)	8.2	(10.9)
Income tax	(132.6)	(5.9)	(138.6)	(45.7)	13.5	(32.2)
Consolidated Net Income	**105.2**	**210.4**	**315.6**	**(124.2)**	**115.5**	**(8.8)**
Net income attributable to owners of the parent company	103.1		313.5	(125.6)		(10.2)
Net income attributable to non-controlling interests	2.1		2.1	1.4		1.4
Diluted earnings per share	**0.85**	**1.64**	**2.48**	**(1.12)**	**1.03**	**(0.09)**

2.6.2 CHANGES IN THE INCOME STATEMENT (UNAUDITED)

(in € millions)	03/31/21	03/31/20
IFRS 15 Sales	**2,223.8**	**1,594.8**
Deferred revenues related to IFRS 15	16.7	(60.8)
Non-IFRS net bookings	**2,240.6**	**1,534.0**
Non-IFRS Gross profit	1,914.8	1,280.9
Non-IFRS R&D costs	(784.9)	(680.9)
Non-IFRS SG&A costs	(656.6)	(565.8)
Non-IFRS current operating profit	**473.3**	**34.2**
Non-IFRS net financial income	**(19.2)**	**(10.9)**
Non-IFRS income tax	(138.6)	(32.2)
NON-IFRS CONSOLIDATED NET INCOME	**315.6**	**(8.8)**
Non-IFRS net income attributable to owners of the parent company	**313.5**	**(10.2)**
Non-IFRS net income attributable to non-controlling interests	**2.1**	**1.4**
Equity attributable to owners of the parent company	1,655.7	1,314.6
Investment expenditure on internal and external games and movies production	1,104.2	909.6
Staff	20,324	18,045

Gross profit as a percentage of net bookings stood at 85.5%, or €1,914.8 million in absolute terms, compared with a gross profit of 83.5% (€1,280.9 million) for 2019-2020.

Non-IFRS operating profit amounted to €473.3 million, up 1,282% from the €34.2 million generated in 2019-2020.

The change in operating profit breaks down as follows:

- increase of €633.9 million in gross profit;
- R&D costs increased by €104.03 million, to stand at €784.9 million (35.0% of net bookings), compared with €680.9 million for 2019-2020 (44.4%);
- SG&A costs were up by €90.79 million, at €656.6 million (29.3% of net bookings), compared with €565.8 million (36.9%) for the previous financial year:
  - variable marketing expenses stood at €307.1 million (13.7% of net bookings), up over the €262.6 million (17.1%) for 2019-2020,
  - overheads totaled €349.4 million (15.6% of net bookings) compared with €303.2 million (19.8%) in 2019-2020.

Non-IFRS net income attributable to owners of the parent totaled €313.5 million, corresponding to non-IFRS diluted net earnings per share of €2.48, compared with non-IFRS net income of €(10.2) million for 2019-2020, or €(0.09) per share.

2.6.3 CHANGE IN NON-IFRS WCR AND NON-IFRS NET CASH POSITION

On the basis of the non-IFRS cash flow statement, the non-IFRS working capital requirement fell by €104,5 million compared with a decrease of €83.4 million over the previous financial year.

Cash flows generated by non-IFRS operations stood at €169.0 million (compared with the €86.4 million consumed in 2019-2020). This reflects non-IFRS cash flows from operating activities of €64.6 million (compared to €(169.9) million for 2019-2020).

The non-IFRS net financial position as at March 31, 2021 was €79.2 million compared with €(100.6) million as at March 31, 2020. This change is the result of the following:

- non-IFRS cash generated by operating activities: €169.0 million;
- payments and proceeds relating to other intangible assets and property, plant and equipment: €(96.7) million;
- payment and proceeds relating to non-current financial assets: €(2.2) million;
- acquisitions: €(16.0) million;
- exercise of stock options and employee share ownership: €80.7 million;
- purchases/sales of own shares: €25.8 million;
- interest on convertible bonds: €(5.5) million;
- effect of foreign exchange gains and losses: €24.7 million.

NON-IFRS CASH FLOW STATEMENT (UNAUDITED)

(in € millions)	03/31/21	03/31/20
Non-IFRS cash flows from operating activities		
Consolidated net income	105.2	(124.2)
+/- Share of profit of associates	-	-
+/- Net depreciation and amortization of gaming software & movies	433.4	422.5
+/- Other net depreciation and amortization of non-current assets	225.3	196.9
+/- Net provisions	(16.1)	2.3
+/- Cost of share-based compensation	56.8	53.8
+/- Gains/losses on disposals	0.9	0.7
+/- Other income and expenses calculated	32.6	10.7
+/- Internal development and license development costs	(753.2)	(651.2)
+/- IFRS 15 impact	15.4	(45.6)
+/- IFRS 16 impact	(35.7)	(35.6
Non-IFRS cash flows from operations	**64.6**	**(169.9)**
Inventory	10.9	20.2
Trade receivables	(45.7)	182.9
Other assets	(126.7)	25.0
Trade payables	1.2	(49.2)
Other liabilities	264.8	(95.4)
+/- Change in non-IFRS WCR	**104.5**	**83.4**
Non-IFRS cash flows from operating activities	**169.0**	**(86.4)**
Non-IFRS cash flows from investing activities		
- Payments for the acquisition of other intangible assets and property, plant and equipment	(96.8)	(104.9)
+ Proceeds from the disposal of intangible assets and property, plant and equipment	0.1	0.2
Free Cash Flow	*72.3*	*(191.1)*
+/- Payments for the acquisition of financial assets	(200.4)	(216.7)
+ Refund of loans and other financial assets	198.1	211.5
+/- Change in scope*	(16.0)	(143.7)
Total non-IFRS cash flow used by investing activities	**(114.9)**	**(253.7)**
Cash flows from financing activities		
+ New borrowings	1,139.6	935.2
- Refund of borrowings	(506.8)	(584.9)
+ Funds received from shareholders in capital increases	80.7	81.5
+/- Change in cash management financial assets	(239.9)	-
+/- Sales/purchases of own shares	25.8	35.3
Cash generated by financing activities	**499.5**	**467.1**
NET CHANGE IN CASH AND CASH EQUIVALENTS	**553.6**	**127.0**
Cash and cash equivalents at the beginning of the financial year	986.9	878.6
Foreign exchange losses/gains	24.7	(18.7)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR*	**1,565.2**	**986.9**
* *Including cash in companies acquired and disposed of*	*-*	*20.2*

2.7 Outlook

In 2020, the global video game market grew by 23% (EMEA, Latin America, North America and Asia-Pacific; source: Newzoo). A slight decrease is expected in 2021, following a year that was marked by very strong engagement on the back of lockdown measures to deal with the sanitary context.

The Group's objectives for the financial year 2021-2022 are: net bookings up single-digit and non-IFRS operating income of between €420 million and €500 million.

3 Risks and internal control

3.1 Risk factors

In the course of its business, the Group is exposed to a series of risks that could affect its performance, its reputation, the achievement of its strategic and financial goals and its share price.

In early 2021, in an effort to improve the efficiency of internal processes and strategic monitoring, Ubisoft updated its overall risk mapping taking into account the current context of the health crisis linked to the Covid-19 epidemic. This update was carried out by involving the Group's operational and functional departments and by sending a risk identification and self-assessment questionnaire, supplemented by individual interviews. On this basis, and in accordance with the provisions of Regulation (EU) 2017/1129 of June 14, 2017, revising the Prospectus directive, the key risk factors identified and presented below are those which the Group considers to be material, high-priority and specific to its business, and which are liable, as of the date of publication of this Universal Registration Document, to have a significant impact on its operations, its image, its financial position, its results, and its ability to achieve its objectives.

These risk factors are grouped into four categories, presented in no particular order (business risks, risks related to talent, regulatory risks, technological risks). However, within each category, risk factors are presented on the basis of their net criticality in decreasing order of importance. The net criticality of the risk factors is calculated through a combination of the probability of the risk occurring and the corresponding level of severity, once the risk management measures put in place by the Group have been taken into account. The manner in which each risk factor could impact Ubisoft, as well as the control and mitigation measures put in place by the Group to deal with these, are explained below. However, these measures cannot provide an absolute guarantee that these risks will be controlled.

Other risks, considered less significant by the Group or not yet identified as at the date of this document, could also become significant risk factors able to have an adverse effect on Ubisoft's business and performance. In order to anticipate, identify, and palliate the main internal or external risks being faced by the Group, Ubisoft has put in place the internal control and risk management procedures described in section 3.2 of this chapter.

Investors are therefore invited to examine carefully each of the risks described below as well as all of the information presented in this Universal Registration Document in order to make investment decisions in a fully informed manner.

Specific and material risks to which the Group considers itself exposed		Net criticality
Business risks	Restriction of access to certain markets	High
	Failure by external partners rendering a game unavailable or altering the player experience	High
	Failures in the development process of a game leading to delays to its launch	High
	Toxicity in games and services	Moderate
	Dependence with regard to certain suppliers/subcontractors	Moderate
Risks related to talent	Departure of key talents	High
	Inability to attract and retain talent	High
	Occurrence of inappropriate behavior by employees	Moderate
Regulatory risks	New regulations	High
	Reduction in the level of grants, subsidies, and tax credits	Moderate
Technological risks	Delays by Ubisoft or occurrence of disruptive innovation by a competitor	High
	Inability to respond rapidly to major technological developments	High

Financial risks, not being considered as specific to Ubisoft's business (foreign exchange, financing and liquidity, interest rate and counterparty risks as well as risks relating to the Company's shares), are set out in notes 40 to 45 to the consolidated financial statements attached to this Universal Registration Document.

3.1.1 BUSINESS RISKS

Restriction of access to certain markets

Identification and description of the risk	Potential impacts on the Group
Ubisoft may be faced with restrictions on access to certain markets or have a presence which is not sufficient to note the emergence of potential disruptions to the market. Typically, the Chinese market, which has enormous potential, is marked by a restrictive and changeable regulatory environment which makes access difficult and could expose the Group to a major loss of competitive advantage compared to competitors who may also be trying to enter this market.	The failure or inability of the Group to penetrate certain markets could trigger: ♦ a significant fall in market share; ♦ a loss of opportunity in terms of revenue; ♦ a loss of competitive advantage; ♦ an inability to reach new players.

Risk mitigation and control

For the Group, the best way to counter this risk consists of adapting its games in response to the requirements imposed by local authorities, acting early and being responsive, and developing partnerships with major stakeholders in the sector (e.g. Tencent in China) to promote access to the market.

Failure by external partners rendering a game unavailable or altering the player experience

Identification and description of the risk	Potential impacts on the Group
Any failures by the external partners on which Ubisoft's business activities are dependent, such as the game platforms/playstores or servers maintained by Ubisoft or third parties, leading to the temporary unavailability of one or several games for the player community, could cause significant damage to Ubisoft. The Group is also dependent on the level of quality of services provided by these gaming platforms/playstores, which can alter the player experience and lead to their dissatisfaction. This risk has been heightened in particular by the increased digitalization and technological developments used to improve the gamer experience (cloud gaming, etc.). Similarly, Ubisoft may, as part of its development activities, call upon external studios using traditional subcontracting agreements to complete projects by supplying additional and/or specialized production capacity or to take on original projects in which they have specific expertise. These independent development studios may sometimes have a limited capital base or could have operational weaknesses which would put the completion of a project at risk (failure to meet the deadlines set, inability to provide the quality expected, etc.).	Any failures by third parties (platform, external server, etc.) leading to the temporary unavailability of one or several games or altering the gaming experience could lead to a loss of income, market share, or players (dissatisfaction potentially leading players to switch to a competitor's games). This could also involve pressure to find an alternative solution. Similarly, any failure by a subcontractor in the development of a game may cause delays in production, generate additional costs and, in particular, lead to a loss of revenue linked to the non-delivery/late delivery of an update or a new functionality expected by the community.

Risk mitigation and control

Ubisoft has teams available 24/7 to guarantee optimal service to users. Ubisoft has limited dependence on the technologies that enable its games to be played online and has put in place multiple hosting strategies enabling the risk of dependence on any single service provider to be reduced. Ubisoft publishes its content across all types of gaming platforms, thereby reducing the risk in the event of any failure by a partner.

In addition, to limit the risk of financial or operational failure by the independent development studios to which Ubisoft subcontracts the production of certain projects, Ubisoft has put internal monitoring procedures in place (regular communication with the partner to monitor progress made, formalized monitoring with its frequency dependent on the scale of the project, security audits), limits the number of games entrusted to any one studio, and integrates all or part of the technology used by such studios.

Furthermore, concerning mobile gaming, the risk on Android is de facto less than that on iOS due to the multiple hardware models (Samsung, LG, Google, etc.) and stores (GooglePlay store as well as Samsung Store, etc.) which enable Ubisoft to reach our customers through different partners. Should any one of these partners fail to deliver, the end client could select a substitute solution in order to recover access to his or her Ubisoft game.

Failures in the development process of a flagship game leading to delays to its launch

Identification and description of the risk

Ubisoft may have to delay the launch of a video game for any of the following reasons:

- difficulty in accurately estimating the time required to develop or test it;
- requirements imposed by the creative process;
- the increasing technological complexity of video game products and platforms;
- challenges in the coordination of large development teams, often based in different countries;
- constraints related to changes in working methods (the need to work remotely in the context of the health crisis linked to the Covid-19 epidemic, for example) that does not allow the development of a game using normal processes and under optimal conditions (need to have appropriate tools, sufficient bandwidth, existing processes not suitable for remote work: key stages of the game development requiring physical meetings, etc.). These new working methods also impact the essential testing phases before the release of a game, which may thus take longer than usual;
- organizational and schedule management constraints during the Beta phases of our online games and in particular free-to-play;
- the desire to continue to improve the quality of games prior to launch. The marketing of a flagship game that lacks the level of quality required to realize its potential could have a negative impact on the Group's brand and its earnings.

Similarly, if a competitor brings out a game with significant technological or artistic innovations, the Group might have to postpone the release dates of some of its games to boost their chances of commercial success in a competitive environment where players are very sensitive to the quality and content of games.

Potential impacts on the Group

Any errors in the development process of a flagship game leading to a delay its release could have a negative impact on the Group's income and future earnings which may differ significantly from the initial targets and could potentially lead to a drop in its share price.

Any failure to meet the production and release schedules for our products can also lead to an increase in marketing and development costs.

Similarly, the postponed release of a game can lead to a loss of competitive advantage, cause reputational damage, harm the brand image of a game, lead to a loss of responsiveness, or even lead to the loss of players (disappointed players who may potentially switch to competitors).

Risk mitigation and control

To alleviate these risks, the Group continually strives to improve its development processes, both in the organization of its teams and through leveraging synergies and/or cultivating its in-house expertise. Ubisoft has put in place processes to monitor and assess projects and makes plans at each stage of a game's development in order to ensure that the means and resources required are in line with the product launch objectives. The Group is also developing an increasingly high-performance editorial supervisor process, quality controls and game testing in order for games to be launched with the quality required in order to compete in the market. Finally, for many years now, Ubisoft has been developing recognized expertise on the recording of player feedback to ensure that games are improving all the time and to mitigate the impact of certain potential weaknesses on the releases of such games.

Faced with the Covid-19 health crisis, which has changed working methods, the Group has adapted its production process to allow critical resources to continue to function "normally" by taking advantage of its IT infrastructure and its digital collaboration solutions.

Moreover, the increasing share of the back catalog and digital, offering a larger recurrence in revenues and better profitability, enable it to be less reliant on game launches.

Toxicity in games and services

Identification and description of the risk	Potential impacts on the Group
Toxicity in online games may manifest itself in various forms such as: ♦ the fraudulent alteration of players' Game Play experience due to cheating. The use of cheat tools in any form enables dishonest players to gain a competitive advantage over other players. Such practices generate an imbalance in the gaming experience within the player community which also has a negative impact on the Group; ♦ in-game harassment between players, which can have a significant negative impact on the experience.	Toxic behaviors may have a significant damaging impact on the life of a game and on Ubisoft's image. Low levels of player satisfaction linked to toxicity in the gaming experience can lead to a loss of players, revenue, and market share for the Group.

Risk mitigation and control

In order to provide a safe gaming experience for players and prevent toxic behavior, Ubisoft has reinforced the level of security of its games by installing cheat-prevention systems and using "ethical hackers" to detect and block this type of risk upstream and rapidly. The Group also monitors player feedback on a regular basis (social networks, escalation of cheats via the player community and other reliable sources) to identify and react to cheating. Finally, Ubisoft penalizes players identified as having cheated by imposing either temporary suspensions or total bans on cheats having demonstrated toxic behavior so as not to disturb other players' experience, and may even file lawsuits in order to prevent the sale of solutions involving cheating.

Dependence with regard to certain suppliers/subcontractors

Identification and description of the risk	Potential impacts on the Group
In the context of its business, Ubisoft is exposed to dependency on certain suppliers/subcontractors such as: ♦ suppliers of technology (hosting, modeling tools, etc.); ♦ suppliers of licenses and software; ♦ suppliers of IT equipment; ♦ service providers affected by the need to work from home due to the health crisis linked to the Covid-19 epidemic; ♦ integrators (product packaging, assembly, suppliers of promotional goods, "goodies" and POS materials, etc.); ♦ console manufacturers (the supply of gaming materials is subject to prior approval from the manufacturers [Sony, Nintendo and Microsoft-approved duplication plants] to these materials being manufactured in sufficient numbers, and to the setting of royalties). These situations of dependence, potentially resulting from the concentration of stakeholders in the market (supplier monopolies/duopolies, etc.), Ubisoft's operational choices or quasi-exclusive technologies not fully mastered within the company, generate a risk for the Group's business should any one of these suppliers fail to deliver or decide to change its commercial practices.	Dependence on certain suppliers/subcontractors may have multiple consequences: ♦ **operational/commercial:** in the event of potential interruptions to the supply chain linked to availability issues at suppliers or a failure to deliver by the latter, or in the event of the interruption of commercial relations; ♦ **financial:** generated by changes in commercial practices (change in supplier's business model, increase in the cost of supplies from providers with a dominant market position, etc.); ♦ **strategic:** Ubisoft may become captive due to the difficulty in finding replacement solutions because of the quasi-exclusivity held by certain suppliers. Similarly, the Group may be faced with a possible breach of confidential data resulting from the concentration of suppliers/subcontractors within the market (if a competitor were to take over one of Ubisoft's suppliers or subcontractors). Under these conditions, both Ubisoft's business and results and its image could be impacted.

Risk mitigation and control

In order to limit these risks, Ubisoft:

- has put in place supplier selection procedures (based on the verification of certain criteria such as the stability of the service provided, the size of the supplier, the supplier's dependence on Ubisoft, future prospects, etc.);
- is diversifying its suppliers as far as possible: alternating between suppliers in the market to provide certain products in order to limit dependence;
- pools orders to have greater weight when negotiating terms and conditions (indirect purchasing);
- seeks alternative solutions: recruitment in-house for necessary skills in order to limit subcontracting or joint development, preferring open source solutions customized to meet the Group's needs, development of "cloud agnostic" strategies enabling Ubisoft to use different cloud providers instead of just one, etc.;
- regularly reviews the dependence of suppliers, particularly small-scale suppliers (e.g. start-ups developing specific technologies);
- analyzes the supply chain in order to anticipate the risks of disruption or logistical problems, to diversify supply sources and to foresee replacement solutions.

3.1.2 RISKS RELATED TO TALENTS

Departure of key talents

Identification and description of the risk	Potential impacts on the Group
Should a top management position become suddenly vacant, including the Chairman and Chief Executive Officer and Executive Vice-Presidents, in particular, further to an unforeseen event (accident, sickness, death, etc.) or an event insufficiently planned for (retirement, etc.), the Group could experience an impact in relation to the manner in which it makes operational and strategic decisions. Similarly, the sudden departure of members of the games core teams could be damaging for the Group's development and could have a significant impact on its editorial policy. In 2020, the movement to denounce behavior that is toxic (harassment, etc.) and sexist within Ubisoft's teams led to the unexpected departure of several key talents. In order to mitigate these departures and limit their impact on its business, the Group has made a number of appointments of talents already identified internally for their expertise and their ability to take over. Nevertheless, some positions could not be filled immediately, resulting in delays in decision-making, postponement of expenses or the teams concerned losing their bearings.	The departure of members of top management or core teams could have consequences, including: ♦ **operational and technical:** loss of responsiveness and competitiveness, reputation, competitive advantage; ♦ **strategic:** damage to the decision-making hierarchy, pressure to find a governance solution as a matter of urgency.

Risk mitigation and control

The Nomination, Compensation and Governance Committee sets out any recommendations relating to the succession plan for corporate officers, in particular in the event of unforeseen vacancies. It is kept informed about the succession plan relating to members of the Group's Executive Committee.

In addition, during the 2021 financial year, the Group began to implement a succession plan for key talents in order to have a pool of talent available to enable it to react rapidly to reduce the impact of any unanticipated departures. This plan concerns the positions of Creative Director, Producer and Managing Director. The Group plans to continue and extend this exercise beyond this initial scope and to provide support and development initiatives for the potential replacements identified.

Attracting and retaining talented individuals is at the very heart of the Group's long-term strategy, implemented through the creation of a strong corporate culture, an attractive compensation policy, and an inter-studio cooperation model which values the sharing of expertise, know-how, and technologies.

Inability to attract and retain talent

Identification and description of the risk

With sustained organic growth, Ubisoft has placed its teams at the very heart of its value creation process. the Group's long-term potential depends substantially on its capacity to attract and retain the best talent in a highly competitive environment.

Ubisoft is faced with increasing pressure from its direct competitors in the video game sector (more aggressive wage policy, etc.), as well as from other sectors/industries in search of the same talents (engineers, etc.), such as the GAFAM. For this type of profile, the talent market has become global and the different geographical areas are now in competition with each other. This could lead to a shortage of resources, either in quantity or quality, which could turn out to be damaging to the development of the Group.

On the other hand, the video game industry requires a certain number of innovative skills located at the forefront of their respective fields. In this context, the Group is exposed to a situation of dependence on certain key talents whose creativity or technical expertise is rare and therefore highly valued in the market (artificial intelligence, cloud gaming, data, etc.). This scarcity of skills can lead to companies outbidding one another in terms of compensation. Similarly, Ubisoft has a duty to ensure that each individual has the most up-to-date skills in his or her specific area and thereby to avoid the skill sets and expertise held by the teams becoming obsolete as a result of the rapid technological changes which could be damaging to the quality of the games produced.

In addition, damage to the Group's reputation and image, or to its working environment, may also impact its appeal and retention of talent (*see section 3.1.2 – Occurrence of inappropriate behavior by employees*).

Potential impacts on the Group

If the Group is no longer able to attract new talent, or to retain and motivate its key team members, the Group's growth prospects and financial position could be affected.

The inability to attract and retain talent could have multiple consequences:

- **operational and technical:** increase in the number of team member departures, extended periods of time before a position is filled, loss of expertise, delays in the development of games, difficulties in exploring new market segments, priority given to deliverables in the short term to the detriment of the medium and long term, fall in the level of team member commitment;
- **financial:** wages overbid and other incentives to attract/retain talent, growing training budgets, fall in productivity linked to the greater number of team members in the process of being onboarded, loss of revenue;
- **strategic:** lack of innovation and creativity, loss of competitiveness, loss of players, deterioration in the attractiveness and reputation of the Group.

Risk mitigation and control

The Company follows an active policy of recruitment, training and retention, particularly through the following initiatives:

- partnerships with the leading colleges in the various countries in which the Group operates;
- implementation of a specific compensation strategy designed to attract the most expert profiles;
- advertising campaigns regarding the "employer brand";
- multiplication of collaborative tools and forums to encourage skill-sharing;
- implementation of various high-level training programs tailored to the challenges of the video game sector;
- development of a deep-rooted corporate culture promoting well-being in the workplace and the fulfillment of teams, allowing talents to reach their full potential.

Furthermore, all of the programs introduced by human resources at local and international levels are first and foremost designed to attract, train, retain and motivate team members with strong technical and/or managerial skills: development opportunities, share purchase plans, stock option plans, personal development plans, etc.

Ubisoft pays great attention to retaining a wide range of talents and also monitors the fair and equal treatment of its team members, offering the same hiring, career development, and compensation opportunities for equivalent performance. Any feeling of unfairness among team members would have an adverse effect on their level of commitment and their motivation. To monitor this risk, the Group regularly assesses the level of commitment and well-being of its team members through various satisfaction surveys.

In addition, to strengthen its corporate culture, its ability to attract, develop and retain talented people, their diversity and well-being at work, the Group has created the position of VP Global Diversity and Inclusion (a position that was filled in February 2021) and hired a new Chief People Officer (who took up her position in April 2021) to restructure and strengthen the HR positions.

Occurrence of inappropriate behavior by employees

Identification and description of the risk	Potential impacts on the Group
The values and image of the Group are conveyed on a daily basis by Ubisoft team members. Any inappropriate behavior by Ubisoft employees or its executives (harassment, discrimination, breaches of ethics or Group values, etc.), conduct that is reprehensible or contrary to the Ubisoft code of conduct, infringes on its corporate culture, which aims in particular to promote well-being at work and to encourage its teams to flourish – an essential vector that enables talents to fully express their potential. This type of harmful behavior can lead to the departure of people at all hierarchical levels of Ubisoft (those who feel they no longer fit Ubisoft's values, and those whose unanticipated departure is the result of the application of a zero tolerance policy in this respect), which can lead to a loss of efficiency within the teams and value creation within the Group. Similarly, Ubisoft's reputation and image could be harmed, which could also affect Ubisoft's attractiveness for new talents and lead to distrust of the gaming community. In mid-June 2020, the Group was struck by a movement to denounce toxic and sexist behavior within Ubisoft's teams, which was relayed by social networks and the media. Although Ubisoft has taken this situation very seriously, making every effort to remedy it and has demonstrated its resilience, the Group cannot provide an absolute guarantee that this type of risk will be controlled.	Inappropriate behavior can have multiple consequences: ♦ **operational:** loss of talent, an obstacle to its attractiveness and to retention of talent, loss of efficiency, damage to the reputation and image of the Group that could lead to a decrease in activity in our games, and in revenue; ♦ **legal and financial:** triggering of Ubisoft's liability, financial penalties.

Risk mitigation and control

Faced with the inappropriate behavior of several employees, the Ubisoft group has undertaken structural changes in line with its values, which do not tolerate any toxic behavior whatsoever.

The initiatives carried out include:

- the introduction of mandatory training on harassment and sexism for each team member and, more generally, the annual signing of the code of conduct;
- regular communication of information by e-mail and on the Group's intranet to discuss these issues and raise team member awareness;
- extension of the Group's secure and anonymous whistleblowing platform to collect reports of inappropriate behavior. The allegations thus raised are received and treated by independent external consultants with all the necessary rigor. Recommendations are issued and may lead to appropriate disciplinary measures. Additional investigations may be launched. Other reporting channels are also available to team members (local hotlines, etc.);
- the inclusion – starting in the 2022 financial year – of a qualitative criterion related to exemplary behavior in the variable portion of team member compensation, in order to increase their responsibility for their behavior;
- the creation of the position of VP Global Diversity and Inclusion (a position that was filled in February 2021) to promote diversity, equity and inclusion within Ubisoft;
- the recruitment of a new Chief People Officer (who took up her position in April 2021) to restructure and strengthen the HR positions.

3.1.3 REGULATORY RISKS

New regulations

Identification and description of the risk	Potential impacts on the Group
The introduction of new regulations and any changes leading to the current regulations (general or specific to the video gaming industry) becoming more stringent are liable to constitute a significant risk factor for Ubisoft, in particular with regard to game content, monetization, gaming time, marketing and PR operation, and commercial relations.	Changes to regulations may have multiple consequences: ♦ **technical and operational:** player losses, damage to Ubisoft's reputation either locally or globally, risk of failure by suppliers impacted by regulatory non-compliance; ♦ **legal and financial:** loss of revenue, fines/penalties, overheads linked to the application/integration of new regulations.

Risk mitigation and control

Ubisoft ensures that it complies with applicable regulations and anticipates potential risks by putting in place:

- active legal monitoring of changes to the regulations in the various countries in which the Group is operational;
- regular exchanges with public authorities and regulatory authorities worldwide;
- internal control procedures for compliance with the regulations in force (GDPR [1], CCPA [2], Duty of Care Plan, Sapin 2, etc.) at Group level;
- particular vigilance on the content and functionalities of the games including close proximity to the operational teams in charge of the development of the games and the integration of legal teams upstream of projects;
- protection mechanisms for underage players including the integration of minimum age indicators;
- awareness-raising and training of employees on identified regulatory risks.

Reduction in the level of grants, subsidies, and tax credits

Identification and description of the risk	Potential impacts on the Group
The Group benefits from public policies that support the sector, particularly in France, Canada, the United Kingdom and Singapore. Ubisoft therefore receives grants, subsidies and tax credits in connection with its innovation and research and development activities. Any change to the government policies in these countries could lead to a reduction in the level of these subsidies. The amount and geographical distribution of the grants are detailed in Note 13 to the consolidated financial statements.	Any reduction in the level of the grants, subsidies and tax credits awarded to Ubisoft would have an impact on the Group's production costs and profitability.

Risk mitigation and control

In order to limit the risks related to changes in public policy as far as possible, the Group:

- is adopting a diversification strategy (*via* a presence in multiple countries);
- is making an active contribution to value creation for Governments via the creation of long-term employment and significant investment in education, entrepreneurship and R&D.

(1) General Data Protection Regulations

(2) California Consumer Privacy Act

3.1.4 TECHNOLOGICAL RISKS

Delays by Ubisoft or occurrence of disruptive innovation by a competitor

Identification and description of the risk	Potential impacts on the Group
Ubisoft operates on a market that is becoming increasingly competitive and selective and is subject to concentration, marked by rapid technological changes and economic models requiring significant R&D investment. Although the Group does its utmost to anticipate these new challenges, Ubisoft is exposed to the loss of a major competitive advantage if a competitor introduces a breakthrough innovation in terms of technology, business model or if the Group fails to innovate fast enough to meet the evolving needs of players.	The appearance of innovations and disruptive economic models to which Ubisoft would be unable to adapt with sufficient speed would be liable to cause a loss of market share and compromise profitability and future income.

Risk mitigation and control

In order to limit this type of risk, Ubisoft:

- tries out new business models (free-to-play, etc.);
- continues to offer products in different market segments, including the most innovative markets, so as to be ready to respond if these innovative markets were to explode, and the Group has put partnerships in place with leading market stakeholders;
- carries out innovative research with dedicated teams tasked with planning for the next disruptive events or revolutions, in particular in relation to software, gameplay, or technology;
- created the Tech Advisory Board, made up of several members of Ubisoft, whose objective is to present the main strategic technological challenges to the Group and advise it on the technological orientations to be taken to best meet market expectations;
- makes acquisitions to acquire new technologies (i3D, Kolibri Games, etc.) and/or establishes partnerships (Parsec, etc.).

Inability to respond rapidly to major technological developments

Identification and description of the risk

In a sector in which innovation is a constant, Ubisoft must demonstrate agility in order to respond rapidly to major technological changes. This relates in particular to:

- hardware, in order to cope with the transition to new generations (consoles, PCs, cellphones or new technologies);
- cloud gaming, which provides unparalleled technological power to developers allowing video games to be streamed to any screen whatsoever, which the Group considers as a major opportunity in the long term;
- cross play, which offers players on different platforms (consoles, PC, etc.) the opportunity to play together and have multi-player experiences in an online game.

The Group is doing everything possible to benefit from these technological developments, both in-house through the development of games specifically dedicated to these new methods, and externally by establishing partnerships with traditional stakeholders in this market (Sony, Microsoft, Nintendo), new arrivals (Google, etc.) and expert companies. Nevertheless, Ubisoft is exposed to the risk of a major loss of competitive advantage if the Group were to be unable to adapt its games to suit the new methods and business models generated by cloud gaming, subscriptions, etc., and were to be overtaken or late to the game in comparison with its competitors with regard to these developments or by becoming dependent on external technologies. A lack of anticipation and/or a difficulty in implementing new technological tools (cloud, tools for rapid iteration, cross-play services for multi-player games, etc.) would lead to a lack of agility in the face of market expectations, and could force the Group to have to use the video game sector's standard tools, sometimes developed by its own competitors (loss of independence), or lead to the inadequacy of the production tools for innovations such as the cloud.

Potential impacts on the Group

Any inability on the part of the Group to respond rapidly to major technological developments could lead to:

- a loss of market share;
- a loss of revenue;
- a loss of competitive advantage;
- an inability to reach new players;
- heavy investments to be made urgently (due to a lack of responsiveness), leading to potential organizational difficulties and which would not necessarily be profitable.

Risk mitigation and control

To counter these risks and respond rapidly to technological developments, Ubisoft:

- has secured the services of a large number of experts in the fields of software and hardware engineering and technology, who are among the best in the world;
- operates two "Technologies" groups, tasked with providing production studios with all of the tools necessary for the creation of ambitious, innovative products, while at the same time reducing as much as possible any risk of dependence on external technologies;
- created the "Tech Advisory Board", which brings together all of the Group's "Tech leaders" to help them make the right choices and anticipate future technological breakthroughs;
- is continuing to work with universities on fundamental research projects.

3.2 Risk management and internal control mechanisms

This section sets out the internal control and risk management measures in place. It is based on information and control methods reported by the various parties involved in internal control within Ubisoft and its subsidiaries, as well as the work carried out by the Internal Control Department, at the request of Executive Management and the Audit Committee.

3.2.1 OBJECTIVES AND GENERAL PRINCIPLES

Ubisoft has introduced a range of risk management and internal control measures to pre-empt, identify and address the main internal and external risks facing the Group in the context of its activities and that could have a negative impact on its performance, image, financial position or ability to reach its targets.

To complete this range of measures, Ubisoft refers to the reference framework of France's *Autorité des Marchés Financiers* (French Financial Markets Authority – AMF) and its application guide, updated in July 2010, and to the guidelines issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) updated in 2013.

Internal control and risk management are measures that contribute to the management of activities, the effectiveness of operations, and the efficient use of resources, and which enable appropriate consideration to be given to any material risks, whether operational, financial or compliance risks.

The range of internal control measures is designed in particular to ensure:

- compliance with laws and regulations;
- application of the instructions and policies set down by the Executive Management and the Audit Committee;
- proper functioning of the Group's internal processes, particularly those involving the security of its assets;
- reliability of the financial information published.

The risk management system is a component of internal control. It allows Ubisoft to anticipate and identify the key internal or external risks that could pose a threat and prevent it from achieving its objectives. This management tool seeks in particular to:

- create and preserve the value, assets and reputation of the Group;
- secure the Group's decision-making and processes to help it achieve its objectives;
- contribute to ensuring that all actions are consistent with Group values;
- involve Group team members in a common vision of the principal risks.

Therefore, these measures play a key role in the conduct and monitoring of its activities.

However, Ubisoft is aware that its risk management and internal control system cannot provide an absolute guarantee that its objectives will be met and that all risks will be controlled.

3.2.2 ORGANIZATION OF INTERNAL CONTROL

The internal control system relies on a solid foundation of autonomy and collaboration within the Group's teams, encouraging the alignment of goals, resources and mechanisms deployed. It is based on the clear identification of goals and responsibilities, a human resources policy ensuring that resources and skill levels are sufficient, information systems and tools that are adapted to each team and/or subsidiary. Each subsidiary is responsible for implementing the relevant strategies to achieve these objectives, although the monitoring and verification of the internal control system and risk management is highly centralized by the functional departments.

The internal control systems of each subsidiary include both the application of Group procedures and the definition and application of procedures specific to each business line in terms of its organization, culture, risk factors and operational characteristics. As the parent company, Ubisoft monitors the existence and adequacy of internal control systems and specifically the accounting and financial procedures implemented by fully consolidated entities.

The internal control process undergoes constant modification to adapt to changes in the economic and regulatory environment, the Group's organization and its strategy. During financial year 2021, the Group thus strengthened its internal control and risk management system by creating an internal audit division whose main missions are presented below.

Key parties involved in the internal control system

EXTERNAL AUDITORS/REGULATORS

Board of directors

Its internal rules define the rules of governance that specify the role of the Board of directors assisted to this end by its committees, in particular the Audit Committee tasked with ensuring the quality of internal control.

Audit Committee

- ensures that the Group has reliable procedures that enable the internal control system and the risk identification, assessment and management system to be monitored;
- annually defines the priority internal control objectives that it communicates to the Internal Control Department;
- ensures the implementation of the recommendations made;
- oversees the preparation of the accounting and financial information.

Executive Management *

Responsibilities:

- overseeing the Group's activities and implementation of the strategic and development policies decided by the Board of Directors;
- establishing the procedures and mechanisms deployed to ensure both the functioning and monitoring of the internal control system.

Operational Management

- the major policies and goals are determined by the General Management in each area and approved by the Executive Management before being sent to the subsidiaries;
- each subsidiary has its own general management, its management team and is responsible for implementing the strategies designed to ensure that these goals are achieved;
- the finance and accounting teams, present in all Group subsidiaries, are responsible for performing analysis and control functions, including budgeting and the preparation of the financial statements.

Functional Management

- help to define the key accounting, finance, legal, fiscal, IT and human resources policies, in collaboration with the General Management;
- support the subsidiaries in the implementation of key policies;
- ensure that the internal control system is satisfactory by conducting audits and training sessions in the subsidiaries and issuing recommendations.

These functional management are presented in detail in section 3.2 "Control activities"

Internal control and audit department

Internal control

- prepares and implements the risk management assessment methodology based on an approach focused on the processes that allow the identification of risks and key controls;
- provides support to operational teams through the implementation of internal control tools and software;
- organizes activity monitoring by defining key indicators to assess the relevance of the internal control system and facilitate decision making;
- defines Group procedures aimed at structuring and improving internal control.

Internal audit

Newly created division during financial year 2021

- evaluates the effectiveness of the internal control system and contributes to its improvement through its recommendations, which it monitors;
- performs various audit assignments (investigations when allegations have been made, analyses of operational and financial processes, IT audits, etc.);
- contributes to the development of risk mapping.

* Executive Management appoints the Chairman and Chief Executive Officer Yves Guillemot and the members of the Executive Committee

Clear goals and responsibilities

The division of powers and responsibilities is clearly defined by the organization charts.

In order to enable the various operational teams to achieve their goals, temporary and permanent operational and banking authorizations are granted. These are frequently reviewed by the Treasury Department assisted by the Administration Department and are updated to reflect any changes in roles and responsibilities. Executive Management defines the rules for delegating power to subsidiaries.

Consequently, at an individual level, each subsidiary has local internal control procedures (delegation of bank signing authority, verification of day-to-day transactions, principle of segregation of duties, etc.) to minimize the risk of fraud.

Similarly, budgetary goals are defined annually by the Executive Management and monitored in each subsidiary by the accounting and finance teams. Business performance is monitored by management financial planning teams: at subsidiary level, these teams provide relevant cost analyses to operational managers so that they can make the necessary management decisions. This information is periodically reported in a standard format and is consolidated by registered office teams, who analyze the differences between objectives and actual performance.

Adequate resources and skills

Recruitment, training, and skills management are key elements of the range of internal control measures which ensure, across all areas and in particular those that require specific expertise, the required level of skill, in accordance with the Group's values.

All of the programs introduced by human resources at local and international levels are first and foremost designed to attract, train, retain and motivate team members with strong technical and/or managerial skills by offering them development opportunities, share purchase plans, stock option plans, personal development plans, customized training, etc.

The human resources teams are therefore also tasked with ensuring compliance with local regulations and applying Group policies.

Risk identification and management

In early 2021, in an effort to improve the efficiency of internal processes and strategic monitoring, Ubisoft updated its overall risk mapping carried out in 2019, taking into account the current context of the health crisis linked to the Covid-19 epidemic. The risk mapping is communicated to the Audit Committee and then to the Board of directors and is updated on a regular basis to take into account an environment increasingly exposed to change (regulatory, economic, etc.). The methodology used, based on sending a risk identification and self-assessment questionnaire and conducting additional interviews involving the Group's operational and functional departments, makes it possible to identify and analyze situations and risks scenarios liable to have adverse consequences (strategic, financial, operational, commercial, human, etc.) for Ubisoft. The risks thus identified are then ranked in accordance with their net criticality in order to prioritize the action plans to be put in place to limit the probability of these risks occurring and to minimize the consequences thereof.

The main risk factors that the Group considers to be significant, high priority, and specific to its business, together with the measures designed to control such risks, are described in section 3.1 Risk factors.

Other sources such as summaries of the audit assignments and reviews of subsidiaries drawn up by the Internal Control Department and the comments and recommendations made by the Statutory auditors are also taken into consideration when defining the actions to be taken.

Combating corruption

In order to comply with the requirements imposed by article 17 of the law of December 9, 2016 on transparency, combating corruption, and the modernization of the economy (known as the "Sapin 2 Law"), Ubisoft has reinforced its range of risk management and internal control measures by integrating a program to prevent corruption and influence peddling.

To do this, the Group has an intranet dedicated to the prevention of corruption, with the aim of providing all team members with the resources necessary in order to act in accordance with the principles of integrity defined by the Group. This intranet site allows them to access:

- the Ubisoft code of conduct: This in particular defines the behaviors to be banned as liable to constitute acts of corruption or influence peddling. This is also a decision-making guide that covers a large range of subjects, from the prevention of corruption to environmental protection, which explains to team members how to respond to the most frequent and the most critical situations in the context of their work, such as confidentiality of information, accepting gifts from suppliers, data protection, conflicts of interest, etc. In financial year 2021, the Group completely overhauled the current code of conduct in order to make it more comprehensive and explicit. In particular, the topics related to the Sapin 2 Law were strengthened by including a specific section on the whistleblowing system and by clarifying the principles and what is expected of the Group's team members. The distribution of this new code of conduct, translated into 17 languages, is scheduled for the end of the first half of 2021;
- a secure and anonymous online whistleblowing platform enabling employees who witness situations that are in breach of the code of conduct to submit this information;
- an online training program enabling them to identify and react in response to potential situations of corruption which may arise in a professional context.

In parallel with this training program, those team members who have the greatest exposure to risks of corruption and influence peddling, such as management or purchasing staff, have received special training and awareness-raising on these aspects;

- the disciplinary regime which sets out the sanctions for any breaches of the code of conduct.

In addition, at the beginning of 2021, Ubisoft started an update of the corruption risk mapping established in 2018 in order to define the priority actions to be implemented and to adapt the existing accounting controls accordingly to ensure that the accounts are not used to conceal acts of corruption or influence peddling.

The Group is continually working to strengthen this prevention system. In 2021, to perfect the procedures for assessing the integrity of high-risk third parties, the Group commissioned external consultants to carry out a diagnosis of its current assessment system.

In order to ensure the implementation and effectiveness of the measures used to prevent and detect corruption (the law known as "Sapin 2"), a range of internal control and assessment measures have been put in place.

Adapted solutions and operating methods

The IT teams provide the different business lines with solutions that are adapted to their activities. They define, implement and operate these solutions. The range of solutions used includes commercial software as well as IT solutions developed in-house. This range is constantly evolving in line with the ever increasing requirements in managing and analyzing information, while ensuring compliance with the security standards in place at Ubisoft.

In particular, the Internal Control Department has a risk management information system enabling industrialization and real-time monitoring of the progress of the periodic controls carried out by the subsidiaries, in particular under the law known as "Sapin 2", as well as the modeling of the operational processes of the subsidiaries.

Similarly, each subsidiary and team strives to continuously improve processes and documentation. This also involves frequently reviewing and updating procedures to ensure uniform application. These procedures are made available to the relevant teams through collaborative tools developed by the Group.

Procedures associated with the preparation of accounting and financial information are described in section 3.2.4.

3.2.3 CONTROL ACTIVITIES

In addition to the risk management system, the Group has many control processes at all levels of the Company. Functional departments at registered office play a crucial role in ensuring that subsidiaries' initiatives comply with Group guidelines and providing support for risk management, especially when local teams lack sufficient expertise.

The centralized organization of these support functions enables consistent dissemination of the major policies and goals of the Executive Management:

- **the Financial Planning Department** is responsible for analyzing the Company's performance using operational monitoring based on monthly reports from all Group subsidiaries. It also coordinates meetings between the Executive Management and the Operational and Finance Departments at which the various reporting indicators are reviewed and the differences between actual performance and initial forecasts are analyzed, enabling the quarterly, interim, annual and multiannual forecasts to be fine-tuned on the basis of actual figures and market outlooks as received from local and operational teams. The financial controllers monitor the whole financial reporting cycle and constantly query subsidiaries on their performance levels, earnings and business activity. They then define and distribute the financial objectives for the current financial year. The Financial Planning Department also carries out an annual in-depth review of the multiannual forecasts (3 or 5 years), ensuring consistency with the strategic decisions made by the Group. These processes taken together represent a major component of the Group's internal control system and an ideal tool for monitoring the operations of subsidiaries. They allow the Financial Planning Department to have the role of alerting the Executive Management to the financial consequences and the levels of performance of the different operations undertaken whenever necessary. Furthermore, the Financial Planning Department regularly performs an alignment of management processes and improves its management tools, in addition to establishing defined management standards with the Information Systems Department so as to provide a common language for all team members to work with;
- the role of the **Consolidation Department** is to monitor standards, to define the Group's accounting policies, to produce and analyze the consolidated financial statements, and to prepare the accounting and financial information. It is the main point of contact for the Statutory auditors during the half-yearly reviews and annual audits.

  The IFRS accounting standards applicable to the Group are identified by the Consolidation Department and systematically distributed via the online accounting policies manual accessible by all accounting and financial services. Technical monitoring is carried out by the team that organizes and manages the updating process via instructions or training.

  The Consolidation Department centralizes all expertise on the preparation and analysis of the Group's monthly, interim and annual consolidated financial statements. It audits the accounting information received from subsidiaries, checks its compliance with the accounting policies manual and performs reconciliations to ensure the standardization of procedures. A detailed report is sent to Executive Management each month so that the Group's performance may be monitored and analyzed. It ensures compliance with applicable standards and regulations so as to provide a true picture of the Group's business activities and position;
- **the Treasury Department** checks the suitability and compatibility of exchange rate and liquidity risk management policies, as well as the financial information published. It arranges foreign exchange derivative contracts and coordinates cash flow management at French and foreign subsidiaries, in particular by overseeing the dissemination of cash pooling solutions and cash flow projections. It centralizes and verifies the authorization granted to a limited number of team members, who are exclusively authorized by the Executive Management to handle certain financial transactions, subject to pre-defined thresholds and

authorization procedures. The Treasury Department provides support to the Group's subsidiaries in the implementation of tools for enhancing controls and the security of means of payment;

- acquisitions are managed by the **Acquisitions Department**, which reports to the Finance Department in close collaboration with the Legal Department. The Acquisitions Department examines and assesses the strategic interest of the planned total or partial takeover of a company and submits the relevant proposal to the Executive Management, which makes the final decision, given that, if in excess of a certain acquisition value, the decision must first be approved by the Board of directors;
- **the Legal Department** is comprised of specialists in all legal business matters and particularly in acquisition law, company law, contract law, employment law and intellectual property law. It is responsible for developing innovative legal solutions that comply with current regulations in the various countries in which Ubisoft operates. Working in close partnership with the operational teams, the lawyers work upstream to identify the best strategy, to assess and manage risks and to provide support in implementing said solutions. The legal teams provide support to all subsidiaries with regard to their legal issues and are involved at every stage of their projects (from concept and production to marketing and distribution). They coordinate external growth operations, prepare and implement strategies and contractual relations (particularly in the development of new products, the hiring of new staff in France or abroad, and negotiations with new partners). They manage the portfolio of industrial property, handle any disputes and continually monitor regulatory changes in the various countries in which Ubisoft operates;
- **the Tax Department** assists and advises the Group's French and foreign companies with the analysis of the tax aspects of their projects. In coordination with external tax consultants, it ensures the Group's tax security by organizing risk prevention, identification and management. It determines the Group's transfer pricing policy and ensures compliance with reporting requirements;
- **the Information Systems Department** is involved in selecting IT solutions, ensures their consistency, and monitors their technical and functional compatibility. The IT Department monitors the progress of IT projects and ensures that they are compatible with requirements, existing systems, budgets, etc. A periodic review of medium-term projects is also carried out to take into account changes in the Company, priorities and constraints.

The Risk Security and Management Department is responsible for ensuring and organizing the protection of Ubisoft activities, which include but are not limited to the security of applications, information systems, online games, human resources and property. To this end, rules and control measures are established with the aim of preventing and managing risks. These internal policies and procedures are reviewed regularly, circulated and adapted to maximize their efficiency.

3.2.4 INTERNAL CONTROL OF THE PREPARATION OF FINANCIAL AND ACCOUNTING INFORMATION

The internal control procedures relating to the preparation of financial and accounting information are aimed in particular at guaranteeing:

- compliance with accounting rules and the correct application of the principles used for the preparation of the accounts;
- the quality of the information escalated which is used for the preparation of the accounts;
- that fraud and accounting irregularities are, as far as possible, prevented and detected;
- reliability of the financial information published.

These are mainly implemented via the various accounting, financial and IT departments.

Organization and security of the financial information systems

With a view to continually improving its information system and ensure the integrity of accounting and financial data, the Group invests in implementing IT solutions and procedures to meet the requirements and constraints both of the local teams and of the Group, while at the same time reinforcing the measures put in place for the separation of tasks and the improvement of the control of access rights.

Most of the subsidiaries are integrated in PeopleSoft – Oracle for the accounting and management of operational flows (procurement, logistics, etc.). This centralized application, which uses a single database, allows the sharing of frameworks and transaction formats (product database, customer and supplier files, etc.).

With a view to integrating and automating accounting and financial solutions, the Group implements PeopleSoft – Oracle in its new subsidiaries. The computerization of data exchange (interfaces between accounting systems and the consolidation system, daily integration of banking entries, automated payment issuing, etc.) optimizes and improves processing and guarantees greater reliability of accounting processes.

The consolidation and management forecasting applications are used by all Group companies, providing an exhaustive and standardized view of business activities, and accounting and financial data. They thus help improve the effectiveness of information processing.

Similarly, special attention is paid to the security of IT data and processing. The Risk Security and Management Department is constantly working with IT to improve levels of control to ensure:

- availability of online services and systems;
- data availability, confidentiality, integrity and traceability;
- protection of online services from unauthorized access;
- monitoring of the network against internal and external threats;
- data security and recovery.

These systems are mainly housed in our internal data centers but also at partners providing cloud-based services and software as a service (SaaS). Security audits are carried out both upstream and downstream within the context of our quality audit to ensure the security of the information system.

Financial statement preparation and consolidation process

The financial statements of each subsidiary are drawn up, under the responsibility of their manager, by the local accounting departments, which ensure compliance with country-specific regulatory and tax constraints. For those subsidiaries with the greatest contribution in terms of sales or capitalized production, Statutory auditors conduct:

- limited reviews at the half-year closing (thereby enabling coverage of 85% of Group sales and 70% of capitalized production);
- full audits or limited reviews at annual closing depending on the size of the subsidiary (thereby enabling coverage of 93% of Group sales and capitalized production).

Reporting of accounting information, in standardized monthly reports, is carried out on the basis of a schedule established by the Consolidation Department and approved by the Administration Department. Each subsidiary must apply existing Group procedures to the recording of accounting data for monthly reporting, half-year and annual financial statements and quarterly forecasts.

Reporting for subsidiaries is compiled in accordance with the IFRS applicable to the Group. These are identified by the Consolidation Department and systematically distributed via the online accounting policies manual accessible by all accounting and financial services. Consolidation packages for subsidiaries with a contribution of more than 0.5% of sales or capitalized production are subject to either a limited review or an audit, if necessary, to ensure the proper application of Group principles.

The subsidiaries' accounting information is uploaded, reconciled and then consolidated in a central software solution, HFM from Oracle, under the responsibility of the Consolidation Department. This software supports automatic verification and consistency checking of flows, the statement of financial position, specific line items in the income statement, etc. It also allows fast, reliable data reporting and is designed to make the consolidated financial statements secure.

The Group has taken measures to shorten the process of preparing the consolidated financial statements and to make it more reliable. For example, the Consolidation Department has drawn up procedures, which are updated periodically, enabling subsidiaries to optimize understanding and effectiveness of the solutions, and to guarantee the standardization of published accounting and financial data:

- drawing up a Group chart of accounts;
- implementing automatic mapping between the separate financial statements and the consolidated financial statements;
- drawing up a user manual for the consolidation statement;
- drawing up a consolidation manual;
- drawing up an accounting policies manual.

The Consolidation Department also carries out ongoing monitoring so as to track and anticipate changes to the regulatory framework applicable to Group companies.

Accounting and financial information validation procedures

Ubisoft's accounting and financial information is prepared by the Administration Department under the supervision of the Chairman and Chief Executive Officer, with the Board of directors responsible for final approval, based on a presentation by the Audit Committee.

The consolidated financial statements are subject to a limited review as at September 30th and an audit as at March 31st by the Group's Statutory auditors. The Administration Department works in constant collaboration with the Statutory auditors to coordinate the year-end process and to anticipate significant accounting treatments.

One-off assignments during the financial year, such as pre-closing reviews prior to each interim and annual closing date, make it possible to forecast and assess specific accounting issues in advance. This systematic review eases finalization at the statement of financial position closing date and reduces the time needed to prepare the consolidated financial statements.

At international level, the audit of the financial statements in certain subsidiaries is carried out by the KPMG and Mazars networks, co-Auditors for the holding company. Their local representative does everything required as regards the Statutory auditors. This organization helps to standardize audit procedures.

The Group announces its sales on a quarterly basis and its earnings every six months.

The Consolidation Department checks and delivers the accounting information included in the Group's financial releases that relate to the consolidated financial statements.

External financial information management process

The Financial Communications Department distributes the financial information required for the Group's strategy to be understood to shareholders, financial analysts, investors, etc.

All financial and strategic releases are reviewed and approved by the Executive Management. Financial information is published in strict compliance with market regulations and in keeping with the principle of equal treatment of shareholders.

3.2.5 ONGOING SUPERVISION OF THE INTERNAL CONTROL SYSTEM

The introduction of an overall formalized approach to internal control thus allows:

- the quality of controls in subsidiaries to be understood, particularly by means of:
  - ensuring that risk levels associated with their business and functional organization are taken into account,
  - ensuring that activities carried out locally are in line with Group strategy and guidelines,
  - justifying investments and expenditure,
  - evaluating the efficient utilization of resources (human, material or financial);
- the improvement of operational and financial practices by means of corrective and optimization initiatives to remedy shortcomings;
- effective monitoring of compliance with these procedures and controls.

To ensure the continual improvement of the Internal Control measures in place, the Group continued its efforts in 2020-2021, with the following actions in particular:

- further strengthening of the anti-corruption program as part of the project to ensure compliance with the law of December 9, 2016 on transparency, the fight against corruption and the modernization of the economy (known as the “Sapin 2” law) – *see section 3.2.2 – Organization and internal control/Combating corruption*;
- the updating of the Group’s global risk mapping;
- an IT audit to assess the level of internal control of the accounting information system and thus contribute to its improvement through the recommendations issued;
- the drawing up of Group procedures aimed at structuring and improving internal controls.

In 2021-2022, the Group will continue to support its subsidiaries with a proactive approach to the assessment of operational risk and the definition of action plans and the corresponding controls.

In addition, the Audit Committee, which comprises three independent directors receives regular updates on the roll-out of internal control measures, the results of the reviews carried out within subsidiaries, any major risk identified in the context of the risk mapping exercise, and also on the monitoring of the action plans relating to the control of such risks. It thereby guarantees the effectiveness of the internal control systems, risk management, and the security of the Group’s IT systems.

The Audit Committee is also tasked with monitoring the process used for the preparation of financial and accounting information. It examines the annual and half-year consolidated financial statements as well as the conclusions of the Statutory auditors prior to their presentation to the Board of directors.

3.2.6 INSURANCE AND RISK COVERAGE

The insurance management policy falls under the general scope of risk management. It aims to protect the Group and its staff against the consequences of certain potential and identified events that could have an impact on it or them.

So as to take advantage of its international presence, Ubisoft combines the standardized coverage of global risks with the specific management of local risks.

The main insurance programs coordinated by the Group relate to:

- **commercial liability insurance:** this worldwide program offers coverage for:
  - operations liability,
  - product liability – including the removal of goods,
  - professional liability.

  This program provides standardized and coordinated coverage for all Ubisoft subsidiaries;
- **transport and storage insurance:** the Group acts as a service platform offering arranged coverage, up to a maximum limit. All European and Canadian subsidiaries are covered;
- **civil liability insurance for corporate officers:** this is in place to cover any claims made against de jure or de facto executives, as well as defense and ancillary costs;
- **customer credit risk insurance:** in order to protect itself against the risks of non-payment, the Group has set up a global risk pooling policy that covered 83.5% of Group sales excluding digital at the end of March 2021.

Moreover, other insurance is for its part managed locally by the entities, with support from the registered office:

- **property damage and trading loss insurance:** this type of insurance is monitored directly by the subsidiaries so as to take account of the specific nature of their businesses and any local insurance opportunities;
- **specific coverage,** such as insurance for building and construction work, vehicle insurance, employee health and retirement benefits, occupational accidents, business travel, or expatriation. These are put in place in accordance with local regulations and requirements.

Through these programs, the Group aims to offer comprehensive and extensive coverage for risks and pays particular attention to the financial conditions offered.

Total premiums paid on insurance policies in force during the financial year ended March 31, 2021 amounted to €2 million excluding credit insurance.

4 Corporate governance report

This chapter constitutes the report of the Board of directors on corporate governance presented to the Shareholders' General Meeting, in accordance with the provisions of articles L. 225-37, paragraph 6, L. 225-37-4 and L. 22-10-8 to L. 22-10-11 of the French commercial code.

It was presented to the Nomination, Compensation and Governance Committee prior to its adoption by the Board of directors at its meeting of May 11, 2021.

The main parties involved in preparing and drawing up the report are the Chairman and Chief Executive Officer, the members of the Board of directors and of the committees, working in close collaboration with the Administration Department in charge of its preparation, assisted by the Human Resources Department.

ABBREVIATIONS USED IN THE CONTEXT OF THIS CHAPTER

Ubisoft Share(s): Ubisoft Entertainment SA ordinary share(s) listed on the Euronext Paris market.

General Meeting: Shareholders' General Meeting

General Meeting 2019: Combined General Meeting of July 2, 2019

General Meeting 2020: Combined General Meeting of July 2, 2020

General Meeting 2021: Combined General Meeting of July 1, 2021

AGA: Free ordinary share allocation

AGAP: Free preference share allocation

OS: Ordinary shares

Board: Board of directors

CNRG: Nomination, Compensation and Governance Committee

CSR Committee: Corporate Social Responsibility Committee

CEO: Chief Executive Officer

EVP: Executive Vice-President

Chairman and CEO: Chairman and Chief Executive Officer

SOP: Share purchase and/or subscription options

4.1 Corporate governance

The Company is committed to applying the best corporate governance practices in order to ensure efficient, transparent governance, in keeping with the long-term interest of the Company and all of its stakeholders.

To this effect, the Board relies on the work of its committees and lead director, and on:

- the feedback from the governance roadshows conducted every year with the governance teams of Ubisoft's main shareholders and proxy advisors, in the presence, where appropriate, of the lead director and the President of the CNRG;
- the recommendations of the Afep-Medef Corporate Governance Code for listed companies revised in January 2020 (the "Afep-Medef Code");
- the results of assessments of the functioning of the Board and its committees (*see 4.1.2.3.4*);
- lastly, the succession plans, which are reviewed on an annual basis.

The Board makes sure that Ubisoft's governance bodies operate in a smooth and efficient way, with due regard to the balance of powers, thanks to the existence of solid checks and balances (*see 4.1.2.2.1*).

4.1.1 PRESENTATION OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

4.1.1.1 Summary presentation at May 11, 2021

Committee President · Audit Committee · Nomination, Compensation and Governance Committee · Corporate Social Responsibility Committee

DIRECTORS

13

55.38 YEARS
AVERAGE AGE

11 appointed by the General Meeting

OF WHICH

1 Director representing employee shareholders

AND

2 Directors elected by employees

INDEPENDENT DIRECTORS (1)

50%

OF WHICH

100% within the Audit Committee and the CNRG

and

50% within the CSR Committee

1

INDEPENDENT LEAD DIRECTOR

% FOREIGN NATIONALITY (3)

31%

PARITY (%) WOMEN/MEN

40% (2)

COMMITTEE PRESIDENCY WOMEN AND INDEPENDENT

100%

(1) The directors representing employees and employee shareholders are not taken into account in the calculation of the independence rate of the Board and its committees, in accordance with the Afep-Medef Code

(2) The directors representing employees and employee shareholders are not taken into account in the calculation of this percentage, in accordance with articles L. 225-27-1, II and L. 225-23 of the French commercial code

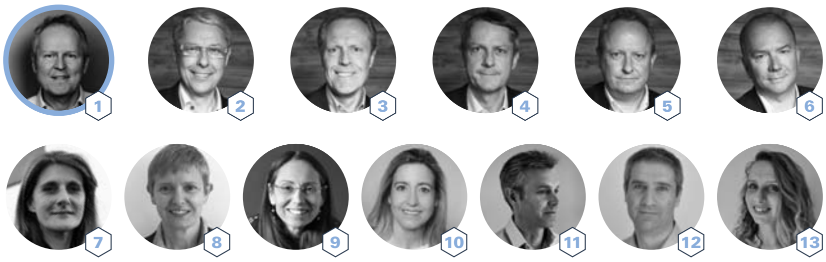
(3) Including two dual nationals/three women directors who are also based abroad

13

DIRECTORS

97% (1)

Average attendance rate at meetings of the Board of directors in FY21



50% (2)

Independence rate of directors

40% (3)

Percentage women

1. **Yves GUILLEMOT**
   Chairman and Chief Executive Officer
   Director
   60 years old
   French
2. **Claude GUILLEMOT**
   Executive Vice-President in charge of operations
   Director
   64 years old
   French
3. **Michel GUILLEMOT**
   Executive Vice-President in charge of development, strategy and finance
   Director
   62 years old
   French
4. **Gérard GUILLEMOT**
   Executive Vice-President in charge of publishing
   Director
   59 years old
   French-American
5. **Christian GUILLEMOT**
   Executive Vice-President in charge of administration
   Director
   55 years old
   French
6. **Didier CRESPEL**
   INDEPENDENT lead director
   59 years old
   French
7. **Laurence HUBERT-MOY**
   INDEPENDENT director
   59 years old
   French
8. **Florence NAVINER**
   INDEPENDENT director
   58 years old
   French
9. **Corinne FERNANDEZ-HANDELSMAN**
   INDEPENDENT director
   59 years old
   French
10. **Belén ESSIOUX-TRUJILLO**
    INDEPENDENT director
    55 years old
    Spanish
11. **John PARKES**
    Director representing employee shareholders
    51 years old
    French-English
12. **Lionel BOUCHET**
    Director representing employees
    47 years old
    French
13. **Anne WÜBBENHORST**
    Director representing employees
    32 years old
    German

(1) Based on eight meetings (not included: two decisions taken by written consultations pursuant to article 9 of Order no. 2020-321 of 03/25/20)
(2) Directors representing employees and employee shareholders are not taken into account, in accordance with the Afep-Medef Code
(3) Directors representing employees and employee shareholders are not taken into account in accordance with articles L. 225-27-1, II and L. 225-23 of the French commercial code

AUDIT COMMITTEE

Florence NAVINER
President
Independent director

Laurence HUBERT-MOY
Independent director

Didier CRESPEL
Independent director

100%	67%	5	93%
Independence ratio	Women	meetings FY21	Attendance

NOMINATION, COMPENSATION AND GOVERNANCE COMMITTEE

Laurence HUBERT-MOY
President
Independent director

Corinne FERNANDEZ-HANDELSMAN
Independent director

100%	100%	6	100%
Independence ratio	Women	meetings FY21	Attendance

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corinne FERNANDEZ-HANDELSMAN
Independent director

Gérard GUILLEMOT
Director

Lionel BOUCHET
Director representing employees

50% (1)	50% (2)	4	100%
Independence ratio	Women	meetings FY21	Attendance

(1) The director representing employees is not taken into account, pursuant to the Afep-Medef Code
(2) The director representing employees is not taken into account, pursuant to article L. 225-27-1, II of the French commercial code

4

4.1.1.2 Individual presentation of the members of the Board of directors and committees

4.1.1.2.1 SUMMARY PRESENTATION AT MAY 11, 2021

	Personal information				Position within the Board			Attendance (FY21)				Offices in listed companies (outside the Ubisoft group)
Name	Age	Gender	Nationality	Number of shares (05/11/21)	Start of 1st term	End of current term of office	Years of presence on the Board	Board of directors (1)	Audit Committee	CNRG	CSR Committee	
EXECUTIVE MANAGEMENT												
Yves Guillemot Chairman and CEO	60	M	French	973,951 (2)	02/28/88	2024	33	100%	-	-	-	-
Claude Guillemot EVP	64	M	French	745,369	02/28/88	2021	33	100%	-	-	-	1
Michel Guillemot EVP	62	M	French	495,918	02/28/88	2021	33	100%	-	-	-	1
Gérard Guillemot EVP	59	M	French-American	456,284	02/28/88	2024	33	88%	-	-	100% (4)	1
Christian Guillemot EVP	55	M	French	112,135	02/28/88	2021	33	100%	-	-	-	1
DIRECTORS DEEMED INDEPENDENT												
Didier Crespel	59	M	French	320	11/20/13	2021	8	100%	100%	-	-	-
Laurence Hubert-Moy	59	F	French	414	06/27/13	2021	8	100%	100%	100% (4)	-	-
Florence Naviner	58	F	French	315	09/29/16	2024	5	75%	80% (4)	-	-	-
Corinne Fernandez-Handelsman (5)	59	F	French	190	09/22/17	2023	4	100%	-	100%	100%	-
Belén Essioux-Trujillo	55	F	Spanish	0	12/08/20	2023	<1	100% (6)	-	-	-	-
DIRECTOR REPRESENTING EMPLOYEE SHAREHOLDERS												
John Parkes	51	M	French-English	0 (3)	07/02/20	2024	<1	100% (7)	-	-	-	-
DIRECTORS REPRESENTING EMPLOYEES												
Lionel Bouchet	47	M	French	148 (3)	03/07/18	2022	3	100%	-	-	100%	-
Anne Wübbenhorst	32	F	German	0 (3)	12/16/20	2024	<1	100% (6)	-	-	-	-

(1) Based on eight meetings (not included: two decisions taken by written consultations pursuant to article 9 of Order no. 2020-321 of 03/25/20)
(2) Of which 394 preference shares (AGAP of 12/14/16) without voting rights
(3) Held personally: excluding employee share ownership plans
(4) Committee President in FY21
(5) CSR Committee President since 04/07/21
(6) One Board meeting out of eight held between the date of appointment and/or election and 03/31/21
(7) Five Board meetings out of eight held between the date of appointment and 03/31/21 (1)

4.1.1.2.2 LIST OF OFFICES AND POSITIONS OF CORPORATE OFFICERS AT MARCH 31, 2021

60 years old

French

1st appointment (director)
02/28/88

End of current term
General Meeting 2024

Number of shares at 03/31/21
973,951 (1)

Number of appointments (director/member of the Supervisory Board of listed companies): **1**

Ubisoft Entertainment SA

Yves GUILLEMOT

Chairman and Chief Executive Officer/Director

Fresh out of business school, Yves Guillemot and his four brothers embarked on an adventure in the nascent video game industry and founded Ubisoft in 1986. Early on, they understood that creating original content in-house and developing proprietary brands would be key to Ubisoft's success. Originating from the word "ubiquity", Ubisoft immediately announced its intention to be present with all players worldwide. Yves Guillemot was appointed Chairman by his brothers. He established Ubisoft's strategy of using ground-breaking technologies or changing habits to innovate, create brands and capture market share. With a strong focus on organic growth, he developed an organization recognized for its top-ranking talents and collaborative approach.

For 35 years, Yves Guillemot has been supporting Ubisoft's growth in a constantly evolving industry. Under his leadership, Ubisoft's passionate teams have been able to make the most of technological breakthroughs to innovate and reinforce player commitment. His extensive professional experience is highly valued by international groups such as Andromède, where he sits on the Board.

Yves Guillemot was named Entrepreneur of the Year by Ernst & Young in 2009 and 2018, and Glassdoor elected him one of the Top 2 most esteemed CEOs in France in 2018. In March 2020, at the Pegase awards (French academy of video game arts and technique), he received a Prize of Honor in recognition of his entire career.

Expertise brought to the Board of directors:

- Video game industry
- International strategy and innovation
- Finance
- Governance and management

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France

President of Ubisoft Annecy SAS, Ubisoft Production Internationale SAS, Ubisoft International SAS, Ubisoft Paris SAS, Ubisoft Montpellier SAS, Ubisoft France SAS, Ubisoft EMEA SAS, Nadéo SAS, Owlient SAS, Ubisoft Motion Pictures Rabbids SAS, Ubisoft Création SAS, Ivory Tower SAS, Ubisoft Bordeaux SAS, 1492 Studio SAS, Green Panda Games SAS, Puzzle Games Factory SAS, Solitaire Games Studio SAS
General Manager of Ubisoft Motion Pictures SARL, Ubisoft Mobile Games SARL, Ubisoft Paris - Mobile SARL, Ivory Art & Design SARL

Abroad

General Manager of Ubisoft Blue Byte GmbH (Germany), Ubisoft GmbH (Germany), Kolibri Games GmbH (Germany), Ubisoft Studios Srl (Italy), Ubisoft EooD (Bulgaria), Ubisoft Sarl (Morocco), Blue Mammoth Games LLC (United States), Dev Team LLC (United States), i3D.net LLC (United States)
CEO and Director of Ubisoft Emirates FZ LLC (United Arab Emirates)
Director of Ubisoft Pty Ltd (Australia), Ubisoft SA (Spain), Ubi Studios SL (Spain), Ubisoft Ltd (United Kingdom), Ubisoft Reflections Ltd (United Kingdom), Hyper Beats Ltd (United Kingdom), Future Games of London Ltd (United Kingdom), Ubisoft Ltd (Hong Kong), Ubisoft SpA (Italy), Ubisoft KK (Japan), Ubisoft Osaka KK (Japan), RedLynx OY (Finland), Ubisoft BV (Netherlands), BMG Europe BV (Netherlands), Performance Group BV (Netherlands), i3D.net BV (Netherlands), SmartDC BV (Netherlands), SmartDC Heerlen BV (Netherlands), Ubisoft Srl (Romania), Ubisoft Entertainment Sweden AB (Sweden), Ubisoft Fastigheter AB (Sweden), Ubisoft Singapore Pte Ltd (Singapore), Ubisoft Barcelona Mobile SL (Spain), Ubisoft DOO Beograd (Serbia)
President and Director of Ubisoft Entertainment Inc. (Canada), Hybride Technologies Inc. (Canada), Ubisoft Toronto Inc. (Canada), Ubisoft Music Publishing Inc. (Canada), Ubisoft Winnipeg Inc. (Canada), Ubisoft Nordic A/S (Denmark), Ubisoft CRC Ltd (United Kingdom), Ubisoft Entertainment India Private Ltd (India), Red Storm Entertainment Inc. (United States)
Executive Director of Shanghai Ubi Computer Software Co., Ltd. (China), Chengdu Ubi Computer Software Co., Ltd. (China)
Vice-President and Director of Ubisoft Inc. (United States)
President of Dev Team LLC (United States)
Chairman and CEO of Ubisoft Vietnam Company Limited (Vietnam)

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CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21	
France	**Abroad**
Director of AMA SA, Andromède SAS **Executive Vice-President** of Guillemot Corporation SA (2) **Chief Executive Officer** of Guillemot Brothers SAS	**Director and Executive Vice-President** of Guillemot Brothers Ltd (United Kingdom) **Director** of Playwing Ltd (United Kingdom), AMA Corporation Ltd (United Kingdom) **Director** of Guillemot Ltd (United Kingdom), Guillemot Inc. (United States), Guillemot Inc. (Canada)

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)	
France	**Abroad**
General Manager of Ubisoft Learning & Development SARL, Script Movie SARL **President** of Ubisoft Motion Pictures Assassin's Creed SAS, Ubisoft Motion Pictures Splinter Cell SAS, Ketchapp SAS, Krysalide SAS	**General Manager** of Ubisoft Entertainment SARL (Luxembourg) **Director** of SmartDC Holding BV (Netherlands) **President and Director** of Ubi Games SA (Switzerland), Ubisoft L.A. Inc. (United States), Script Movie Inc. (United States)

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)	
France	**Abroad**
Member of the Supervisory Board of Lagardère SCA (2) **Executive Vice-President and Director** of Gameloft SE (3) **Director** of Guillemot Corporation SA (2), Rémy Cointreau SA (2)	**Director** of Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada)

(1) Of which 394 preference shares (AGAP of 12/14/16) without voting rights (see 4.2.3.3)

(2) Listed company

(3) Listed company delisted from Euronext Paris on 07/26/16

Claude GUILLEMOT

Executive Vice-President in charge of operations/Director

Claude Guillemot is the Chairman and Chief Executive Officer of Guillemot Corporation, which specializes in audio solutions under the Hercules brand and gaming accessories for PC, mobiles and consoles under the Thrustmaster brand. Since 1997, he has been in charge of the development of the Company that markets these products in more than 100 countries, with the backing of several R&D and logistics centers in Europe, Canada and China.

Claude Guillemot co-founded Ubisoft in 1986. He sits on Ubisoft's Board of directors and is Executive Vice-President in charge of Operations. He provides entrepreneurial spirit to the Board of directors of Ubisoft, as well as his international experience of Asia, where he lived, and his in-depth knowledge of gaming technologies for PCs, consoles and accessories.

Claude Guillemot holds a Master's Degree in Economic Science from Rennes 1 University (France) and an Industrial Computing Certificate from ICAM (Lille, France).

Expertise brought to the Board of directors:

- Hardware technologies
- International development

64 years old

French

1st appointment (director)
02/28/88

End of current term
General Meeting 2021

Number of shares at 03/31/21
745,369

Number of appointments (Director/member of the Supervisory Board of listed companies): **2**

Ubisoft Entertainment SA
Guillemot Corporation SA

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	**Director** of Ubisoft Nordic A/S (Denmark), Ubisoft Emirates FZ LLC (United Arab Emirates) **Alternate Director** of RedLynx OY (Finland), Ubisoft Entertainment Sweden AB (Sweden), Ubisoft Fastigheter AB (Sweden)

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
Chairman and Chief Executive Officer and Director of Guillemot Corporation SA (1) **President** of Hercules Thrustmaster SAS, Guillemot Innovation Labs SAS **Chief Executive Officer** of Guillemot Brothers SAS **Director** of AMA SA	**President and Director** of Guillemot Inc. (Canada), Guillemot Recherche & Développement Inc. (Canada), Guillemot Inc. (United States) **Director and Executive Vice-President** of Guillemot Brothers Ltd (United Kingdom) **Executive Director** of Guillemot Electronic Technology (Shanghai) Co., Ltd (China) **Director** of Guillemot SA (Belgium), Guillemot Ltd (United Kingdom), Guillemot Corporation (HK) Ltd (Hong Kong), Guillemot Srl (Italy), Guillemot Romania Srl (Romania), Guillemot Spain SL (Spain) **Director** of Playwing Ltd (UK), AMA Corporation Ltd (United Kingdom) **General Manager** of Guillemot GmbH (Germany)

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
Executive Vice-President and Director of Gameloft SE (2)	**Director** of Gameloft Divertissements Inc. (Canada), Gameloft Ltd (United Kingdom), Gameloft Live Developments Inc. (Canada), Gameloft Madrid SL (Spain)

(1) Listed company

(2) Listed company delisted from Euronext Paris on 07/26/16

Michel GUILLEMOT

Executive Vice-President in charge of development, strategy and finance/Director

62 years old

French

1st appointment (director)
02/28/88

End of current term
General Meeting 2021

Number of shares at 03/31/21
495,918

Number of appointments (Director/member of the Supervisory Board of listed companies): *2*

Ubisoft Entertainment SA
Guillemot Corporation SA

Passionate about IT, Michel Guillemot founded Guillemot International Software in 1984. At the time, the Company was positioned in a niche segment – the distribution and import of video games – in which it rapidly became the French leader.

In 1986, Michel Guillemot co-founded Ubisoft with his brothers. In charge of the creation of Ubisoft's studios, he took part in the Company's first major production – Rayman. He then co-founded Gameloft, which he steered toward the development of mobile games, and managed from 2001 to 2016. Under his leadership, Gameloft experienced strong growth and became a major player in the global market. Michel Guillemot is now developing new companies specializing in artificial intelligence (AI).

He is a member of the Board of directors of Ubisoft and Executive Vice-President of Development, Strategy and Finance. He brings to the Board of directors his in-depth knowledge of mobile games and the mechanisms to attract and engage a mass-market audience, as well as his expertise in all AI aspects.

He graduated from EDHEC business school and holds a degree (DECS) in accounting.

Expertise brought to the Board of directors:

- IT
- Video game industry
- Mobile industry
- Finance

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France

Executive Vice-President and Director of Guillemot Corporation SA [1]
Chief Executive Officer of Guillemot Brothers SAS
Director of AMA SA

Abroad

Director and Executive Vice-President of Guillemot Brothers Ltd (United Kingdom)
Director of Playwing Ltd (United Kingdom), Artificial Intelligence Research Lab Ltd (United Kingdom), AMA Corporation Ltd (United Kingdom)
President and Director of Ariann Finance Inc. (Canada), Divertissements Playwing Inc. (Canada), Laboratoire de recherche sur l'intelligence artificielle (AIRLAB) Inc. (Canada)
Director of Guillemot SA (Belgium), Guillemot Ltd (United Kingdom), Guillemot Inc. (United States), Guillemot Inc. (Canada), Playwing Ltd (Bulgaria)

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)	
France	**Abroad**
Chairman and Chief Executive Officer and Director of Gameloft SE (2) **President** of Gameloft Distribution SAS **General Manager** of Gameloft Rich Games Production France SARL	**President** of Gameloft Srl (Romania), Gameloft Software (Beijing) Company Ltd (China), Gameloft Software (Chengdu) Company Ltd (China), Gameloft Argentina SA (Argentina) **President and Director** of Gameloft Inc. (United States), Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada), Gameloft Entertainment Toronto Inc. (Canada), Gameloft Limited (United Kingdom), Gameloft KK (Japan), Gameloft Company Ltd (Vietnam), Gameloft Iberica SA (Spain), Gameloft Private India Ltd (India), Gameloft Co. Ltd (Korea), Gameloft Ltd (Hong Kong), Gameloft Philippines Inc. (Philippines), Gameloft Pte Limited (Singapore), PT Gameloft Indonesia (Indonesia), Gameloft Hungary Software Development and Promotion kft (Hungary), Gameloft SDN BHD (Malaysia), Gameloft FZ-LLC (United Arab Emirates), Gameloft Madrid SL (Spain), Gameloft OY (Finland), Gameloft LLC (Russia), Gameloft LLC (Belarus) **General Manager** of Gameloft GmbH (Germany), Gameloft Srl (Italy), Gameloft EOOD (Bulgaria), Gameloft S. de R.L. de C.V. (Mexico) **Director** of Gameloft Australia Pty Ltd (Australia), Gameloft de Venezuela SA (Venezuela)

(1) Listed company

(2) Listed company delisted from Euronext Paris on 07/26/16

Gérard GUILLEMOT

Executive Vice-President in charge of publishing/Director
CEO of Ubisoft's cinema and television business
President of the CSR Committee (until April 6, 2021)

59 years old

French-American

1st appointment (director)
02/28/88

End of current term
General Meeting 2024

Number of shares at 03/31/21
456,284

Number of appointments (Director/member of the Supervisory Board of listed companies): **2**

Ubisoft Entertainment SA
Guillemot Corporation SA

Gérard Guillemot is the founder, Chairman and Chief Executive Officer of Longtail Studios, a company producing video games for family audiences. In 2000, he founded Gameloft, which was then a pioneer in the development of online games. Gérard Guillemot founded Ubisoft with his brothers in 1986, being in charge of editorial content and the production teams. He plays an active role in the strategy of the creation of original brands. The holding of proprietary franchises is now a distinctive pillar of the Group's strategy, providing long-term visibility and security to shareholders. Gérard Guillemot also supported the expansion of Ubisoft in North America.

He is now at the helm of Ubisoft's Film &Television division. He also sits on the Board of directors and is Executive Vice-President in charge of Publishing. Deeply rooted in the United States and with a keen interest in the dynamics of social media and online community management, he brings to the Board his understanding of these essential aspects for the success of video games.

Gérard Guillemot took on the presidency of the CSR Committee from its creation until April 6, 2021.

He is a graduate of the EDHEC business school and has been living in the United States for around fifteen years.

Expertise brought to the Board of directors:

- Publishing
- Content creation
- Talent recruitment and management
- Corporate social responsibility

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	**President and Director** of Ubisoft L.A. Inc. (United States), Script Movie Inc. (United States) **Vice-President** of Dev Team LLC (United States)

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
Executive Vice-President and Director of Guillemot Corporation SA (1) **Chief Executive Officer** of Guillemot Brothers SAS **Director** of AMA SA	**President** of Longtail Studios Inc. (United States), Longtail Studios Halifax Inc. (Canada), Longtail Studios PEI Inc. (Canada) **Director and Executive Vice-President** of Guillemot Brothers Ltd (United Kingdom) **Director** of Playwing Ltd (United Kingdom), AMA Corporation Ltd (United Kingdom) **Director** of Guillemot Ltd (United Kingdom), Guillemot Inc. (United States), Guillemot Inc. (Canada)

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
Executive Vice-President and Director of Gameloft SE (2)	**Director** of Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada)

(1) Listed company

(2) Listed company delisted from Euronext Paris on 07/26/16

Christian GUILLEMOT

Executive Vice-President in charge of administration/Director

55 years old

French

1st appointment (director)
02/28/88

End of current term
General Meeting 2021

Number of shares at 03/31/21
112,135

Number of appointments (Director/member of the Supervisory Board of listed companies): **2**

Ubisoft Entertainment SA
Guillemot Corporation SA

Christian Guillemot is CEO of AMA Corporation Plc, a group he co-founded with his brothers in 2004. The AMA group is one of the world leaders in new uses in the fields of telehealth and remote help using connected eyeglasses. With a passion for innovation, entrepreneurship and new technologies, Christian Guillemot is actively involved in the creation of French Tech digital accelerators. He is also Chairman and Chief Executive Officer of Guillemot Brothers Ltd, the family holding company of the Guillemot group.
Christian Guillemot co-founded Ubisoft in 1986 with his brothers. He is a member of the Board of directors and Executive Vice-President in charge of Administration. He has overseen the creation, consolidation and integration of Ubisoft's international subsidiaries and played a key role in the Company's stock market listing and in the Group's defense strategies in this regard. With his in-depth knowledge of new technological uses and his expertise in finance, accounting and legal matters, he is an essential voice on the Board of directors.
Christian Guillemot is a graduate of the European Business School.

Expertise brought to the Board of directors:

- Administration
- Finance and stock market transactions

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France

N/A

Abroad

Director of Ubisoft Nordic A/S (Denmark)

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France

Chairman and Chief Executive Officer and Director of AMA SA
President of Guillemot Brothers SAS, AMA Opérations SAS, AMA Research and Developement SAS
Liquidator of SAS du Corps de Garde
Executive Vice-President and Director of Guillemot Corporation SA (1)
General Manager of Guillemot Administration et Logistique SARL

Abroad

Chairman and Chief Executive Officer and Director of AMA L'Œil de l'Expert Inc. (Canada)
Chairman and Chief Executive Officer and Director of Guillemot Brothers Ltd (United Kingdom), AMA Xperteye Inc. (United States), AMA Corporation Ltd (United Kingdom)
Chairman and CEO of Playwing Ltd (United Kingdom)
President and Director of Playwing Entertainment SL (Spain)
Director of AMA Xperteye Ltd (United Kingdom), AMA Xperteye Limited (Hong Kong)
Executive Director of AMA (Shanghai) Co., Ltd (China)
Director of Laboratoire de recherche sur l'intelligence artificielle (AIRLAB) Inc. (Canada), AMA Xperteye Srl (Romania), Guillemot SA (Belgium), Guillemot Inc. (Canada), Guillemot Recherche & Développement Inc. (Canada), Guillemot Inc. (United States), Guillemot Ltd (United Kingdom), Guillemot Corporation (HK) Ltd (Hong Kong)
General Manager of AMA Xpert Eye GmbH (Germany)

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France

N/A

Abroad

N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France

President of SAS du Corps de Garde
Executive Vice-President and Director of Gameloft SE (2)

Abroad

President of Playwing Srl (Romania)
Director of Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada), Gameloft Ltd (United Kingdom)

(1) Listed company
(2) Listed company delisted from Euronext Paris on 07/26/16

Didier CRESPEL

Independent lead director
Member of the Audit Committee

59 years old

French

1st appointment (director)
11/20/13

End of current term
General Meeting 2021

Number of shares at 03/31/21
320

Number of appointments (director/member of the Supervisory Board of listed companies): **1**

Ubisoft Entertainment SA

Didier Crespel has over 30 years of experience as a senior financial manager and entrepreneur. He is the Chairman of Crespel & Associates – a consulting firm he founded in 2013 – that specializes in business strategy and equity investment. He is also the majority shareholder and President of Mecamen, an industrial group.
From 2000 to 2012, Didier Crespel was the CEO of Shapers, an international subsidiary of the Arkk Group listed on the Tokyo Stock Exchange. He contributed to the Group's compliance by implementing the J-SOX regulations. From 1984 to 2000, he served as Chief Financial Officer and then Chief Executive Officer of Valeo's German subsidiary, where he supervised financial transactions, as well as several major mergers and acquisitions.
Didier Crespel has been sitting on Ubisoft's Board of directors as an independent director since 2013. He sits on the Audit Committee, which he chaired until May 2018. His in-depth knowledge of finance and the Company's strategy is a precious asset to help Ubisoft seize new opportunities that arise. The Board of directors also benefits from his entrepreneurial mindset and international experience to support the Company's diversification strategy and identify new opportunities.
Didier Crespel is a graduate of the EDHEC Business School.

Expertise brought to the Board of directors:

- Finance
- International experience
- Strategy/Entrepreneurship
- Mergers & Acquisitions

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
General Manager of Crespel & Associates SARL **President** of Mecamen SAS, AMPM SAS, AMS SAS	**President** of Mecamen Polska spzoo (Poland)

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

59 years old

French

1st appointment (director)
06/27/13

End of current term
General Meeting 2021

Number of shares at 03/31/21
414

Number of terms of office (director/member of the Supervisory Board of listed companies): 1

Ubisoft Entertainment SA

Laurence HUBERT-MOY

Independent director
President of the Nomination, Compensation and Governance Committee
Member of the Audit Committee

Laurence Hubert-Moy is a Professor at the University of Rennes. A member of the Scientific Programs Committee of the French Space Agency (Agence Spatiale Française) since 2019 and of the French Air and Space Academy (Académie de l'Air et de l'Espace) since 2018, she chaired the Scientific Earth Sciences Committee of the CNES (the French National Center of Space Studies) between 2013 and 2019. She is also the Scientific Manager of the ENVAM Digital Campus, a French consortium of four universities and schools. From 2017 to 2020, she was a partner in the creation and development of Kermap, a company that offers services to land development professionals based on the use of airborne and space data. In her current research focusing on the processing of large datasets, she collaborates with scientists based in China and India.
Laurence Hubert-Moy has sat on Ubisoft's Board of directors as an independent member since 2013. She chairs the Nomination, Compensation and Governance Committee and is a member of the Audit Committee. Her scientific research and her interest in big data analysis put R&D, innovation and the construction of open worlds at the heart of the agenda of Ubisoft's Board of directors.
Laurence Hubert-Moy holds a Ph.D. and completed post-doctorate studies at Boston University. She also holds a certificate in business administration from the IFA-Sciences Po Paris.

Expertise brought to the Board of directors:
- Technology and digital
- Modeling of environmental risks
- Governance and strategic planning

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
Professor at the University of Rennes **Member** of the Scientific Programs Committee of the CNES (French National Center for Space Studies) **Scientific Director** of the ENVAM Digital Campus	N/A

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

58 years old

French

1st appointment (director)
09/29/16

End of current term
General Meeting 2024

Number of shares at 03/31/21
315

Number of terms of office (director/member of the Supervisory Board of listed companies): 1

Ubisoft Entertainment SA

Florence NAVINER

Independent director
President of the Audit Committee

Following a long career at Mars Incorporated, which she joined in 1992, Florence Naviner has been Chief Financial Officer of Upfield, the global leader in vegetable fats and plant-based cheese, since September 2020. Upfield was founded in July 2017 from the disposal of Unilever's former Margarine division to investment fund KKR, and is in a unique position to meet the needs of consumers who are increasingly concerned about the impact of their diet. She is involved in all the Group's finance activities, IT services and acquisition operations. Her previous role was as CFO at Mars Wrigley Confectionery, one of the US multinational's divisions. She brings to Ubisoft more than 30 years of experience in financial and strategic departments within leading consumer goods.
After several years as Vice-President of Mars Financial Services, where she rolled out a shared financial services center for Mars Inc, and then as Chief Financial Officer for Wrigley, she played an active role in the global integration of Mars Chocolate and Wrigley. In 2017, she became Chief Financial Officer of the new entity, Mars Wrigley Confectionery. In this position, she managed the global finance team and co-steered the implementation of the strategy and operations of the global confectionery leader.
Florence Naviner also has solid international experience, gained from her positions as Chief Financial Officer for Mars Petcare in Europe, VP Finance for Mars in China (2006-2008), and VP Finance for Mars Petcare in the United States (2008-2011). She drove business turnarounds, managed cost competitiveness programs and oversaw the creation of synergies in post-acquisition periods. She started her career at Arthur Andersen in Paris in 1985.
Florence Naviner is a member of the Audit Committee, which she has chaired since May 18, 2018.
She graduated from HEC Business School in Paris and has a DESCF degree in accounting.

Expertise brought to the Board of directors:
- International experience
- Accounting and financial techniques
- Acquisitions and consolidation processes
- Strategic planning and development processes

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	**Chief Financial Officer and Director** of Upfield (Netherlands)

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	**Chief Financial Officer and Senior Vice-President** of Mars Wrigley Confectionery (United States)

Corinne FERNANDEZ-HANDELSMAN

Independent director
Member of the Nomination, Compensation and Governance Committee
Member of the Corporate Social Responsibility Committee
(President since April 7, 2021)

59 years old

French

1st appointment (director)
09/22/17

End of current term
General Meeting 2023

Number of shares at 03/31/21
190

Number of terms of office (director/member of the Supervisory Board of listed companies): **1**

Ubisoft Entertainment SA

Corinne Fernandez-Handelsman is currently Industrial & Technology Practice Leader, Partner at Progress, specializing in senior executive recruitment. Progress is a member of IIC Partners' international network, which brings together independent, market-leading recruitment agencies. For several years, Corinne Fernandez-Handelsman managed the network's Technology, Digital Media and Telecommunications Practice.
She brings Ubisoft her expertise in recruitment and valuable knowledge in sourcing, and attracting and retaining talent in the digital and technology sectors. She started her career at SNCF before joining the Boston Consulting Group as a consultant in 1986. In 1988, she joined GSI, a digital services company that was purchased by ATOS in 1997, where she held consecutive positions as Director of Marketing and Communications, Manager for business units, and Global Account Manager. She joined Progress in 1999.
Corinne Fernandez-Handelsman sits on the Nomination, Compensation and Governance Committee and on the Corporate Social Responsibility Committee. She is a graduate of HEC Paris.

Expertise brought to the Board of directors:
- Talent assessment, recruitment and development
- Management of an international headhunting network

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
Director of Coheris SA (1)	**Director** of IIC Partners

(1) Listed company

4

Belén ESSIOUX-TRUJILLO

Independent director

55 years old

Spanish

1st appointment (director)
12/08/20
(appointment by co-option)

End of current term
General Meeting 2023

Number of shares at 03/31/21
0

Number of terms of office (director/member of the Supervisory Board of listed companies): 1

Ubisoft Entertainment SA

A Spanish national, holder of a master's degree in law (1989) and a graduate of the ICADE business school in Madrid, Belén Essioux-Trujillo started her career with the Boston Consulting Group (BCG), where she spent two years. Belén Essioux-Trujillo then held several key positions in the field of human resources in international companies: she headed up human resources for the European subsidiaries of the PSA group (1993-1998), she led career development at Valéo Thermique Habitacle (1999-2000), and at Danone (2000-2004) she held successive positions as Director of Human Resources Development in the Biscuits division and Group Director of International Mobility. She was also Director of Human Resources in the Hermès Industrial division (2005-2008) and then of Hermès Sellier (2008-2012). From 2012 to 2016, she was Director of Human Resources at Kering, a role which also made her a member of the Executive Committee. Since 2019, Belén Essioux-Trujillo has held the position of Director of Human Resources in the Professional Products division of L'Oréal.

Belén Essioux-Trujillo brings to the Ubisoft Board of directors her in-depth operating experience together with a vision honed at major international companies, helping to successfully grow their teams and talents as well as to transform their organizations. Her expertise and knowledgeable perspective on human resources will assist the Board of directors' thinking on these subjects, which are of major importance to Ubisoft.

Belén Essioux-Trujillo was appointed independent director on December 8, 2020 by way of co-option, replacing Virginie Haas, who resigned as a director, following her appointment as Ubisoft's Chief Studios Operating Officer.

Expertise brought to the Board of directors:

- Experience in large international groups
- Human resources management
- Organizational transformation process

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

51 years old

French-English

1st appointment (director representing employee shareholders)
07/02/20

End of current term
General Meeting 2024

Number of shares at 03/31/21
0

Number of appointments (director/member of the Supervisory Board of listed companies): 1

Ubisoft Entertainment SA

John PARKES

Director representing employee shareholders

Currently Managing Director of Ubisoft France, John Parkes has spent a large portion of his career at Ubisoft, which he joined in 2002 after serving as Brand Manager at Schweppes in Paris, and later Senior Key Account Manager at SC Johnson in London. He graduated from the HEC Business School in Paris and has a Science degree from the University of Bristol in the United Kingdom.
John Parkes first joined Ubisoft as Marketing Director UK in London, where he was in charge of UK marketing and brand development.
In 2005, he was appointed VP Marketing EMEA in Paris, where he was responsible for developing marketing strategies and the launch of the Ubisoft brand portfolio for the EMEA region. He managed a public relations/communications, digital marketing and brand marketing team.
Since 2010, he has been Managing Director of Ubisoft France, responsible for commercial management and the development of sales, brands and Ubisoft communities on the French market.
With 17 years of commercial and marketing expertise in the gaming and entertainment industry, John Parkes notably brings an understanding of the market and associated opportunities to the Board of directors. As a Ubisoft employee and manager with in-depth knowledge of the Group, John Parkes also contributes an operational perspective of the Group's activities and organization.

Expertise brought to the Board of directors:
- Marketing and business strategy
- Product development and innovation
- In-depth knowledge of the industry
- Multi-cultural education and international experience

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21	
France	**Abroad**
N/A	N/A

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21	
France	**Abroad**
N/A	N/A

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)	
France	**Abroad**
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)	
France	**Abroad**
N/A	N/A

Lionel BOUCHET

Director representing employees
Member of the Corporate Social Responsibility Committee

47 years old

French

Election (director representing employees)
03/07/18

End of current term
General Meeting 2022

Number of shares at 03/31/21
148

Number of appointments (director/member of the Supervisory Board of listed companies): 1

Ubisoft Entertainment SA

Lionel Bouchet sits on the Board of directors as a director representing employees.
Currently Technology Director France, he has worked at Ubisoft since the start of his career in 1996. He first worked as a programmer on POD, the very first racing game developed by Ubisoft, and then on several Formula 1 games. Since 2005, he has been focusing on ramping up the successful franchise Ghost Recon, becoming head of the development of the brand's engine and production pipeline, an ambitious project co-developed in France by three studios: Ubisoft Paris, Ubisoft Montpellier and Ubisoft Bordeaux. With over 20 years of experience in French production studios, he is able to identify all of the challenges facing the production teams, with a particular focus on technological issues.
As a Ubisoft employee with thorough understanding of the Group, Lionel Bouchet provides the Board of directors with an operational perspective on the Group's entities.
He sits on the Corporate Social Responsibility Committee.
Lionel Bouchet holds a Computer Engineering degree from EERIE in Nîmes.

Expertise brought to the Board of directors:

- Video game production
- Video game technical development pipeline
- General IT

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

32 years old

German

Election (director representing employees)
12/16/20

End of current term
General Meeting 2024

Number of shares at 03/31/21
0

Number of terms of office (director/member of the Supervisory Board of listed companies): 1

Ubisoft Entertainment SA

Anne WÜBBENHORST

Director representing employees

Currently Senior Gameplay Programmer at Ubisoft's Paris Studio, Anne Wübbenhorst joined Ubisoft in 2014, after starting her career at Ninja Kiwi, a publisher of online and mobile games, based in Scotland and New Zealand. Anne Wübbenhorst started her Ubisoft career as a member of the Just Dance team, where she spent five years working on that same number of versions of the game, and contributed to its success by introducing major innovations to the brand.
Following this valuable experience, Anne Wübbenhorst joined Ghost Recon's Artificial Intelligence Gameplay team as Senior Gameplay Programmer.
Passionate about innovation and new technologies, Anne Wübbenhorst brings to the Board an outlook that reflects the spirit and aspirations of young generations, together with her in-depth understanding of game production processes.

Expertise brought to the Board of directors:
- Video game production
- Experience in game programming (specialty Artificial Intelligence)
- Outlook of younger generations

OTHER APPOINTMENTS AND ROLES

CURRENT POSITIONS WITHIN THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

CURRENT POSITIONS OUTSIDE THE UBISOFT GROUP AS AT 03/31/21

France	Abroad
N/A	N/A

EXPIRED POSITIONS WITHIN THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

EXPIRED POSITIONS OUTSIDE THE UBISOFT GROUP (LAST 5 FINANCIAL YEARS)

France	Abroad
N/A	N/A

4.1.1.3 Changes in the Board of directors and its committees during the financial year

Board of directors		
Nomination	**Term of office ended**	**Renewal**
John Parkes (General Meeting 07/02/20) (1) Belén Essioux-Trujillo (Board meeting 12/08/20) (2) Anne Wübbenhorst (Election 12/16/20) (3)	Frédérique Dame (General Meeting 07/02/20) Virginie Haas (12/01/20) (4)	Yves Guillemot (General Meeting 07/02/20) Gérard Guillemot (General Meeting 07/02/20) Florence Naviner (General Meeting 07/02/20)
Audit Committee		
Nomination	**Term of office ended**	**Renewal**
N/A	N/A	Florence Naviner (07/02/20) (5)
CNRG		
Nomination	**Term of office ended**	**Renewal**
N/A	Virginie Haas (09/01/20) (4)	N/A
CSR Committee		
Nomination	**Term of office ended**	**Renewal**
N/A	N/A	Gérard Guillemot (07/02/20) (6)

(1) Candidate proposed by the employee shareholders pursuant to the provisions of articles L. 225-23 and L. 22-10-5 of the French commercial code and article 8.3 of Ubisoft's articles of association (see 4.1.2.3.1)

(2) Appointment by way of co-option following a vacancy (see (4)) subject to ratification by the 2021 General Meeting pursuant to article L. 225-24 of the French commercial code

(3) Election by the employee shareholders pursuant to the provisions of articles L. 225-27-1 and L. 22-10-7 of the French commercial code and article 8.2 of Ubisoft's articles of association (see 4.1.2.3.1)

(4) Termination of her position as a member of the CNRG with effect from 09/01/20 and resignation from her position as a director with effect from 12/01/20 following her appointment as Chief Studios Operating Officer (see 4.1.2.2.3)

(5) Continuation of her position as a member and President of the Audit Committee following the renewal of her term of office as a director by the 2020 General Meeting

(6) Continuation of his position as a member and President of the CSR Committee following the renewal of his term of office as a director by the 2020 General Meeting/Termination of term of office as President of the CSR Committee with effect from 04/06/21

4.1.2 GOVERNANCE ORGANIZATION

The articles of association provide that the Board includes directors appointed by the General Meeting and/or appointed by employees. The Board's internal rules supplement the legal and regulatory rules and those of the articles of association and specify its operating procedures, in line with the Afep-Medef Code.

The Board is constantly seeking optimal ways of operating the Company. The composition of the Board and its committees respects the provisions on the balanced representation of women and men and the presence of independent directors. It takes into account the significant proportion of the Company's share capital held in concert by the Guillemot family as well as the number of directors representing employees and/or employee shareholders.

4.1.2.1 Governance rules and principles

The corporate governance structure of the Ubisoft group is suited to its specific needs, including the constant pursuit of progress. The activities of the various committees are led by their respective Presidents, and certain subjects, including strategy or the effectiveness of governance, are supervised by the G5 or the lead director (*see 4.1.2.4.2*).

Operational and functional activity is carried out by the members of the Executive Committee (*see 4.1.2.2.3*).

The relevance of this organization is regularly discussed within the Company's Board, based on the recommendations of the CNRG, as well as during internal or external evaluations (*see 4.1.2.3.4*) which provide the Board with the necessary information to make all decisions related to its operation.

The operation of the Ubisoft group involves multiple decisions that must be taken at the right level of the organization, reserving the Board's involvement to those falling within its area of expertise, particularly in terms of financial policy, strategy and sustainable development in all its social, societal and environmental components.

Based on the recommendations of the CNRG, the Company's Board makes every effort to establish a governance structure that can meet the demands of the functions that are entrusted to it, while being able to meet the challenges specific to the Ubisoft group and following best market practices in this area.

As such, the Board believes that its current organization is adapted to the challenges facing the Group and that it has proven its worth both in periods of growth and during periods of instability caused by the Covid-19 crisis or following allegations of harassment and inappropriate behavior. These events required both rapid responsiveness and the ability to manage complex situations, both in France and internationally, with consistency and resilience, while recreating/generating a climate of trust for both team members and stakeholders alike.

CORPORATE GOVERNANCE CODE

The Company refers to the Afep-Medef Code available on the AFEP website (www.afep.com).

In accordance with the provisions of article L. 22-10-10, 4° of the French commercial code, the following table indicates the Afep-Medef Code recommendations that were not taken into consideration by the Company and the reasons for this.

Provisions of the Afep-Medef Code	Explanation
10.2 Assessment of the Board of directors *"The evaluation has three objectives: […] assessing the actual contribution of each director to the work of the Board."*	The actual contribution of each director to the work of the Board was assessed during the triennial evaluation by an independent third party in March 2020 (*see 4.1.2.3.4*). These assessments gave rise to individual interviews with the Chairman and CEO during which the responses to the questionnaire were analyzed and discussed. In addition to the triennial assessments by an independent third party, the question of the skills and the individual contribution of the directors to the work of the Board and that of the committees, is assessed on an ongoing basis with a particular review when the terms of office as directors and committee members are renewed. The annual evaluations carried out by the CNRG through a detailed questionnaire, which deals specifically with the functioning of the Board, allow the directors, if they so wish, to freely express their assessment of the individual contributions of other directors.
18.1 Composition (of the Committee in charge of compensation) *"It is recommended […] that one of its members be an employee director."*	Lionel Bouchet and Anne Wübbenhorst, directors representing employees, take part in Board meetings where compensation is reviewed and discussed on the basis of the comprehensive reports prepared by the CNRG. Lionel Bouchet, given his interest in sustainable development issues, has been a member of the CSR Committee since its creation on September 12, 2018. As such, he provides the view of the Group's employees, essential stakeholders in the missions assigned to the CSR Committee. Anne Wübbenhorst was elected director representing employees on December 16, 2020. Given the recent nature of this appointment, the Board decided to give her a period of adaptation and training before considering the possibility of her appointment to a committee.
26.1 Permanent information *"All of the executive corporate managing officers' compensation components, whether potential or vested, must be publicly disclosed immediately after the meeting of the Board approving the relevant decisions."*	The potential or vested components of compensation are not made public after a decision is made by the Board but are set out in section 4.2 of the Universal Registration Document on the compensation of corporate officers ("Ex Post" or "Ex Ante" vote).

INTERNAL RULES OF THE BOARD OF DIRECTORS

The internal rules of the Board of directors, in conjunction with and/or in addition to legal and regulatory provisions and those of the articles of association, intended in particular to specify details of the composition, organization and operation of the Board and its committees, were adopted during the meeting of the Board on July 27, 2004. The internal rules of the Board also constitute the directors' governance charter.

They are examined and updated at regular intervals by the Board – the most recent update was made on July 1, 2020.

The internal rules of the Audit Committee, the CNRG and the CSR Committee are appended to the Board's internal rules.

The internal rules of the Board, published on the Company's website, set all the principles, which, without being set up as strict rules, should guide the composition of the Board.

4.1.2.2 Executive Management and management bodies

The law:

on the one hand, provides that the Board elects from among its members a Chairman, who is a natural person, who organizes and directs the work of the Board, on which he reports to the General Meeting and ensures the proper functioning of the Company's corporate bodies; and

on the other hand, offers the Board the choice of entrusting the Executive Management of the Company to the Chairman of the Board of directors or to another natural person, director or not, bearing the title of Chief Executive Officer.

Yves Guillemot assumes the duties of Chairman of the Board of directors and Chief Executive Officer and was reappointed by the Board at the end of his term of office as director by the 2020 General Meeting. This choice is subject, at each renewal of the term of office of Yves Guillemot, to in-depth structured discussions by the independent directors during a meeting without the presence of the executive officers in particular.

In addition, in accordance with legal provisions and those of the articles of association, the Board may, based on a proposal by the Chief Executive Officer, appoint Executive Vice-Presidents, who are individuals, and who may or may not be directors, to assist the Chief Executive Officer; the maximum number of EVPs is five.

Yves Guillemot is assisted in his duties as Chief Executive Officer by Claude Guillemot, Executive Vice-President in charge of operations, Michel Guillemot, Executive Vice-President in charge of development, strategy and finance, Gérard Guillemot, Executive Vice-President in charge of publishing, and Christian Guillemot, Executive Vice-President in charge of administration (the "G5").

Yves Guillemot is also assisted in his duties by the Executive Committee (*see 4.1.2.2.3*) responsible for monitoring the implementation of cross-functional policies giving rise to frequent and regular exchanges on major issues inherent to the Group's business.

4.1.2.2.1 EXECUTIVE MANAGEMENT PROCEDURES

The Afep-Medef Code states that:

> *"**3.1:** French law offers all joint-stock companies (French "SA") a choice between a single body format (Board of directors) and a dual structure (Management Board and Supervisory Board).*
>
> ***3.2:** In addition, companies with a Board of directors may choose to separate the functions of Chairman and Chief Executive Officer. The law does not favor either formula and allows the Board of directors to choose between the two forms of exercise of executive management. It is up to the Board to make and justify its decision".*

In this respect, the Board of the Company decided, following the renewal by the 2020 General Meeting of the term of office as a director of Yves Guillemot, to maintain the aggregation of the positions of Chairman of the Board of directors and Chief Executive Officer. The choice of this method of exercising Executive Management was also confirmed by the directors during the assessment of the Board and its committees, carried out by an independent third party in March 2020, and by the CNRG in March 2021 (*see 4.1.2.3.4*).

The Board, with its constant concern to choose a method of governance that optimizes the Group's economic and financial performance and creates the most favorable conditions for its long-term development, considers that this method of exercising Executive Management, which remains common in listed companies in France, enables flexible, responsive and efficient decision-making:

- on the one hand, by benefiting from the effectiveness of a decision-making circuit that has proven itself over time in line with the specificities of the Group, whose business sector requires rapid decision-making in a constantly changing and particularly competitive international environment, while ensuring and strengthening the cohesion of the entire organization (strategy and operational functioning) and thus optimizing the decision-making process; and
- on the other hand, by promoting a close relationship between the shareholders and the Chairman and Chief Executive Officer, who is a single point of contact with an in-depth knowledge of the Group and its business lines and thus ensuring that the definition of the Group's strategy takes into account the expectations and interests of shareholders over the long term.

This method of organization of the Executive Management also ensures that the Board functions optimally and facilitates the Group's strategic orientations thanks to rapid decision-making and fluid communication between the Board and the management teams.

This structure is therefore lighter and more responsive, with a governance method that is more easily understood both internally and externally, with a single representative speaking with one voice to all stakeholders.

The aggregation of the positions of Chairman of the Board of directors and Chief Executive Officer is also in line with Ubisoft's governance tradition with regard to the specific nature of its share ownership structure, as well as respect of the rules of balanced governance through the implementation of a system of checks and balances that is constantly being strengthened:

- the presence since March 3, 2016 of an **independent lead director** in the person of Didier Crespel, with his own powers (*see 4.1.2.4.2*), whose main mission is to assist the Chairman and Chief Executive Officer in his relations with shareholders in matters of governance. The lead director's prerogatives include the possibility of bringing together the independent directors and the opportunity to propose, if necessary, to the Chairman of the Board of directors the addition of items to the agenda of the Board meetings, to request that a meeting be convened or, as the case may be, directly convene the Board on a given agenda whose importance or urgency would justify the holding of an extraordinary meeting of the Board;
- holding **independent directors' meeting(s)** without the presence of the executive corporate managing officers, at least once a year when convened by the lead director to discuss issues outside a plenary meeting of the Board (*see 4.1.2.4.2*).

A balanced organization through:

- **limitations** provided by the Board **to the powers of the Chief Executive Officer**

  The Board's internal rules state that the following are subject to prior authorization by the Board:

  > *"Any significant transaction falling outside the announced strategy of the Company and/or the Group, as well as all strategic investment projects relating to external growth transactions likely to have a significant impact on the Group's profit or loss, the structure of its statement of financial position or its risk profile exceeding the powers of the Chief Executive Officer, i.e. any external investment transactions involving the acquisition of equity interests or assets in an amount greater than one hundred (100) million euros and not already approved by the Board of directors. The amount to be used is that of the enterprise value regardless of the terms of payment of the price (immediate or deferred, in cash or in securities, etc.)".*

  In addition, at its meeting of May 14, 2020, the Board set out the scope of the Chairman and Chief Executive Officer's powers as regards granting sureties, endorsements and guarantees by setting the overall authorized amount at €150 million for a legal term of one year. This authorization was renewed on May 11, 2021, including the commitments made by controlled companies within the meaning of II of article L. 233-16 of the French commercial code notwithstanding the exemption offered in this area by article L. 225-35 of said code;
- **independence and powers of the Board and committees**

  Diversity policy for the composition of the Board (*see 4.1.2.3.3*) and in particular the presence of independent directors contributes to the balance of powers and thus allows the Board to fully exercise its oversight duties. The balance of powers is also ensured by the full involvement of the directors in the work of the Board and the committees (the three committees being chaired at the date of this Universal Registration Document by independent directors), as well as the free review of subjects studied in committees, allowing directors to explore certain subjects and be in direct contact with the Ubisoft teams;

- the **information** with full transparency provided to directors, who are kept regularly informed of all aspects relating to the Group's business and performance by Executive Management;
- regular **interaction** between non-executive directors and key senior executives, in particular during presentations made to the Board, in Committee meetings or at strategic meetings.

4.1.2.2.2 G5/EXECUTIVE VICE-PRESIDENTS

The Chief Executive Officer and the four Executive Vice-Presidents, the G5, as founding shareholders, have extensive knowledge of the Group. The G5 meets every two weeks for an update on strategic cross-cutting issues requiring their specific expertise in the areas of operations, development and strategy, publishing and finance, thereby assisting the Chief Executive Officer to perform his duties.

The complementary skills of the members of the G5 combined with the large family-owned stake (representing 15.89% of the share capital and 22.18% of voting rights at March 31, 2021), are a major asset for the future of the Group and provide long-term vision for management.

The G5 reports to the Board on a quarterly basis.

4.1.2.2.3 EXECUTIVE COMMITTEE

The Executive Committee is made up of Ubisoft's Chairman and Chief Executive Officer and the Group's operational managers. Each member makes proposals in terms of strategy and organization. They implement policies and procedures that apply generally to the entire Group and are decided on by the Executive Management. The Executive Committee ensures the coordination between the various activities and/or projects of the Group by focusing on the operational management of Ubisoft's strategy in terms of objectives, progress and operational action plans as well as the human resources strategy.

At May 11, 2021, the members of the Executive Committee working alongside the Chairman and Chief Executive Officer are:

Alain Corre	EMEA Executive Director
Laurent Detoc	NCSA Executive Director
Virginie Haas	Chief Studios Operating Officer
Anika Grant	Chief People Officer

As part of the discussions carried out by Executive Management on the composition of the Executive Committee, following in particular the recommendations made by the CNRG, it was decided to appoint Anika Grant as a new member of the Executive Committee, as soon as she took office as Chief People Officer of the Group on April 8, 2021. In the same vein, Executive Management intends to continue its discussions on the integration of new members, in the short term, among senior executives so that the various business sectors within the Group are represented, taking into consideration the representativeness of the Group in terms of headcount.

In addition, in accordance with the Afep-Medef Code, stipulating that:

> *"**7.1** On the proposal of Executive Management, the Board sets gender equality targets within the governing bodies. Executive Management presents the Board with a method for implementing the objectives, with an action plan and the timeframe within which these actions will be carried out. Executive Management informs the Board of the results obtained on an annual basis".*

the Board determined, on the proposal of the Chief Executive Officer and in connection with the CNRG, the procedures for implementing gender equality objectives within the Executive Committee and the action plan to achieve them.

On this subject, the percentage of women on the Executive Committee, which stood at 20% at March 31, 2020, now stands at a rate of 40%, higher than the target of 30% set by FY21. The Executive Management intends to make every effort to maintain this rate of 40% of women on the Executive Committee in its future composition in the short term.

The Board also regularly ensures, notably through work on this subject by the CNRG, that the executive corporate managing officers implement a policy of non-discrimination and diversity, in particular in terms of balanced representation on the governing bodies and the 10% of positions with the highest responsibility: information on the Ubisoft group's objectives and actions in terms of diversity and inclusion is presented in 5.4.2.

4.1.2.2.4 SUCCESSION PLANS

Over the past financial year, the Board reviewed the succession plans for Executive Management, the Executive Committee and the lead director, as reviewed and updated by the CNRG.

During the annual review of succession plans and, more specifically, when the terms of office as Chairman and CEO or EVPs are renewed, the Board, in light of the diligence provided in this area by the CNRG, ensures the consistency of the succession plan for the G5, given the particular nature of its family share ownership and its composition, with the practices of the Group and the market. In this regard, it assesses the relevance of the proposals made in view of the composition of its management bodies, in keeping with the measures implemented to ensure the Group's continuity and efficiency at all levels.

In addition, in its discussions on the succession plan for the Executive Committee, the CNRG incorporates the balanced representation of women and men in light of existing profiles. Furthermore, Executive Management regularly informs the Board of its progress regarding the integration of new members into the Executive Committee and presents the results obtained in terms of gender balance at least annually.

4.1.2.3 The Board of directors and its committees

The rules and operating procedures of the Board are defined by law, the Company's articles of association and the Board's internal rules.

4.1.2.3.1 RULES GOVERNING THE COMPOSITION OF THE BOARD OF DIRECTORS

- **Number of directors:** According to the Company's articles of association, the Board of directors shall comprise at least three and no more than eighteen members, notwithstanding any derogation permitted by law. The directors representing employees and employee shareholders are not included in this calculation.
- **Method of appointment:** Over the life of the Company, the directors (except for those representing employees) are appointed or reappointed by the Ordinary General Meeting; however, in the event of a merger or demerger, the appointment may be made by the Extraordinary General Meeting held to deliberate on the operation concerned. Between two General Meetings, and in the event of a vacancy due to death or resignation, temporary appointments may be made by the Board; they are then submitted for ratification at the next General Meeting.
- **Term of office as director:** Pursuant to article 8 of the Company's articles of association, the term of office of directors is four years with a system of staggered renewal of directors appointed by the General Meeting. In accordance with the recommendations of the Afep-Medef Code, the aim of this staggered renewal system is to promote the smooth renewal of the Board of directors and avoid the simultaneous renewal of all members. The General Meeting can, in exceptional circumstances, appoint or re-elect one or more directors for a term of two or three years so as to stagger re-elections.

  Pursuant to applicable legislative and regulatory provisions, if a director is appointed to replace another, he or she shall only hold this position for the remainder of his or her predecessor's term.

  The term of office of directors ends following the Ordinary General Meeting called to approve the financial statements for the previous financial year and held in the year in which that term of office expires.
- **Age limit for directors:** The articles of association set an age limit of 80.
- **Number of Ubisoft Shares held:** In accordance with the Board's internal rules, each director must gradually acquire – within one year of their appointment, following the payment of the compensation allocated to them for their director's duties – a number of Shares amounting to €10,000 (in terms of acquisition value), which they must hold throughout their term of office. The number of Shares held by the directors is variable as the Company currently believes that the number of shares held by the directors is not a corollary of their commitment to performing their duties.
- **Director(s) representing employees:** In accordance with the provisions of article L. 225-27-1 of the French commercial code, the number of directors representing employees is equal to one (1) if the number of directors comprising the Board, under the provisions of articles L. 225-17 and L. 225-18 of the French commercial code, is less than or equal to eight (8) and two (2) if this number is greater than eight (8).

Extract from article 8.2 of the Company's articles of association

"Directors representing employees will be appointed, [...], by election among the employees of the Company and its subsidiaries, whether direct or indirect, whose registered office is located in France [...]. The election will be carried out by a single college, by majority vote in two rounds when only one seat is to be filled and by proportional representation and the largest remainder system, and without mixing, when at least two seats are to be filled. Applications are based on free will or, where applicable, are submitted in accordance with the terms set out in article L. 225-28 paragraph 4 of the French commercial code. In the case of a majority vote in two rounds, if no candidate obtains an absolute majority in the first round, only the two candidates who obtain the greatest number of votes in the first round shall go through to the second round. The election may take place by electronic vote. Election rules are drawn up for each election in order to set the terms and conditions".

- **Director(s) representing employee shareholders:** In application of the provisions of articles L. 225-23 and L. 225-10-5 of the French commercial code and article 8.3 of the Company's articles of association, when at the end of a financial year the report prepared in application of article L. 225-100 of the French commercial code shows that the Shares held by Company employees, where applicable, as well as by employees of related companies within the meaning of article L. 225-180 of the French commercial code, represent more than three percent (3%) of the Company's share capital, a director representing employee shareholders is appointed by the General Meeting in accordance with the terms set by the regulations in force and by the Company's articles of association.

Extract from article 8.3.3 of the Company's articles of association

"The General Meeting rules on the basis of a list of candidates proposed by employee shareholders and appointed as follows:

a) *When the shares are held directly by the employees referred to in the aforementioned article L. 225-102, including via a Group savings plan, and the related voting rights are exercised directly by the latter, the candidates are appointed during elections organized by the Company. These elections, preceded by calls for candidates from among the aforementioned employee shareholders, are organized by the Company by any technical means that ensures the reliability of the vote. At the end of these elections, a principal representative and an alternate representative (i.e. the candidate having obtained the second-highest number of votes, behind the person appointed as representative) are elected. The principal representative will be responsible for taking part in the vote for the candidate from among the members of the Supervisory Board(s) referred to in (b) below, reserving the right to also stand as a candidate following this vote, which would thus bring the number of candidates for the position of director representing employee shareholders to two.*

b) *When the shares are held by employees and former employees referred to in the aforementioned article L. 225-102 through one or more company mutual funds (FCPE) and the related voting rights are exercised by the Supervisory Board(s) of the FCPE(s), the Supervisory Board(s) of the FCPE(s) and the principal employee shareholder representative referred to in a) above jointly appoint by majority vote one candidate chosen from among the members of the Supervisory Board who responded to calls for candidates for this purpose – it being specified that the candidate who obtains the second-highest number of votes (behind the candidate appointed) will assume the role of alternate […].*

In the event of more than one candidate […] one candidate representing employee shareholders referred to in a) above and one candidate representing employee shareholders via a company mutual fund referred to in b) above, the candidates will be put to the vote of shareholders in decreasing order in relation to the number of shares held at the end of the first financial year by each of the categories referred to in a) and b) above – it being specified that the vote of the shareholders will cease as soon as a director representing employee shareholders is appointed".

4.1.2.3.2 PROCESS FOR SELECTING DIRECTORS

The process for selecting directors consists of several phases, during which the CNRG plays a key role.

Thus, the process takes into account the desired diversity in the composition of the Board and its committees (training, career path, diversity, independence, etc.) as well as the needs of the Board. For each vacancy, the CNRG studies the profiles of several potential members and the candidates proposed to it, seeking complementarity of the directors and coherence of the composition of the Board and its committees. In this way, the CNRG strives to provide the Board with a range of skills (sectoral, societal, financial, etc.) *(see 4.1.2.3.3)*. This analysis takes into account short-term needs with regard to the expiry of terms of office and also includes a medium-term projection.

A list of potential candidates is thus drawn up on the basis of the needs defined. This list consists of candidates suggested by the CNRG, the members of the Board or the Executive Management as well as by one or more recruitment firm(s) or from unsolicited applications.

Once the list of potential candidates has been drawn up by the President of the CNRG, a review is carried out by the CNRG, which collectively decides which candidate(s) to meet. During the interviews conducted by the CNRG, the latter endeavors to assess for each candidate the appropriateness of their experience for the needs of the Company, their ability to supplement the skills required for the Board, their availability and their motivation as well as potential conflicts of interest and compliance with the independence criteria as set out in the Afep-Medef Code.

When the pre-defined list is presented to the Board, directors who wish to do so are invited to interview candidates.

Once these various steps have been completed, the Board, having taken note of the conclusions of the work successively accomplished by the CNRG and the conclusions of the interviews conducted, deliberates on the proposed candidacies and decides which ones will actually be submitted to the General Meeting or, in the event of a vacancy between two General Meetings to be co-opted by the Board subject to ratification by the most next General Meeting (*see 4.1.2.3.1*).

In the specific case of directors representing employees and directors representing employee shareholders, the appointment and/or election procedure, as the case may be, is governed by the Company's articles of association (*see 4.1.2.3.1*).

4.1.2.3.3 DIVERSITY POLICY APPLIED TO MEMBERS OF THE BOARD OF DIRECTORS

In accordance with the Afep-Medef Code and pursuant to the Board's internal rules, which provide that:

> *"It is the responsibility of the Board of directors, on the proposal of the Nomination, Compensation and Governance Committee, to seek a balance in terms of its composition and that of the committees it establishes within it, in particular in terms of the representation of women and men, nationalities, age, qualifications and professional experience".*

The Board periodically examines, in light of the recommendations of the CNRG, the desirable balance between its composition and that of its committees by examining in detail the elements that it must take into account in this respect in accordance with the aforementioned provisions of the Afep-Medef Code.

The table below shows the objectives, procedures and results in this regard:

Objectives	The Board deems that, to achieve a good balance, it must have a diversity of profiles, in particular in terms of age, length of service, qualifications and work experience, as well a sufficient number of independent directors. The Board strives to maintain a good balance between directors with long-standing knowledge of the Group and more recently appointed directors.
Implementation procedures	The balance of the composition of the Board and its committees is one of the topics that are reviewed each year as part of the assessment of the Board (*see 4.1.2.3.4*). The CNRG takes this diversity objective into account when it examines candidates for a director's position, an executive corporate managing officer's position or a position in a committee. When the CNRG makes proposals to the Board of directors for the appointment, renewal or revocation of a director's term of office, it ensures that the diversity policy is applied. The composition of the Board of directors is reviewed every year as part of the Board meeting that approves the draft resolutions to be submitted to the General Meeting. In accordance with the law and articles of association, the Board includes two directors representing employees and one director representing employee shareholders, thereby contributing to the diversity policy.
Results obtained	**Expertise** The CNRG has identified a set of skills and expertise that support Ubisoft's strategy and development objectives (*see 4.1.2.3.3*). It has also defined a core of skills and expertise which are common to all directors, namely: ♦ a sense of innovation and an entrepreneurial dimension; ♦ a strategic vision; ♦ dedication to the Company's interest and that of its shareholders; ♦ quality of judgment; ♦ ethics; ♦ experience and knowledge of the operation of governance bodies; as well as a set of skills and expertise in line with Ubisoft's strategy and development objectives, leading to a body of directors with complementary attributes developed through their different professional experiences and undertakings. Their personal skills and expertise cover areas related to the Group's strategy, as shown in the chart below. With their complementary expertise and free judgment, the directors jointly ensure that the measures adopted support the implementation of Ubisoft's strategy.

TABLE OF SKILLS

		Ubisoft business lines	International experience	Talent management	Technology	Finance - Audit	CSR
EXECUTIVE MANAGEMENT	Yves Guillemot, Chairman and CEO	●	●	●		●	
	Claude Guillemot, EVP	●	●		●		
	Michel Guillemot, EVP	●	●		●	●	
	Gérard Guillemot, EVP	●	●	●			●
	Christian Guillemot, EVP	●	●			●	
INDEPENDENT DIRECTORS	Didier Crespel		●	●		●	
	Laurence Hubert-Moy		●		●		●
	Florence Naviner		●			●	
	Corinne Fernandez-Handelsman			●			●
	Belén Essioux-Trujillo		●	●			
REP. EMPLOYEE SHAREHOLDERS (1)	John Parkes	●	●	●			
REP. EMPLOYEES (2)	Lionel Bouchet	●			●		
	Anne Wübbenhorst	●			●		
		8	10	6	5	5	3

(1) Director representing employee shareholders
(2) Directors representing employees

Results obtained (continued)

Independent directors

In accordance with the Company's internal rules, directors deemed independent must undertake at all times to maintain their independence with regard to analysis, judgment, decisions and action. They must undertake not to seek out or to accept benefits from the Company or associated companies, either directly or indirectly, which are likely to be considered prejudicial to their independence.

The status of independent directors was reviewed by the Board on April 7, 2021 based on the questionnaire issued by the CNRG to all independent directors, under the terms of which each director was invited to state their position based on each criterion retained of the Afep-Medef Code to determine independent status.

The independent directors have no relationship of any kind whatsoever with the Company, its Group or its management that could compromise their judgment.

	Didier Crespel	Laurence Hubert-Moy	Florence Naviner	Corinne Fernandez-Handelsman	Belén Essioux-Trujillo
Criterion 1: Employee corporate officer for the past five years (1)	N/A	N/A	N/A	N/A	N/A
Criterion 2: Cross-directorships (2)	N/A	N/A	N/A	N/A	N/A
Criterion 3: Significant business relationships (3)	N/A	N/A	N/A	N/A	N/A
Criterion 4: Family ties (4)	N/A	N/A	N/A	N/A	N/A
Criterion 5: Statutory Auditors (5)	N/A	N/A	N/A	N/A	N/A
Criterion 6: Term of office exceeding 12 years (6)	N/A	N/A	N/A	N/A	N/A
Criterion 7: Status of non-executive corporate managing officer (7)	N/A	N/A	N/A	N/A	N/A
Criterion 8: Status of major shareholder (8)	N/A	N/A	N/A	N/A	N/A

The Board, noting that no business relationship – even minor, that could potentially compromise the independence of the directors concerned – existed between directors and the Company or the Group, decided that there was no point at this stage in setting a percentage threshold below which a business relationship would not be material.

Nationalities and international experience

Two of the Board members have dual nationality and two have foreign nationality.

Most of the directors have had an international career and responsibilities. Three of the directors are based abroad.

Gender balance

The Board deems that the ratio of 40% female directors, required by legal regulations, makes for a good gender balance. However, it will remain attentive to any recommendations that the CNRG may make in this area.

Three out of three committees are chaired by a woman (Audit Committee, CNRG and CSR Committee) and, out of the seven positions on these committees (the director(s) representing employees (9) and the director representing employee shareholders (10) are not included in this calculation), five are held by women, *i.e.* a proportion of 71%.

Age/Length of service

At March 31, 2021:

- the average age of directors is 55.38;
- the average length of service of the directors is 14.90 years. If we exclude the "founding" directors, it is 3.49 years.

(1) Must not be or have been during the previous five years (i) an employee or executive corporate managing officer of the Company, (ii) an employee, executive corporate managing officer or director of a company that the Company consolidates and (iii) an employee, executive corporate managing officer or director of the Company's parent company or of a company consolidated by this parent company

(2) Must not be an executive corporate managing officer of a company in which the Company holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive corporate managing officer of the Company (currently in office or having held such office within the last five years) is a director

(3) Must not be a customer, supplier, corporate banker, investment banker or advisor (i) considered significant to the Company or its Group or (ii) for which the Company or its Group represents a significant part of the business

(4) Must not be related by close family ties to a corporate officer

(5) Must not have been a Statutory Auditor of the Company within the previous five years

(6) Must not have been a director of the Company for more than 12 years

(7) Must not be a non-executive corporate managing officer receiving variable compensation in cash or securities or any compensation linked to the performance of the Company or Group

(8) Must not be, control or represent a shareholder holding, alone or in concert, more than 10% of the capital or voting rights at General Meetings of the Company or its parent company

(9) Article L. 225-27-1, II of the French commercial code

(10) Article L. 225-23 of the French commercial code

4.1.2.3.4 ASSESSMENT OF THE WORK OF THE BOARD OF DIRECTORS AND COMMITTEES

The internal rules of the Board provide that the Board must discuss its own operation at least once a year in order to improve the effectiveness of its work and to arrange for a formalized assessment of its operation to be conducted at least once every three years by an external firm (the "**External Assessment**").

The last External Assessment was conducted in March 2020 under the supervision of the President of the CNRG. This External Assessment also focused on the individual contribution of the directors. The analysis of the responses to the 2020 External Assessment led to an assessment report presented by the CNRG to the entire Board.

An internal assessment of the Board and its committees was conducted under the aegis of the CNRG and each Committee President in March 2021 (the "**2021 Internal Assessment**").

A reminder of the areas for improvement brought to light by the previous assessments of the Board and its committees is set out below:

Improvements adopted following the assessments that identified these points	
♦ Formalization of succession plans for the executive corporate managing officers, the Executive Committee and the lead director	External Assessment (2017)
♦ Establishment of a CSR Committee ♦ Communication upstream for significant M&A transactions ♦ Increase the frequency of independent directors' meetings	Internal Assessment (2018)
♦ Regular training of directors on the changes in the Group's business ♦ Assessment of the individual contribution of each director	Internal Assessment (2019)
♦ Continue to update succession plans ♦ Entrust the governance aspect to the Nomination and Compensation Committee ♦ Reassert the Board's steering role with regard to the committees' work ♦ Report more regularly between the G5 and the Board ♦ Place the monitoring and review of the Duty of Care Plan on the agenda of the CSR Committee ♦ Consider setting up a more efficient and user-friendly platform for the exchange of documents ♦ Review the structuring of the agenda for Board meetings (produce a dashboard, etc.) ♦ Consider appointing an independent director with M&A experience ♦ Increase the knowledge of the strategic framework surrounding the acquisition proposals submitted to the Board ♦ Hold a second strategic Board meeting	External Assessment (2020)

The main conclusions of the 2021 Internal Assessment are presented below:

Progress made since the last assessment	♦ Proposed changes to succession plans. ♦ Addition of governance to the Nomination and Compensation Committee. ♦ Implementation of a more user-friendly and efficient platform for the exchange of documents to better structure the agendas of Board and Committee meetings. ♦ Organization of a second strategic meeting. ♦ Quarterly reporting of information between the G5 and the Board.
Main areas for improvement	**Governance:** ♦ Organize more meetings of independent directors; ♦ Continue discussions on diversity, the skills grid and succession plans. **Organization and functioning of the Board and its committees:** ♦ Increase the frequency of review or communication of certain documents; ♦ Improve the structure of the distribution of topics between the various committees and/or the Board; ♦ Set up inter-committee meetings. **Strategy:** ♦ Establish more regular exchanges with the Executive Committee and Executive Management; ♦ Dedicate more time to strategic topics during Board meetings.

4.1.2.3.5 ETHICS

Directors are subject to the rules of ethics of the Afep-Medef Code. The Board's internal rules set out the rules and duties to which the directors are subject. Article 4 of the internal rules specifies the duties and obligations of the directors in terms of confidentiality, independence, loyalty, conflicts of interest and prevention of insider trading.

Declarations relating to the corporate officers

To the Company's knowledge and on the basis of the information provided by the members of the Board in response to the questionnaire sent individually to each director by the CNRG (the "Declaration"), no member of the Board has, during the last five years:

- been convicted of fraud or received an official reprimand and/or charges from statutory or regulatory authorities;
- been involved as a director in a bankruptcy, receivership or liquidation;
- been disqualified by a court from serving as a member of an administrative, management or supervisory body of an issuer, or from participating in the management or conduct of the business of an issuer.

It is also evident from the Declaration completed by each director that:

- there are no arrangements or agreements with shareholders, customers, suppliers or other party whereby a member of the Board of directors was appointed on that basis;
- there are no service agreements between members of the Board and the Company or any of its subsidiaries granting benefits under the terms of such agreement;
- regarding independent directors, no family ties between them and other members of the Board.

Conflicts of interest

In accordance with the internal rules of the Board, all Company directors must – whenever a conflict of interest exists or could potentially arise between the corporate interests of the Company and their direct or indirect personal interests, or the interests of the shareholder or group of shareholders they represent – abstain from voting on the corresponding resolution. In addition, to minimize the risk of conflicts of interest and to allow the Board to provide shareholders and the markets with accurate information, each director is required to complete the above-mentioned Declaration, provided each year by the CNRG, and notify the Board in the event of a change, as soon as they become aware of any situation in which they have a conflict of interest, potential or otherwise.

To the Company's knowledge, and based on the Declaration completed by each director, there is currently no conflict of interest between the duties of members of the Board and their private interests or other obligations.

It should be recalled that the specific regulation on so-called "regulated agreements" (set out hereunder) is aimed at dealing with issues of conflicts of interest that may exist between the Company and its executives (Chief Executive Officer, Executive Vice-Presidents, directors, President of a simplified joint-stock company (French "*SAS*"), General Manager of a limited liability company (French "*SARL*"), etc.) or between the Company and one of its shareholders with more than 10% of voting rights (or the Company controlling such a shareholder), within the framework of (i) agreements between such parties and the Company or (ii) agreements for which said executives or shareholders may have indirect interests or (iii) agreements between two companies that have executives in common.

Consequently, since Yves, Claude, Michel, Gérard and Christian Guillemot serve on the Executive Management and/or the Board of their respective companies, the potential conflicts of interest that could exist would essentially be those resulting from agreements between the Company or its subsidiaries with one of the companies of Claude, Michel, Gérard and Christian Guillemot or their subsidiaries. Entering into such agreements would therefore be subject, for each of the parties thereto, to the regulated agreements procedure required under articles L. 225-38 *et seq.* and L. 22-10-13 of the French commercial code, whenever such an agreement is concluded with the Company itself (or any other article of the French commercial code applicable to the form of the contracting company), for any company other than the Company itself.

Information on agreements

Regulated agreements within the meaning of article L. 225-37-4, 2°

In accordance with article L. 225-37-4, 2° of the French commercial code, the corporate governance report must mention, except for normal business transactions entered into at arm's length, agreements made directly or through an intermediary by, on the one hand, the Chief Executive Officer, an Executive Vice-President, a director (the "**Corporate Officers**") or a shareholder with more than 10% of the Company's voting rights (a "**Shareholder**") and, on the other hand, a company controlled by the Company within the meaning of article L. 233-3 of the French commercial code.

The Company is not aware of the existence of any such agreements having been entered into during the financial year ended March 31, 2021, between the Corporate Officers or a Shareholder and any company controlled by the Company as referred to in article L. 225-37-4, 2° of the French commercial code.

Regulated agreements within the meaning of articles L. 225-38 et seq. and L. 22-10-13

Concerning agreements and commitments subject to prior authorization pursuant to the provisions of articles L. 225-38 *et seq.* and L. 22-10-13 of the French commercial code, the Statutory Auditors, in the special report required under the provisions of article L. 225-40 of said Code, state that they were not informed of any agreement or commitment (i) authorized and entered into during the past year to be submitted to the approval of the General Meeting, or (ii) authorized and entered into during previous financial years and which was still in force in the financial year ended March 31, 2021.

Ordinary agreements

In accordance with the provisions of article L. 22-10-10, 6° of the French commercial code, the Company's corporate governance report must include a description of the procedure put in place by the Company to regularly assess whether the agreements concerning ordinary operations entered into on arm's length conditions actually meet those conditions, as well as a description of the implementation of this procedure. To this effect, the Board's internal rules, amended on October 30, 2019, take account of the following principles and procedure:

- the ordinary nature of the operations and their arm's length nature are cumulative criteria:
  - ordinary operations usually concern operations performed as part of the Company's business, particularly in connection with its corporate purpose – while taking into account the usual practices of companies in a similar situation,
  - the conditions are considered normal if they are similar to those usually encountered in operations of the same type or if they consist of the usual conditions applied by the Company in its dealings with third parties;
- these criteria are appraised on a case-by-case basis by the Administration Department, with the support of the Ubisoft group's Legal Department if necessary;
- at least once a year, and at the latest during the first Board meeting after the close of the financial year, the Board assesses whether the agreements classified as ordinary operations entered into on arm's length conditions (the "**Non-Regulated Agreements**") still meet those criteria;
- this classification is re-examined by the Board upon any modification, renewal, extension or termination of a Non-Regulated Agreement.

Prevention of breaches and insider trading

The internal rules of the Board, the Group's code of conduct and the dedicated training materials (e-learning, intranet) define the rules applicable to trading in the Company's securities, in accordance with European and French regulations on breaches and insider trading and abstention obligations (in particular the Market Abuse Regulation, the French monetary and financial code and the AMF's General Regulation).

Permanent insiders (directors and persons having management responsibilities, treated as executive corporate managing officers, and any person having permanent access to any inside information of the Company and designated as such by the Chairman and Chief Executive Officer) are subject to **obligations of confidentiality and abstention** from carrying out transactions on Company securities when they hold inside information and during blackout periods:

- for the announcement of half-year (consolidated financial statements) and annual (consolidated financial statements) results: during a period of thirty calendar days before publication;
- for the announcement of quarterly results (non-consolidated financial statements): for a period of 15 calendar days prior to the publication of the results.

The provisional calendar of future abstention periods is sent to all permanent insiders.

The Company keeps an updated list of permanent insiders. It sends everyone a code of ethics regarding trading, informing them of their status, their registration on the list of permanent insiders and their confidentiality and abstention obligations under the applicable regulations. Each permanent insider is required to sign this code of ethics and to comply with it.

Furthermore, **occasional insiders** who have one-off access to inside information of the Company are subject to **the same obligations of confidentiality and abstention** from carrying out transactions on Company securities when they have inside information. To that effect, the Company creates a list of occasional insiders specifically for the inside information concerned and keeps that list up-to-date. It sends everyone a code of ethics regarding trading, informing them of their status, their registration on the list of occasional insiders and their confidentiality and abstention obligations under the applicable regulations. Each occasional insider is required to sign this code of ethics and to comply with it, until he/she no longer has the status of occasional insider.

In addition to the obligations of confidentiality and abstention described above, the **executives** of the Company (more specifically, the directors and the persons having management responsibilities, treated as executive corporate managing officers) and persons closely related to them, are required to **declare their transactions** to the Company and to the AMF in accordance with applicable regulations using the strict procedures set out in the code of trading ethics intended for permanent insiders and provided to them by the Company. Transactions carried out between April 1, 2020 and May 11, 2021 are summarized in the table below.

More generally, to ensure the proper implementation of the policy on the prevention of insider trading and misconduct, the Company has set up internal procedures for the identification and management of inside information. In particular, the Company has set up a **Disclosure Committee** responsible for identifying and publishing such information in accordance with applicable regulations. The Company has also appointed **ethics officers** for trading ("**ethics officers**") whose duties include making team members aware of trading rules and training them in the concept of inside information and the prevention of insider misconduct (in particular the precautions and obligations pertaining to possession of inside information and the abstention periods during which insiders must comply with the rules of confidentiality and abstention). Training sessions suited to the Company's business have been put in place. Furthermore, the Company has adopted a **market ethics charter** detailing the principles of trading ethics and the rules that apply to trading in the Company's securities.

Surname, first name, position on the date of the transaction	Type of transaction	Date of transaction	Number of shares	Type	Unit price	Amount of transaction
SECURITIES TRANSACTIONS BY EXECUTIVE						
Yves Guillemot – Chairman and CEO	Conversion	12/17/20	39,990	AGAP (1)	€66.65	€2,665,333.50
Michel Guillemot – EVP	Acquisition	06/22/20	20,000	OS	€69.42	€1,388,400
	Disposal	06/22/20	11,549	OS	€69.31	€800,461.19
	Acquisition	06/23/20	17,929	OS	€69.30	€1,242,479.70
	Disposal	06/23/20	29,451	OS	€68.91	€2,029,468.41
	Acquisition	06/24/20	22,071	OS	€70.36	€1,552,915.56
	Disposal	06/24/20	18,000	OS	€70.11	€1,261,980
	Acquisition	06/25/20	23,000	OS	€69.85	€1,606,550
	Disposal	06/25/20	28,000	OS	€70.14	€1,963,920
	Disposal	06/26/20	13,000	OS	€70.77	€920,010
	Acquisition	06/26/20	11,703	OS	€70.95	€830,327.85
Gérard Guillemot – EVP	Exercise	11/16/20	12,500	SOP	€26.85	€335,625
	Disposal	11/16/20	11,875	OS	€78.6132	€933,531.75
Christian Guillemot – EVP	Conversion	12/17/20	5,010	AGAP (1)	€66.65	€333,916.50
John Parkes, director representing employee shareholders	Acquisition	09/24/20	3,000	OS	€91.98	€275,940
Lionel Bouchet, director representing employees	Acquisition	06/23/20	770	OS	€69.20	€53,284
	Disposal	12/18/20	770	OS	€78.32	€60,306.40
SECURITIES TRANSACTIONS BY RELATED PERSONS						
Guillemot Brothers Ltd, legal entity linked to Christian Guillemot, EVP	Disposal	09/15/20	107,462	OS	€74.2046	7,974,174.73
	Disposal	09/16/20	92,538	OS	€74.1704	€6,863,580.48

(1) Conversion of preference shares into ordinary shares (see 4.2.3.5)

Loans and guarantees granted to members of the Board of directors

The Company has not granted any loans or guarantees to any member of the Board.

4.1.2.3.6 PREPARATION AND ORGANIZATION CONDITIONS OF THE WORK DONE BY THE BOARD OF DIRECTORS AND ITS COMMITTEES

The preparation and organization of the Board come within the scope defined by the statutory and regulatory provisions applicable to French joint-stock companies (French *"SA"*) and the Company's articles of association, and the provisions of the internal rules of the Board and its committees updated on July 1, 2020.

The Board, a collegial body, collectively represents all shareholders. It performs the duties assigned to it by law, acts under all circumstances in the corporate interest of the Company, and strives to promote the creation of long-term value, while taking into consideration the social and environmental impacts of the Group's activities. It determines the strategic business policies of the Company and/or Group and ensures their implementation within the limits of the Company's corporate purpose and the powers expressly granted by law to General Meetings. It regularly examines existing opportunities and the main risks (including financial, legal, operational, labor-related, societal and environmental risks), as well as the measures taken in this regard. To that effect, the Board receives all of the information required to perform its mission, in particular from the executive corporate managing officers.

Over and above the expertise and powers of the Board and its committees, the internal rules of the Board prescribe the principle of confidentiality for information disclosed to members, and state that the office of director shall be held in accordance with the rules on independence, ethics and integrity. Moreover, the internal rules of the Board of directors stipulate the requirement that each of the director shall inform the Board in the event of a real or potential conflict of interests in which he/she may be directly or indirectly involved. It specify the content and procedures for exercising the prerogatives of the Board (including the independent directors, the director(s) representing employees and employee shareholders), the specialized committees created within the Board, the Chairman and Chief Executive Officer, the Executive Vice-Presidents and the lead director.

Operation of the Board of directors

It meets as often as required by the Company's business, at the registered office or at any other place chosen by the Chairman. No special form is required for meeting notices. As a collegial body, its decisions are binding on all its members.

In his capacity as Chairman of the Board of directors, the Chairman and Chief Executive Officer prepares, organizes and supervises the work of the Board, sets the agenda for its meetings, advises the directors of any information required for the performance of their duties, ensures the proper functioning of the Company's bodies, the proper execution of decisions made by the Board and compliance with the rules of proper conduct adopted by the Company. He reports to the General Meeting on the functioning, work and decisions of the Board.

The internal rules of the Board of directors provide an opportunity for directors to participate in the Board's deliberations *via* videoconference or telecommunications, including conference calls, which enable them to be identified and which guarantee their effective participation, under the conditions determined by the regulations in force. Directors who participate in the Board's deliberations in this way are deemed to be present for quorum purposes, except for Board meetings relating to the establishment of the annual consolidated and separate financial statements, and the management report.

In the context of the Covid-19 crisis, the Board was forced to hold meetings relating to the closing of the financial statements for the years ended March 31, 2020 and March 31, 2021 under the exceptional provisions provided for by Order No. 2020-321 of March 25, 2020, by videoconference. The Board also took two decisions through written consultations (*see 4.1.2.4*) which had been previously brought up and discussed during earlier sessions.

Board of directors' information

The Chairman and Chief Executive Officer provides the directors with the information and documentation necessary for them to carry out their duties and prepare for meetings, in accordance with article L. 225-35 of the French commercial code.

Each director may also independently obtain additional information from the Chairman and Chief Executive Officer, who is available to provide relevant information and explanations to the Board.

In this respect, the elements essential to the examination of the points on which the Board is called upon to discuss are communicated to the members of the Board prior to the Board meeting. Accordingly, each Board member is provided with a preparatory file including information and documents, subject to their availability and depending on the progress of the files, relating to the topics on the agenda. The implementation of a new secure platform has made it possible to improve the dematerialization of Board and committee files, facilitating their transmission and archiving, and improving the level of confidentiality.

Directors are bound by a duty of confidentiality as regards confidential information that is provided as such by the Chairman of the Board of directors.

The committees tasked by the Board of directors to examine specific issues make a contribution through their work and reports, providing the Board of directors with the information it needs to make its decisions (*see 4.1.2.4*).

Directors receive on an ongoing basis all documents that are issued by the Company and its subsidiaries to the public, especially information intended for shareholders. They are informed of market developments, the competitive environment and the main challenges, including in the area of corporate social responsibility.

The directors may, if they wish, discuss with the operational staff and meet the main managers of the Company, even without the presence of the executive corporate managing officers, provided that they have been informed in advance, in order to better understand Ubisoft's business lines if they deem it necessary.

They also have access to:

- the daily press review relating to Ubisoft news and more generally on video game industry news ("Ubisoft Daily Newsletter");
- KOM EMEA, which provides a true immersion into the universe of Ubisoft games; and

are included in the:

- "Ubisoft World" mailing list enabling them to receive all messages sent to Ubisoft teams;
- as well as the "Public Relations" mailing list enabling them to receive all press releases published by Ubisoft.

Training of directors

Each director is entitled, upon his/her appointment and throughout his/her term of office, to training on corporate governance and on the Company's specific features, its business lines, its business segment, and its corporate social responsibility challenges.

In accordance with the legal provisions in force, the director representing employees shall receive appropriate training of least 40 hours per year.

Some directors have taken, at their request, certification training relating to directors' duties at Sciences Po Paris/IFA.

In order to facilitate the integration of new directors and their assumption of duties, an induction program has been set up, including in particular, in addition to the information tools referred to above:

- the provision of the documents necessary for the role of director (Universal Registration Document, articles of association, internal rules, etc.);
- access to presentations and videos to better understand the Ubisoft environment.

Furthermore, members of the Audit Committee are entitled, upon their appointment and at their request, to information on accounting, financial or operational specificities of the Company/Group.

4.1.2.4 Missions of the Board of directors, the committees and the lead director/FY21 activity

During the financial year ended March 31, 2021, the Board met eight times, it being specified that in view of the exceptional health situation and in accordance with the provisions of Order No. 2020-321 of March 25, 2020, the Board has held written consultations twice. The attendance rate of directors of 97% does not take into account these two written consultations.

	Board	Audit Committee	CNRG	CSR Committee
	8 sessions [1] FY21	5 meetings FY21	6 meetings FY21	4 meetings FY21
Yves Guillemot	**100%**	-	-	-
Claude Guillemot	**100%**	-	-	-
Michel Guillemot	**100%**	-	-	-
Gérard Guillemot	**88%**	-	-	**100%** [2]
Christian Guillemot	**100%**	-	-	-
Didier Crespel	**100%**	**100%**	-	-
Laurence Hubert-Moy	**100%**	**100%**	**100%** [2]	-
Florence Naviner	**75%**	**80%** [2]	-	-
Corinne Fernandez-Handelsman	**100%**	-	**100%**	**100%**
Belén Essioux-Trujillo	**100%** [3]	-	-	-
John Parkes	**100%** [4]	-	-	-
Lionel Bouchet	**100%**	-	-	**100%**
Anne Wübbenhorst	**100%** [3]	-	-	-
TOTAL	**97%**	**93%**	**100%**	**100%**

(1) Not including decisions (2) taken by written consultations pursuant to article 9 of Order No. 2020-321 of 03/25/20
(2) Committee President
(3) One Board meeting out of eight held between the date of appointment and/or election and 03/31/21
(4) Five Board meetings out of eight held between the date of appointment and 03/31/21 [1]

4.1.2.4.1 BOARD OF DIRECTORS

Missions and responsibilities

In accordance with the provisions of article L. 225-35 of the French commercial code and its internal rules, the Board decides the Company's policies and oversees their implementation.

In particular, the Board gives its opinion on all decisions relating to major strategic, economic, corporate, financial and technological policies of the Company and oversees their implementation by the Executive Management, particularly in accordance with the Board's internal rules.

Subject to the powers expressly bestowed on General Meetings and within the limit of the corporate purpose, the Board may discuss any issue affecting the proper functioning of the Company and make decisions to resolve matters that concern it. It also carries out the verifications and controls it deems appropriate. Thus, the Board:

- chooses the organizational arrangements for the Executive Management (separation of the offices of Chairman and Chief Executive Officer, or combination of such offices);
- implements, when it deems appropriate, the delegations of authority and/or authorizations granted to it by the General Meeting;
- examines and approves the financial statements;
- monitors the quality of the information provided to shareholders and to the markets in the financial statements or when major transactions are carried out.

In addition, the Board contributes to the determination of the Group's objectives and strategy in line with its culture and values.

Main topics addressed by the Board of directors during the 2021 financial year

The agenda of meetings of the Board is determined pursuant to applicable laws and regulations.

During the financial year, the main issues addressed by the Board were the following:

Financial position, cash position and commitments of the Group	• Reviewing the reports on the work of the Audit Committee *(see 4.1.2.4.3)*. • Reviewing and approving the separate and consolidated financial statements for FY20 and the 1st half of FY21. • Financial information/financial reports. • Establishing forecast management documents. • Implementing the share buyback program. • Monitoring the work of the internal control team. • Authorizing the CEO to provide sureties, endorsements and guarantees on behalf of the Company, and issue bonds.
Major strategic policies and operations of the Ubisoft group	• Considering the Ubisoft group's strategic issues. • Approving the three-year business plan. • Monitoring the impacts of the Covid-19 crisis. • Reviewing the CSR risk mapping and materiality matrix. • Implementation of the so-called "financial" delegations and authorizations granted by the General Meeting *(see 7.2.3)*. • Updating the financial objectives for FY21 (Profit Warning).
Corporate governance	• Reviewing reports on the work of the CNRG, CSR Committee, lead director, meetings of the independent directors and the G5. • Updates on the health crisis related to the Covid-19 epidemic and the crisis related to the movement to denounce toxic and sexist behaviors: discussions with external consultants (in particular, without the presence of the Chairman and CEO). • Annual update on the operation of the Board and its committee (review of qualification as an independent director, review of the composition of Board committees). • Discussion on the *raison d'être*. • Renewal of the terms of office of the Chairman and CEO and the EVPs. • Reviewing the succession plans for executive corporate managing officers, the Executive Committee and the lead director. • Updating the internal rules of the Board and its committees. • Monitoring avenues for improvement from the 2020 External Evaluation *(see 4.1.2.3.4)*.

Compensation/ Employee share ownership	• Implementing the delegations and authorizations granted by the General Meeting in relation to "employee share ownership" (setting up plans and validating the achievement of performance conditions).
	• Compensation of corporate officers:
	  ◦ Approval of the compensation policy;
	  ◦ Annual review and setting of components of compensation for the Chairman and CEO and/or EVPs;
	  ◦ Determining any financial and non-financial criteria to be applied (annual variable, LTI) *(see 4.2.1.3 and 4.2.1.4)*.

Miscellaneous	• Calling the General Meeting behind closed doors, powers to the Chairman and CEO to determine how the General Meeting will be held, appointing scrutineers and replying to written questions (1), adopting reports and approving draft resolutions. • Annual review of agreements and commitments (article L. 225-40-1 of the French commercial code). • Transferring the Company's registered office subject to ratification by the General Meeting. • "Business" matters.

(1) Order No. 2020-321 of 03/25/20 and Decree No. 2020-148 of 04/10/20

The Board has also received presentations on specific topics requested by its members.

Pursuant to article L. 823-17 of the French commercial code, the Statutory Auditors were invited to attend the Board meetings approving or examining the financial statements.

4.1.2.4.2 LEAD DIRECTOR/MEETINGS OF INDEPENDENT DIRECTORS

Pursuant to the internal rules of the Board and of its committees, a lead director, chosen from among the independent directors, may be appointed by the Board, following a proposal of the CNRG, where the positions of Chairman and Chief Executive Officer are held by the same person.

The lead director is appointed for a period of two years, which must not exceed the term of his or her directorship. The lead director may be re-elected on the proposal of the CNRG.

Didier Crespel has held the position of lead director since March 3, 2016. Didier Crespel indicated during the Board's review of the succession plan, as proposed by the CNRG, that he was prepared to continue his duties as lead director subject to the renewal of his term of office as director expiring at the end of the 2021 General Meeting.

Responsibilities

The main responsibility of the lead director is to oversee the proper functioning of the Company's management bodies. In this regard, he:

- chairs the meetings of the Board in the event that the Chairman is unavailable and following a proposal from the latter in accordance with the provisions of the articles of association;
- temporarily assumes the chair of the Board of directors in the event that the Chairman is unavailable;
- chairs, convenes and organizes at least one meeting per year for the independent directors during which they can discuss topics of their choice outside of a plenary meeting of the Board;
- maintains ongoing dialog with the directors and, where required, acts as their spokesman with the Chairman of the Board of directors and in particular acts as a liaison if required between the independent directors and the Chairman of the Board of directors;
- ensures that all shareholder questions are answered, is available to communicate with shareholders at the request of the Chairman of the Board of directors and keeps the Board informed of these exchanges;
- oversees the evaluation of the Board of directors' operating procedures where required.

Resources

While performing his duties, the lead director can:

- suggest that the Chairman add items to the agenda of Board meetings, where necessary;
- request that the Chairman convene a meeting or, where applicable, directly convene the Board meeting on a specific agenda whose importance or urgency would justify the holding of an extraordinary meeting of the Board;
- assume, in conjunction with legal and regulatory provisions, the duties of the Chairman of the Board of directors in the event that the latter is unavailable (temporarily chairs meetings);
- meet with the independent directors at least once a year under terms and conditions and at the times that he may deem appropriate;
- attend and/or participate in any meetings with Company shareholders upon request of the Chairman of the Board of directors;
- make recommendations of any kind in relation to the evaluation of the Board.

The lead director ensures that the directors have the opportunity to meet and speak with the executive managers and the Statutory Auditors, in accordance with the provisions of the internal rules.

More generally, the lead director ensures that the directors are provided with the information required to perform their duties under optimum conditions, in accordance with the provisions of the internal rules.

The lead director is also in charge of relationships with shareholders, in particular concerning corporate governance issues. The lead director may be the President or a member of one or more of the committees of the Board of directors. The lead director reports once a year to the Board. During General Meetings, he may be invited by the President to report on his actions.

Activity during the financial year

Since his appointment as lead director on March 3, 2016, Didier Crespel has been in frequent contact with the Company's shareholders in order to provide an overview of "Governance" activities and in particular the operating procedures and activities of the administrative and management bodies.

The lead director also invited the independent directors to meetings on July 20th and September 9, 2020.

The lead director prepared the governance roadshows, for which he was in regular contact with the Group staff with expertise in this area.

In accordance with the Board's internal rules, the lead director reported on his activities of the past financial year at the Board meeting of April 7, 2021. These activities mainly consisted of the convening of two meetings with the independent directors *(see below)* and the preparation and presentation of the governance roadshow with the Investor Relations Department and the Human Resources Department.

Items discussed at meetings of independent directors held during the financial year 2020-2021

At the meetings of the independent directors held on July 20, 2020 and September 9, 2020, the main issue discussed was the crisis related to allegations of harassment or inappropriate behavior. On this occasion, the independent directors debated at length, gave their opinion, identified areas for improvement and drew up a list of questions on the subject, which were answered by the Chairman and CEO or at the end of Board meetings, without the presence of the Chairman and CEO and Virginie Haas, by the external consultants.

The independent directors reviewed the composition of the Board, particularly with regard to the appointment of Virginie Haas as Chief Studios Operating Officer and the general organization of the Group and succession plans.

4.1.2.4.3 COMMITTEES OF THE BOARD OF DIRECTORS

Under its internal rules, the Board of directors has the option of creating one or more committees to assist it:

- the Audit Committee;
- the Nomination, Compensation and Governance Committee;
- the Corporate Social Responsibility Committee.

Committee roles and operating procedures

The committees act in an advisory capacity. Their particular responsibilities include reviewing matters that the Board or its President submits for their consideration and reporting their findings to the Board in the form of minutes, proposals or recommendations. Members chosen from among the directors are appointed by the Board, which also appoints each committee's President. The responsibilities and operating procedures of each committee were specified by the Board when they were established and were included in the internal rules.

The Board reserves the right to change the number and/or the composition of these committees at any time, as well as the scope of their duties. Finally, it should be noted that the internal rules of each committee – as well as any change that a committee may ultimately suggest – must receive the Board's formal approval.

The committees may not unilaterally decide to discuss issues beyond the scope of their mission. They have no decision-making power but only that of making recommendations to the Board.

The committees meet at the behest of their President and may be called by any means. The committees may meet at any place and in any way, including by videoconferencing and teleconferencing. They may only meet if a quorum of at least half of their members are present – if committees only comprise two members, all members must participate in meetings. As members are personally appointed, they may not be represented by others. The frequency of Committee meetings must be at least that laid down in each committee's internal rules.

The agenda of Committee meetings is set by their President. The committees report on their work to the subsequent Board meeting in the form of oral statements, opinions, proposals, recommendations or written reports.

Audit Committee

AUDIT COMMITTEE

100% Independance rate

67% % women

5 Number of meetings in FY21

93% Attendance

COMPOSITION OF THE AUDIT COMMITTEE AT 05/11/21

		
Florence NAVINER	Laurence HUBERT-MOY	Didier CRESPEL
Committee President	**Committee member**	**Committee member**
Independent director	Independent director	Independent director

AUDIT COMMITTEE MEMBERS' EXPERTISE

Florence NAVINER	Laurence HUBERT-MOY	Didier CRESPEL
Finance/Audit	Technology (risk mapping)	Finance/Audit

RESPONSIBILITIES OF THE AUDIT COMMITTEE

The internal rules of the Audit Committee, which are attached to the internal rules of the Board, describe the Audit Committee's responsibilities and operating procedures.
The Audit Committee is responsible for monitoring the preparation of accounting, financial and non-financial information, the effectiveness of internal control, risk management and IT security systems, statutory audits of the separate and consolidated financial statements by the Statutory Auditors and the independence of the latter. It prepares and facilitates the work of the Board of directors with regard to these matters.
At the beginning of the year, the Committee lays down its work program.

Main responsibilities

Accounting, financial and non-financial information	♦ Monitoring the preparation of the financial information and, where required, issuing recommendations to guarantee its integrity. ♦ Examining the pertinence of the accounting basis chosen, the sustainability of the accounting methods applied, the accounting policies used and the estimates made in order to process material transactions in the scope of consolidation. ♦ Examining certain accounting and financial information documents issued by the Company before they are made public.
Internal control systems for risk management and IT system security	♦ Reviewing and monitoring the effectiveness of internal control and risk management systems and the security of information systems concerning procedures relative to the preparation and processing of accounting, financial and non-financial information, without infringing on its independence. ♦ Examining risks, including those relating to social and environmental issues, legal disputes and material off-statement of financial position commitments.
Statutory auditing	♦ Making recommendations to the Board, in accordance with the provisions of article 16 of Regulation (EU) 537/2014, on the appointment or reappointment of the Statutory Auditors and approval of the amount of the fees charged. ♦ Monitoring the Statutory Auditors' work, taking into account the findings and conclusions of the *Haut Conseil du Commissariat aux Comptes* (French auditing authority) following the checks made pursuant to articles L. 821-9 *et seq.* of the French commercial code. ♦ Approval of the provision by the Statutory Auditors or their network, of services other than the certification of the financial statements mentioned in article L. 822-11-2 of the French commercial code, pursuant to the Audit Committee Charter. ♦ Annual request, when the annual financial statements are approved, for details of the fees for auditing and non-auditing services paid by the Company and other Group companies to the firms and networks of the Company's Statutory Auditors.

WORK OF THE AUDIT COMMITTEE IN FY21

Accounting, financial and non-financial information	♦ Examining the annual (separate and consolidated) and half-yearly (consolidated) financial statements, and financial reports. ♦ Reviewing the work of the Statutory Auditors on the annual and half-yearly financial statements. ♦ Reviewing forecast management documents (article L. 232-2 of the French commercial code).
Internal control systems for risk management and IT system security	♦ Monitoring the work on internal control. ♦ Reviewing operating progress in terms of compliance with the "Sapin 2" law (code of conduct, whistleblowing system, corruption risk mapping, assessment of third parties, accounting controls, training schemes, disciplinary regime, internal control and assessment system, French anti-corruption agency questionnaire). ♦ Drawing up the list of subsidiaries in which an internal control review will be conducted. ♦ Reviewing the report on corporate governance, risk management and internal control.
Statutory auditing	♦ Discussion and review of Statutory Auditors' recommendations in order to establish a schedule related to the setting of objectives.
Other	♦ Update on robotization and digitalization of accounting processes.

Nomination, Compensation and Governance Committee

NOMINATION, COMPENSATION AND GOVERNANCE COMMITTEE

100% Independence rate

100% % women

6 Number of meetings in FY21

100% Attendance

COMPOSITION OF THE CNRG AT 05/11/21

Laurence HUBERT-MOY
Committee President
Independent director

Corinne FERNANDEZ-HANDELSMAN
Committee member
Independent director

CNRG MEMBERS' EXPERTISE

International experience (recruitment and compensation of high-level managers)	Talent management

MISSIONS OF THE CNRG

The Company has a single Nomination, Compensation and Governance Committee. As a follow-up to the actions to be carried out following the External Assessment carried out in March 2020 (*see 4.1.2.3.4*), the Board decided at its meeting of July 1, 2020 to entrust the governance dimension to the Nomination and Compensation Committee, which was renamed accordingly.

The CNRG's internal rules, which are attached to the internal rules of the Board, describe its responsibilities and operating procedures.

The CNRG is responsible for the selection of the members of the Board and of the Executive Management, the succession plans for the Executive Management of the Company, the members of the Executive Committee and the lead director, as well as the compensation policy of all corporate officers and the proper application of governance rules. It prepares and facilitates the work of the Board of directors with regard to these matters. At the beginning of the year, the Committee lays down its work program.

No executive corporate managing officer sits on the Committee. The Chairman and CEO does not take part in the meetings but is kept informed of the Committee's work, except for the agenda items that relate to him.

Main responsibilities

Nominations

- **Composition and functioning of the Board of directors and its committees:**
  - Periodically assessing the structure, size and composition of the Board of directors, ensuring compliance with the diversity policy applied to the members of the Board and its committees;
  - Evaluating the opportunity for reappointment of directors in office, submitting recommendations to the Board regarding any possible changes, implementing a procedure for selecting future directors;
  - Making proposals on the creation and composition of Board committees.
- **Composition of the G5**:
  - Examining, as necessary and, in particular at the end of the term of office in question, the renewal of the term of office of the Chairman and CEO and/or the EVP(s);
  - Examining and making proposals to the Board on the choice between the various forms of organization of the Company's management and control powers;
  - Implement a procedure guaranteeing the presence of at least one person of each gender among the candidates for EVP positions.
- **Composition of the Executive Committee and executive management teams**: keeping informed on the methods used by the Company to strive to achieve a good gender balance within the Executive Committee and diversity in the top 10% of positions with the greatest responsibility.
- **Succession plans**: conducting an annual review of the succession plan(s) for executive corporate managing officers, the Executive Committee and the lead director in the event of an unforeseen vacancy, a change in responsibilities, retirement, etc.

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MISSIONS OF THE CNRG (continued)	

Governance	- **Compliance:** examining changes in corporate governance rules, monitoring their application (particularly in the context of the Afep-Medef Code), assisting the Board in adapting these rules and making proposals in this regard.
	- **Internal rules of the Board and its committees:** conducting a regular review.
	- **Diversity policy:** ensuring that the executive corporate managing officers implement a policy of non-discrimination and diversity, particularly with regard to the balanced representation of women and men on the governing bodies, and report to the Board of directors accordingly.
	- **Independence of directors:** periodically reviewing the criteria applied by the Board to classify a director as independent and examining the position of each director on an annual basis with respect to those criteria.
	- **Director skills:** establish a skills matrix listing the different areas of expertise of the Board members and ensure monitoring.
	- **Conflicts of interest:** keeping informed by the Chairman of the Board whenever a director is unable to attend or take part in a vote due to a conflict of interest, examining, where applicable, the directors' periodic declarations of conflicts of interest, preparing a list of subjects likely to give rise to conflicts of interest and referring them to the Board accordingly.
	- **Training of directors:** offering courses to directors and catering to their needs in this respect; offering an on-Boarding program for new directors.
	- **Evaluation of the Board and its committees:** managing the annual self-assessment as well as the external triennial assessment and proposing the choice of an independent third party, ensure that the recommendations of the lead director in this area are taken into account.
	- **Equal pay and opportunities:** assessing the policies and actions implemented.
	- **Review of policies or voting intentions:** reviewing the comments made by proxy agencies or investors during the roadshows in particular with regard to the resolutions submitted to the vote of the General Meeting relating to governance, employee share ownership and compensation of corporate officers.
	- **Communication:** examining the information contained in the corporate governance report and any other document required by applicable law and regulations and, more generally, ensuring the provision of information to shareholders on corporate governance.
	- **Executive corporate managing officers (Chairman and CEO and EVPs):**
	  - Examining and making recommendations to the Board concerning both (i) the variable and fixed components of said compensation and (ii) any benefits in kind, share purchase or subscription options received from any Group company, provisions regarding their pensions and any other benefits of any kind;
	  - Proposing individual objectives (financial and non-financial) in coordination, if necessary, with the CSR Committee, in order to assess performance and calculate the variable component(s) of the annual or multi-annual compensation;
	  - Analyzing the equity ratios and their change between the compensation of the Company's executive corporate managing officers and the average and median compensation of employees;
	  - Ensuring that the Company complies with its obligations in terms of compensation transparency and in particular preparing an annual report on the CNRG's activity which is included in the corporate governance report, and ensuring that all the information required by compensation laws are included in the corporate governance report.
	- **Directors:** examining and making recommendations to the Board concerning overall and individual amounts as well as the allocation method used, taking into account the directors' attendance at Board and Committee meetings in accordance with the Board's internal rules.
	- **Executive management teams:**
	  - Keeping informed and examining the Group's general compensation policy and making any relevant comment in this regard;
	  - Finding out whether the fixed and variable compensation of the executive management teams (including the Executive Committee) is in line with the Company's strategy.
	- **Employee share ownership:**
	  - Providing an opinion to the Board of directors on the general policy concerning Group employee share ownership, setting out the reasons behind its choices and defining in advance the frequency of allocations;
	  - Making any suggestion as to the content of resolutions concerning employee share ownership to be submitted to a vote of the General Meeting, including the defining of the performance criteria applicable to the final allocation, the vesting period and/or the retention period.
	- **Communication**:
	  - Ensuring that the Company complies with its obligations in terms of transparency of compensation, in particular by reviewing the information provided to shareholders for the vote on the compensation of corporate officers (Say on Pay).

WORK OF THE CNRG IN FY21	
Nomination	♦ **Composition and functioning of the Board and its committees:** annual examination of and proposals for the renewal of directors' terms of office for the 2021 General Meeting, monitoring of the election of the second director representing the employees, implementation and steering of the candidate selection procedure for the position of independent director (appointment by co-option by the Board and ratification submitted to the 2021 General Meeting (*see 4.1.2.3.2*). ♦ **Composition of the G5:** update on the renewal of the term of office of the CEO and EVPs (analysis and conclusion regarding the selection process referred to in article L. 225-53 of the French commercial code). ♦ **Composition of the Executive Committee:** proposal to integrate new members, analysis of gender balance. ♦ **Succession plans:** annual review of the plans of the Chairman and CEO, the EVPs, the lead director and the Executive Committee.
Governance	♦ **Internal rules of the Board and its committees:** review and modifications. ♦ **Independence of directors:** annual review. ♦ **Training of directors:** drawing up of a list of training requests for all directors, training proposals for directors representing employees and the director representing employee shareholders as well as for CSR Committee members. ♦ **Internal assessment of the Board and its committees:** managing the process (FY21). ♦ **Professional and wage equality:** annual review. ♦ ***Raison d'être***: review and analysis of the benefits of adopting a *raison d'être*. ♦ **Assignments of the committees and lead director:** clarification of the distribution of governance tasks.
Compensations	♦ **Compensation of executive corporate managing officers:** ♦ Analyzing the impact of the Covid-19-related health crisis; ♦ Reviewing the compensation policy for executive corporate managing officers for FY22 ("Ex Ante" vote): proposal of new indicators (annual variable compensation for the Chairman and CEO and long-term variable compensation for the Chairman and CEO and EVPs); ♦ Reviewing and determining the criteria and weighting to be applied to the annual variable compensation of the Chairman and CEO and to the long-term variable compensation of the Chairman and CEO and EVPs (FY21); reflecting on the inclusion of one or more CSR performance criteria, as proposed by the CSR Committee; for each such criterion, setting of a target, ceiling, and maximum/minimum amounts that can be allocated; ♦ Assessing the fulfillment or non-fulfillment of the financial and/or non-financial criteria related to (i) the executive corporate managing officers' long-term incentive plans vesting in FY21 and (ii) the variable compensation of the Chairman and CEO for FY20 (individual "Ex Post" vote at the 2020 General Meeting); ♦ Preparing resolutions relative to the FY20 compensation of the executive corporate managing officers and the FY21 compensation of the executive corporate managing officers and directors ("Ex Post" vote); ♦ Validating the annual information on the executive corporate managing officers' compensation provided in the corporate governance report. ♦ **Compensation of directors:** ♦ Reviewing the FY22 compensation policy applicable to directors ("Ex Ante" vote). ♦ **Executive management teams:** ♦ Verifying whether the fixed and variable compensation of the executive management teams (including the Executive Committee) is in line with the Company's strategy. ♦ **Employee share ownership:** ♦ Definition of the general allocation policy (SOP or AGA) and proposal of performance criteria in relation to applicable resolutions; ♦ Revue of the acquisition strategy for SOP or AGA plans; ♦ Proposal to implement employee share ownership plans under current FY21 resolutions (SOP and AGA plans, share capital increases reserved for employees ("MMO Plan")); ♦ Analysis of the terms and conditions of the Ubisoft key people plan; ♦ Draft resolutions relating to employee share ownership to be submitted to the General Meeting; ♦ Ascertain whether the attendance and/or performance conditions for the long-term incentive plans for Group employees have been achieved.
Other	♦ Establishing the annual schedule. ♦ Review of legal and/or regulatory changes concerning compensation and governance. ♦ Annual internal self-assessment of the Committee's work.

Corporate Social Responsibility Committee

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

50% (1) Independence rate

50% (2) % women

4 Number of meetings in FY21

100% Attendance

COMPOSITION OF THE CSR COMMITTEE AT 05/11/21

		
Corinne FERNANDEZ-HANDELSMAN	Gérard GUILLEMOT	Lionel BOUCHET
Committee President	**Committee member**	**Committee member**
Independent director	Director	Director representing employees
CSR COMMITTEE MEMBERS' EXPERTISE		
CSR	CSR	Ubisoft business lines

Gérard Guillemot was President of the Committee until 04/06/2021, Corinne Fernandez-Handelsman having been appointed President with effect from 04/07/2021

RESPONSIBILITIES OF THE CSR COMMITTEE

The CSR Committee is tasked with examining the strategy and action plan with respect to the Group's Corporate Social Responsibility and putting forward any recommendations it may have in this regard. It also examines the CSR reports submitted to the Board in accordance with applicable legal and regulatory requirements.

Without prejudice to the prerogatives of the Board or Executive Management, the Committee's tasks in respect of the Group's CSR strategy consist of:

- Examining the Group's CSR policies and commitments, as well as the action plans of projects related to these policies and/or the monitoring of the roll-out of the Group's actions.
- Appraising the integration of the Group's CSR commitments in respect of issues which are specific to its business and objectives.
- Ensuring that the decision-making bodies take social and environmental criteria into consideration when making strategic decisions.
- Assessing the risks and identifying new opportunities in respect of the Group's CSR priorities.
- Taking the CSR impact into account in terms of capital expenditure, economic performance and image.
- Reviewing reporting, assessment and internal control procedures and systems to make it possible to produce stable and relevant non-financial information.
- Verifying the annual CSR report and, in general, any CSR information required under applicable laws.
- Carrying out an annual review of the overall non-financial ratings given to the Company and its subsidiaries by non-financial rating agencies.
- Keeping informed of the CSR-related complaints received within the framework of the employee whistleblowing procedure and examining those which come under its remit.

WORK OF THE CSR COMMITTEE IN FY21

- Reviewing the Universal Registration Document (CSR information).
- Discussions on future improvements to the organization of the Committee and the frequency of its meetings.
- Monitoring of management of the crisis situation linked to allegations of harassment or inappropriate behavior.
- Reflecting on the impact of the Covid-19-related health crisis.
- Examining, analyzing and proposing non-financial performance indicators relative to the CSR initiatives implemented (FY21) or to be rolled out (FY22) with respect to the annual variable compensation of the Chairman and CEO and the multi-annual variable compensation (employee share ownership plans) of all the Company's executive corporate managing officers and members of the Executive Committee.
- Monitoring of Group initiatives in terms of:
  - Player protection in the context of the annual variable compensation of the Chairman and CEO (FY21);
  - Employee well-being;
  - Impact on local communities;
  - Impact on the planet/climate (carbon footprint).
- Analysis of feedback from roadshows on CSR topics.
- Presentation of work on the "*Raison d'être*" in order to anticipate the links to be created with the work of the CSR Committee.
- Integration of the initial results from the "survey of intensive gaming practices and their impact on health".

(1) The director representing employees is not taken into account, pursuant to the Afep-Medef Code

(2) The director representing employees is not taken into account, pursuant to article L. 225-27-1, II of the French commercial code

4.1.2.5 Other information

FINANCIAL AUTHORIZATIONS

A table summarizing the valid delegations granted by the General Meeting to the Board in the area of capital increases and showing the use made of these delegations during the financial year ended March 31, 2021 is provided in 7.2.3.

RULES RELATING TO SHAREHOLDERS' ATTENDANCE AT GENERAL MEETINGS

All shareholders have the right to attend General Meetings under legally prescribed conditions. Information relating to access, participation and voting at the General Meeting can be found in articles 7 and 14 of the Company's articles of association and are detailed in 7.1.1. This information is provided again in the notice of meeting and the convening notice published by the Company before any General Meeting.

INFORMATION REFERRED TO IN ARTICLE L. 22-10-11 OF THE FRENCH COMMERCIAL CODE

Information concerning the elements likely to have an impact in the event of a public tender offer or exchange offer is provided, if appropriate, in 7.1.2.

4.2 Compensation of corporate officers

This chapter, prepared with the assistance of the CNRG, presents:

The compensation policy applicable to corporate officers (Chairman and CEO, EVPs and directors), by virtue of their corporate office, pursuant to article L. 22-10-8, I of the French commercial code *(see 4.2.1)*.

The 2021 General Meeting will be asked to approve the compensation policy for corporate officers (the "Ex Ante" vote). To this end, three resolutions will be presented respectively for the Chairman and CEO, EVPs and directors. It should be noted that resolutions of this type are submitted for approval to the Shareholders' General Meeting every year under the conditions provided by law.

The report on the compensation paid during the past financial year or allocated in respect of this same financial year required under article L. 22-10-34, I and II and L. 22-10-9, I (the "Ex Post" vote) specifically include:

- the information indicated in I of article L. 22-10-9 of the French commercial code *(see 4.2.2.1)* concerning each corporate officer, as well as the ratios between the compensation of each of the executive corporate managing officers (Chairman and CEO and EVPs) and the compensation of employees within the Group and its change over five financial years in view of the Group's performance, which will be subject to a resolution submitted for approval by the 2021 General Meeting pursuant to article L. 22-10-34 of the French commercial code (the "Overall Ex Post" vote); and
- the fixed, variable and exceptional components of the total compensation and benefits of any kind paid during or allocated in respect of the same financial year to the executive corporate managing officers, by separate resolutions for the Chairman and CEO and for each EVP *(see 4.2.2.2)* (the "Individual Ex Post" vote).

The standardized tables summarizing the information to be included in the Universal Registration Document on the compensation paid or allocated to the corporate officers by the Company and all companies included in the consolidation scope pursuant to article L. 233-16 of the French commercial code, in accordance with the Afep-Medef Code and the AMF recommendations on this subject (the "AMF Table(s)") *(see 4.2.2.1.4)*.

The reports required by articles L. 225-184 and L. 225-197-4 of the French commercial code on the **allocation of options and free shares** (the "performance shares") *(see 4.2.3)*.

4.2.1 COMPENSATION POLICY ("EX ANTE" VOTE)

11th, 12th and 13th resolutions of the 2021 General Meeting

4.2.1.1 Governance

In compliance with the principles defining the compensation policy, the CNRG, exclusively comprising independent directors, follows a rigorous process for preparing the compensation policy for corporate officers in order to enable the Board to rule in compliance with the legal and regulatory provisions and the best governance and market practices.

To this end, it analyzes and proposes the principles and indicators for determining, revising and implementing the compensation policy for corporate officers, as well as the general policy for the allocation of SOP or AGA.

Its remits, functioning modalities and details of its work during the previous financial year are described in 4.1.2.4. The CNRG also relies on the CSR Committee to determine the most relevant performance indicators and targets to be achieved in terms of corporate social responsibility in view of the Group's activity and strategy as well as to assess the rate of achievement of these targets, if applicable.

The CNRG, as well as the lead director, ensure that the expectations expressed by shareholders not represented on the Board are studied by the CNRG and debated by the Board. In this respect, it is recalled that the resolutions relating to the compensation of executive corporate managing officers were approved, with an average score of more than 98%, during the 2020 Shareholders' General Meeting.

CNRG AND CSR COMMITTEE PROCESSES AND BOARD OF DIRECTORS' DECISIONS

Analysis of the positioning of the corporate officers' compensation: of the positioning of corporate officers compared to the market as well as of corporate executive officers compared to the Group's performance.

Definition of the components and criteria for the compensation of executive corporate managing officers: definition of the compensation structure, the nature and weighting of each performance indicator in line with the Group's strategy and shareholders' and stakeholders' interests.

Assessment of the rate of achievement of the performance indicators.

SHAREHOLDER DIALOG

The Investor Relations Department and the lead director, assisted by the Human Resources Department, communicates with the Group's shareholders and proxy advisors.

Constant efforts are made to improve communications about the different compensation principles and to facilitate shareholder information.

Shareholder and proxy advisor expectations are taken into consideration, as far as possible, by the CNRG in its proposals to the Board of directors.

VOTE BY SHAREHOLDERS

Approval of the compensation policy by Shareholders' General Meeting

The table below shows the details of the votes by resolution ("Ex Post" and "Ex Ante" votes) relating to the compensation of the executive corporate managing officers, in their prior version for the 2019 General Meeting and subsequent versions for the 2020 General Meeting to Order No. 2019-1234 of November 27, 2019 issued pursuant to Law no. 2019-486 of May 22, 2019 (known as the "Pacte Law").

<table>
<tr><th rowspan="3"></th><th colspan="4">"Ex Post" compensation</th><th colspan="4">"Ex Ante" compensation</th></tr>
<tr><th colspan="2">FY19 General Meeting 2019</th><th colspan="2">FY20 General Meeting 2020</th><th colspan="2">FY20 General Meeting 2019</th><th colspan="2">FY21 General Meeting 2020</th></tr>
<tr><th>Resolution</th><th>For</th><th>Resolution</th><th>For</th><th>Resolution</th><th>For</th><th>Resolution</th><th>For</th></tr>
<tr><td> Yves GUILLEMOT, Chairman and CEO</td><td>5th</td><td>97.55%</td><td>6th</td><td>98.88%</td><td>10th</td><td>98.60%</td><td>11th</td><td>97.63%</td></tr>
<tr><td> Claude GUILLEMOT, EVP</td><td>6th</td><td>99.30%</td><td>7th</td><td>98.89%</td><td rowspan="4">11th</td><td rowspan="4">99.15%</td><td rowspan="4">12th</td><td rowspan="4">99.03%</td></tr>
<tr><td> Michel GUILLEMOT, EVP</td><td>7th</td><td>99.30%</td><td>8th</td><td>99.21%</td></tr>
<tr><td> Gérard GUILLEMOT, EVP</td><td>8th</td><td>99.30%</td><td>9th</td><td>99.21%</td></tr>
<tr><td> Christian GUILLEMOT, EVP</td><td>9th</td><td>99.30%</td><td>10th</td><td>99.21%</td></tr>
</table>

MANAGING CONFLICTS OF INTEREST

In accordance with the provisions of the internal rules of the Board, the directors work to preserve their independence of judgment, decision and action under all circumstances, and endeavor to avoid all conflicts of interest that may exist between their moral and material interests and those of the Company. To minimize the risk of conflicts of interest, each independent director is required to complete a questionnaire sent each year by the CNRG and to notify the Board in the event of a change, as soon as they become aware of any situation in which they have or may have a conflict of interest.

The provisions relating to the management of conflicts of interest and regulated agreements are presented in the corporate governance report *(see section 4.1.2.3.5)*.

4.2.1.2 Directors' compensation policy

The Board refers to the provisions of the French commercial code and the Afep-Medef Code for the directors' compensation policy. It is based on the recommendations of the CNRG, which analyzes the relevant information published by the SBF 120 companies with regard to its own composition and the number of its committees.

The Board decides, on the proposal of the CNRG, on the distribution of the annual amount allocated by the Company's Shareholders' General Meeting to the directors and/or members of the committees, according to their actual participation in the meetings of the Board and, if applicable, its specialized committees.

Directors receive compensation for their term of office. The maximum amount of the compensation package to be distributed among the directors is voted by the Shareholders' General Meeting upon the proposal of the Board, in view of the recommendations of the CNRG, taking the corporate interest into account.

Every year, the CNRG assesses whether the amount of this budget is appropriate to the number and duration of meetings of the Board and its committees, as well as to the number of directors and/or Board members.

The maximum annual amount of the compensation allocated to the directors remains unchanged until a new decision by the General Meeting.

The maximum annual amount of directors' compensation that may be allocated was set at €750,000 by the Shareholders' General Meeting of September 22, 2017 and has not changed since that date. Details of the amount paid in respect of the financial year ended March 31, 2021 can be found in 4.2.2.1.2.

The total compensation allocated to each director is capped whatever the number of Board or Committee meetings. Directors do not receive any other compensation in respect of their duties.

Directors representing employees and/or the director representing employee shareholders receive compensation in respect of their corporate office under the same conditions as the other members of the Board.

The Board, on the proposal of the CNRG, decides on the allocation of the budget voted by the General Meeting and intended for the members of the Board and committees.

The compensation allocated to directors is broken down as follows:

- a fixed component (annual lump sum) and for directors that are members of a committee, a fixed component in respect of their duties as President of a committee; and
- a variable component that takes into account directors' attendance at Board meetings, and for members of a committee, attendance at meetings of the said committee(s) based on a predefined amount per meeting and capped at a maximum set number of meetings.

Moreover, a director appointed during the financial year receives the fixed component and variable component due as director or President and/or member of a committee, according to his/her date of appointment.

The compensation policy applicable to directors does not provide for individual performance indicators. In order to comply with the recommendations of the Afep-Medef Code, the modalities for allocating directors' compensation were defined by the Board so that the variable component, related to the directors' attendance and participation in committees, is the main component.

The lead director receives an additional flat-rate compensation in respect of his/her duties.

The Board of directors may allocate exceptional compensation for assignments or tasks entrusted to its members. In such a case, this compensation is recognized as operating expenses and subject to the approval of the General Meeting.

It is specified for information that no exceptional assignments were carried out in respect of the current financial year.

The rules for the breakdown of compensation to directors applicable to date are recalled below:

Board of directors	
Fixed (1)	Variable according to attendance (A)
Maximum per year and per director: €40 thousand	
40% (€16,000/year)	60% (€24,000/year)
50% in September (€8,000) *Compensation for the period April 1st to September 30th* 50% in March (€8,000) *Compensation for the period October 1st to March 31st*	If A < 50% – €0 If A ≥ 50% and < 75% – €12,000 If A ≥ 75% – €24,000

Audit Committee		CNRG		CSR Committee		Lead director [1]
Fixed President	Variable Members	Fixed President	Variable Members	Fixed President	Variable Members	Lump sum
€15,000	€2,500 per meeting (capped at four meetings per financial year)	€10,000 [2]	€2,500 per meeting (capped at four meetings per financial year)	€5,000	€1,500 per meeting (capped at four meetings per financial year)	€15,000 per financial year

(1) Board of directors meeting of 04/09/20: Decision to no longer pay in advance the fixed component of compensation allocated to directors, or the lump sum compensation allocated to the lead director

(2) Board of directors meeting of 07/01/20: Fixed compensation of the President of the CNRG increased to €10,000 with retroactive effect to 04/01/20 (addition of the governance dimension to the Committee's missions) (see 4.1.2.4.3)

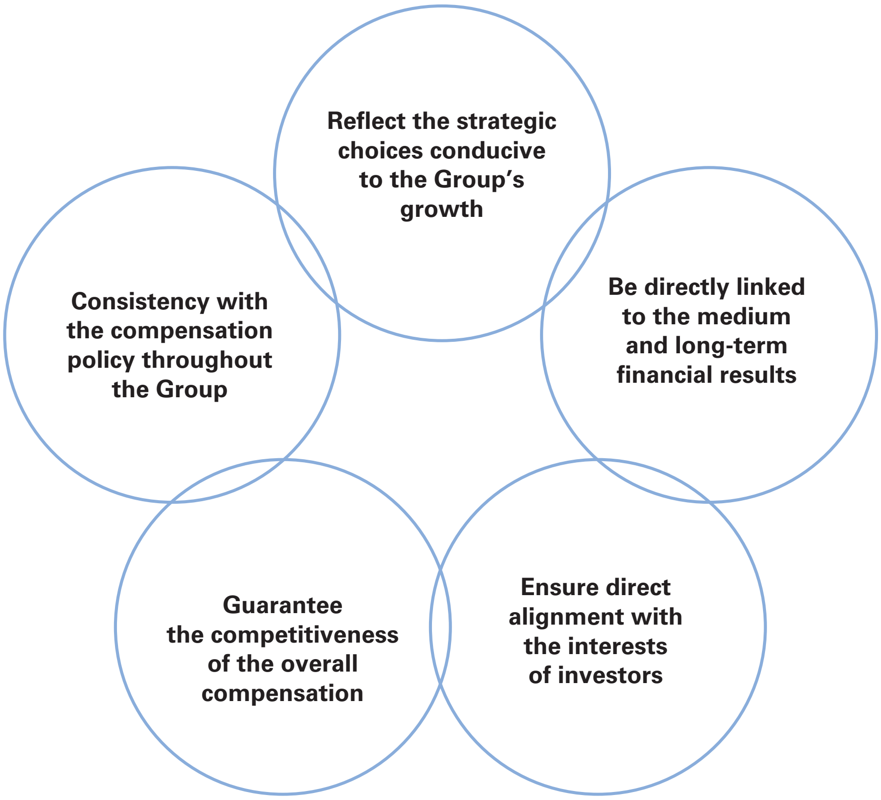
4.2.1.3 Executive corporate managing officers' compensation policy

The Board refers to the provisions of the French commercial code and to the principles of the Afep-Medef Code for determining the compensation of executive corporate managing officers. It bases its discussions on studies by external experts that inform the Board of directors and CNRG on best market practices.

The Board ensures that the compensation policy of executive corporate managing officers is aligned with the corporate interests of the Group and the interests of its shareholders and stakeholders. The performance conditions selected when setting the variable (annual and long-term) compensation are aligned with the Group's strategy based on measurable, clear and operational targets that ensure sustainable and solid value creation.

The compensation policy proposed by the CNRG and approved by the Board is based on the following pillars:

COMPENSATION PRINCIPLES



Pillar 1	**Reflect the strategic choices conducive to the Group's growth**	The CNRG ensures that there is a correlation between the compensation structure of the executive corporate managing officers and the Group's strategy. Thus, the major challenges to come are reflected in the performance conditions of the variable compensation, for which the targets to achieve are aligned with the Group's value creation objectives.
Pillar 2	**Be directly linked to the medium and long-term financial results**	The structure of the total compensation for the executive corporate managing officers is mainly based on the annual and/or long-term variable components. The payment of the variable components is subject to achievement of precise, coherent and demanding performance conditions, in line with the Group's strategy and focused on long-term profitable growth by acting in a responsible way towards all stakeholders.
Pillar 3	**Ensure direct alignment with the interests of investors**	In order to align the compensation of the executive corporate managing officers with investors' interests, part of the total compensation is linked to the Ubisoft Share price, either via an allocation of shares in the form of performance shares (1) and/or share purchase/subscription options (2), or via multi-annual compensation indexed to the Ubisoft Share price.
Pillar 4	**Guarantee the competitiveness of total compensation (3)**	The CNRG ensures that the total compensation of executive corporate managing officers is competitive. To assess this competitiveness, compensation studies are regularly carried out based on a stable and coherent panel.
Pillar 5	**Consistency with the compensation policy within the Group**	The CNRG ensures that the compensation policy for executive corporate managing officers is assessed in a consistent way with the compensation components for Group employees. In this respect, the CNRG is responsible, on the one hand, for providing information on the general compensation policy for the executive management teams – including the Executive Committee – and, on the other hand, analyzing the equity ratios given the level of compensation of the Company's executive corporate managing officers compared to the average and median compensation of employees. Thus, the structure and philosophy for the teams' long-term compensation plans, of which certain elements are presented in 5.4.1.2, the ratio of compensation for women and men and the change in the equity ratios presented in 4.2.2.1.3 are, for example, subject to in-depth discussions.

(1) Pursuant to the provisions of articles L. 225-197-1 et seq. and L. 22-10-59 et seq. of the French commercial code and subject to approval by the General Meeting
(2) Pursuant to the provisions of articles L. 225-177 et seq. and L. 22-10-56 et seq. of the French commercial code and subject to approval by the General Meeting
(3) Compared to practices in companies with comparable performance to the Ubisoft group, while respecting a principle of moderation

ANNUAL FIXED COMPENSATION

The annual fixed compensation reflects the responsibilities, experience and skills of the executive corporate managing officer. Its amount is set by the Board when the person is appointed and/or their term of office is renewed and is regularly reassessed to ensure that the positioning takes into account changes in the market, based on compensation studies and the Group's results.

ANNUAL VARIABLE COMPENSATION

The annual variable compensation is aligned with the Group's performance and is designed to encourage the proper execution of the Business Plan each year. As such, the annual variable compensation applies only to the Chairman and CEO who, assisted by the Executive Committee, is in charge of Group operational management. The compensation policy applicable to the EVPs takes into account the specificities of the Group's shareholding structure and their particular role within the G5 *(see 4.1.2.2.1)* alongside the Chairman and CEO, and their greater contribution to strategic thinking and the creation of long-term value. In line with this role, the EVPs do not receive any annual variable compensation.

The annual variable compensation allocated to the Chairman and CEO is determined in accordance with the principles set out above and is expressed as a percentage of his fixed compensation. It is accompanied by performance conditions submitted each year to the approval of the General Meeting as part of the "Ex Ante" vote. Systematically constructed so as to be measurable, the financial and non-financial performance indicators (the "Indicators"), detailed in 4.2.1.4, have demanding targets in line with the Group's value creation objectives.

Annual variable compensation is aligned with the Group's economic performance. The financial Indicators selected are designed to reflect the achievement of the Business Plan each year. The non-financial Indicators enrich this view and take into account the achievement of the strategic choices required for the growth of Ubisoft group, including in particular the environmental and/or societal challenges faced by the Group.

It is specified that, for each Indicator, no annual variable compensation will be paid in the event that:

- achievement of performance conditions is less than 80% for financial Indicators; and
- the minimum threshold is not achieved for non-financial Indicators.

Furthermore, annual variable compensation is capped at 150% of fixed compensation, thereby enabling outperformance to be compensated within a defined framework. Annual variable compensation follows a tiered increase up to the target and then increases proportionally between the target and the maximum, encouraging any performance beyond the target by compensating it fairly.

It is to be noted that, pursuant to article L. 22-10-34, II of the French commercial code, the payment of the variable compensation components in cash will be subject to the result of the "Individual Ex Post" vote at the General Meeting called to approve the financial statements for the financial year ended.

LONG-TERM VARIABLE COMPENSATION

Long-term variable compensation, applicable both to the Chairman and CEO and to EVPs, ensures sustained and solid value creation. It is directly aligned with the interests of shareholders and the achievement of performance conditions in line with the Group's strategic plan.

The long-term variable compensation may consist, where recommended by the CNRG, in the grant of instruments such as performance shares and/or share purchase and/or subscription options ("Share Plans") or a payment in cash as part of multi-annual variable compensation plans ("Multi-annual Compensation"). Irrespective of the mechanism (Share Plan or Multi-annual Compensation), it is linked to stringent performance conditions to be met over a period of several consecutive financial years or calendar years, it being understood that the Multi-annual Compensation is only intended to be put in place in the event that Share Plans cannot be granted.

The financial and non-financial Indicators used ensure the correlation between the value of the long-term variable compensation and the performance of the Ubisoft Share, while taking into account the Group's economic, environmental and/or societal challenges. The Indicators are detailed in 4.2.1.4 and submitted each year for approval by the shareholders as part of the "Ex Ante" vote. It is specified that, for each Indicator, if a minimum threshold is not reached, no long-term variable compensation will vest/be paid. The vesting/payment of long-term variable compensation follows a step-by-step progression until the target is reached.

Achievement of the performance conditions is assessed over a minimum period of three consecutive financial years or calendar years conditioning the vesting/payment of the long-term compensation. The performance conditions assessed over three consecutive financial years or calendar years allow to directly align the dilution connected to the acquisition of the AGA and SOP to be aligned directly with the value creation for the shareholder. The Share Plans are definitively vested after a minimum vesting period of four years [(1)]. Vesting/payment is also conditional upon remaining in office as an executive corporate managing officer.

Pursuant to articles L. 225-185 and L. 225-197-1 II of the French commercial code, and in accordance with the provisions of the Afep-Medef, Code, the Board of directors sets the number of shares stemming from the exercise of SOP or the definitive vesting of AGA that each executive corporate managing officer is required to hold in registered form until the expiry of their term of office. This percentage is set by the Board, on the recommendation of the CNRG *(see 4.1.2.4.3)*, when new SOP or AGA plans are implemented in favor of executive corporate managing officers.

The executive corporate managing officers do not use hedging instruments for Share Plans.

It is to be noted that, pursuant to article L. 20-10-34, II of the French commercial code, in the event of Multi-annual Compensation (in cash), payment will be subject to the result of the "Individual Ex Post" vote by the General Meeting called to approve the financial statements for the financial year ending March 31st following the acquisition date.

COMPENSATION THAT MAY BE GRANTED IN RESPECT OF THE OFFICE AS DIRECTOR

The Chairman and CEO and the EVPs may also be allocated compensation in respect of their terms as directors, comprising a fixed portion (40%) and a variable portion related to attendance (60%), and/or as President or member of a committee *(see 4.2.1.2)*.

DEROGATION IN EXCEPTIONAL CIRCUMSTANCES

The Board of directors decided to provide for the option of derogating "in exceptional circumstances, [...], from the application of the compensation policy if this derogation is temporary, in accordance with corporate interest and necessary to guarantee the Company's sustainability or viability", in accordance with the provisions of article L. 22-10-8, III, paragraph 2 of the French commercial code. The Board of directors decided to include this possibility in the compensation policy if these exceptional circumstances:

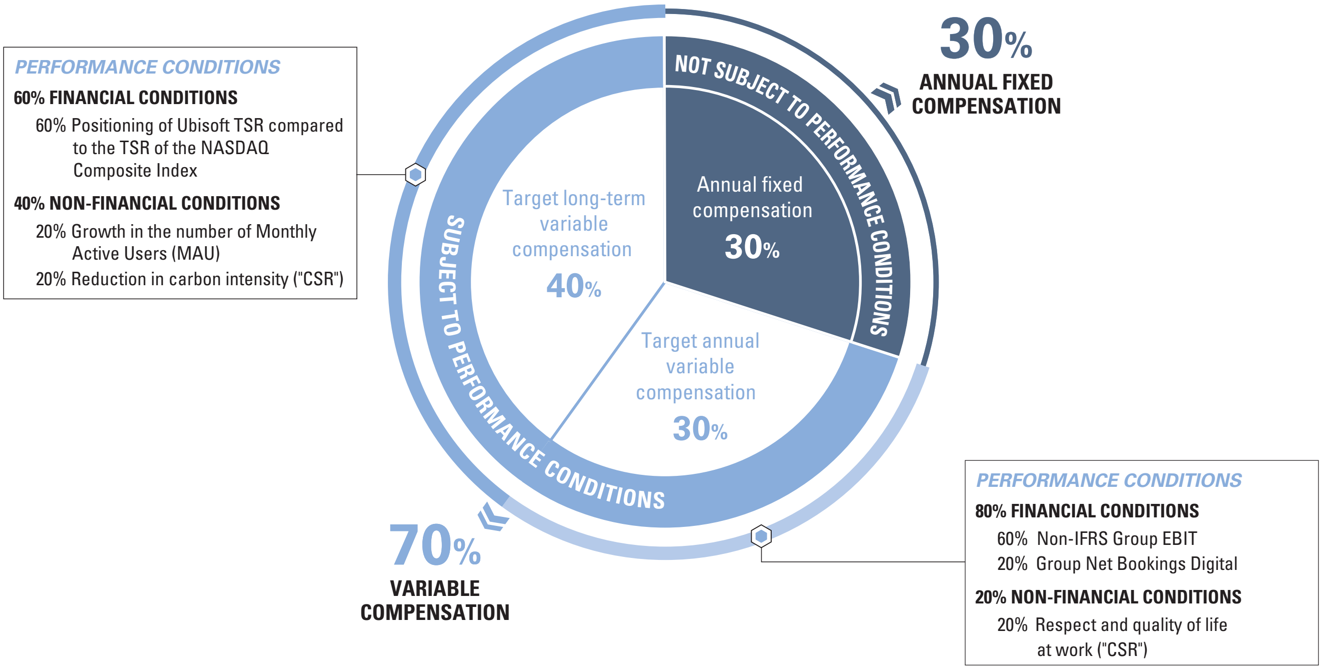
- are proven to result from external events that are outside of the Company's control and/or decisions;
- may have an impact on predefined Indicators prior to such circumstances; and
- if the Company has made every effort to reduce the impacts on the said Indicators as far as possible, if applicable.

It is understood that if such a derogation is used by the Board of directors, the modifications will be made public after the Board meeting that approved them and these modifications must preserve the alignment of shareholder interests with those of the executive corporate managing officers.

(1) For AGA, the vesting date corresponds to the date on which the Shares are delivered, and for SOP it corresponds to the date on which the exercise rights are opened

4.2.1.4 Chairman and CEO – Application of the Compensation policy for the financial year ending March 31, 2022

TOTAL COMPENSATION STRUCTURE OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER



COMPONENT OF THE COMPENSATION OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

✔
- Annual fixed compensation
- Long-term variable compensation
- Annual variable compensation
- Compensation granted in respect of the term as director

✘
- Supplementary pension scheme
- Severance payment
- Non-compete indemnity
- Exceptional compensation

In line with the five compensation pillars above in 4.2.1.3, and the Group's entrepreneurial culture, mission and ambition to develop its leadership position in its market, the structure of total compensation of the Chairman and CEO is based on a significant portion of variable components, while maintaining a coherent and competitive level of total compensation.

TARGET POSITIONING AND CHANGE IN TOTAL COMPENSATION

The CNRG ensures that the total compensation of the Chairman and CEO is competitive. To assess this competitiveness, compensation studies are regularly carried out based on a stable and coherent panel.

This panel comprises European (mainly French) companies, operating in sectors or industries where the economic, technological and competitive challenges are similar to those of the Group, as set out below:

ALTEN	COMPUTACENTER	DASSAULT SYSTEMES	EDENRED
FLUTTER ENTERTAINMENT	ILIAD	INFORMA	INGENICO
IPSOS	JCDECAUX	LOGITECH	METROPOLE TV – M6
OCADO GROUP PLC	SAGE GROUP	SCHIBSTED ASA-CL A	TECHNICOLOR
TELE2	TF1	UNITED INTERNET	WORLDLINE

The CNRG, supported by an external partner, thus selected leisure, media and high-tech industry companies.

The panel constituted has the following characteristics:

- median sales (€2,411 million for the study carried out in 2020);
- median stock market capitalization (€7,780 million for the study carried out in 2020);
- median headcount (10,076 team members for the study carried out in 2020).

The comparison panel which serves as a benchmark to establish the first quartile and the median of the market (respectively the "First Quartile of the Market" and the "Market Median") is reassessed during each new compensation study in order to take into account any changes in the structure and businesses of the companies in it, and the change in the Group's indicators.

Total compensation aims to be positioned at the Market Median if the performance conditions set for the annual and long-term variable compensation are met, with the portion of fixed compensation remaining below the Market Median. This positioning for total compensation at the Market Median and in particular with long-term compensation being the larger element, is justified by the growth and transformation of the Group over the last few years that has placed Ubisoft among the industry's leaders.

During the financial year ended March 31, 2021, the CNRG noted the existence of a negative lag of 3 points between the Chairman and CEO's total compensation level and the Market Median. The CNRG, while reaffirming the principle of guaranteeing the competitiveness of total compensation set out in 4.2.1.3, wished to take into account the context associated with the Covid-19 crisis, which in particular led to postponements in *Far Cry six* and *Rainbow Six Extraction* to the following financial year, and the updating of the Group's financial objectives. Consequently, **it was decided that the total target compensation of the Chairman and CEO would remain unchanged during the financial year ended March 31, 2022**. The Board will reassess the advisability of increasing the Chairman and CEO's total compensation in subsequent years, based on the one hand on compensation studies and on the other hand on the Group's results.

The CNRG recommended that the Board maintain the structure of the Chairman and CEO's total compensation, as well as the weight of the Indicators inherent in the annual variable compensation and long-term variable compensation, set in respect of the financial year ended March 31, 2021 for the following three financial years (March 31, 2022, 2023 and 2024), excluding any derogations expressly stipulated in the compensation policy covered in 4.2.1.3, in accordance with article L. 22-10-8, III, paragraph 2 of the French commercial code. It should also be recalled that the total compensation is based mainly on variable components and only aims to reach the Market Median if the demanding performance conditions measuring in particular the successful achievement of the Business Plan (financial objectives officially communicated to the market at the start of the current financial year) are met.

ANNUAL FIXED COMPENSATION

As a result of the decision to maintain the target total compensation for the Chairman and CEO, detailed above, **the fixed compensation for the financial year ended March 31, 2022 corresponds to that approved for the financial year ended March 31, 2020 and unchanged since then, namely: €584,824.**

ANNUAL VARIABLE COMPENSATION

The target value for annual variable compensation corresponds to around 30% of the total compensation for the Chairman and CEO, *i.e.* 100% of fixed compensation with a maximum of 150% of the fixed compensation.

Annual variable compensation is linked to so-called financial and non-financial Indicators. On the proposal of the CSR Committee and the CNRG, the Indicator previously relating to player protection and the related sub-indicators have been replaced by an Indicator relating to respect and quality of life at work.

The theme of player protection, a major focus of the Group's CSR strategy, was introduced as part of the annual variable compensation for the financial year ended March 31, 2020 and then strengthened for the following financial year, with a focus on the protection of young players to reflect the evolution of the Group's portfolio, some of whose games are intended for younger players. These objectives have enabled several functionalities to be introduced, some of which have been systematized, such as the implementation of a reputation-sanction system in our online PC games as well as an "age gate" in our Mobile games, thus ensuring our players have a protected environment for a positive experience *(see 5.3.2)*. These changes are now an integral part of our production processes, demonstrating the importance that the Group will continue to place on this subject.

Moreover, the social context of summer 2020 has highlighted the importance of strengthening respect and quality of life for teams at work. The Group has thus built an action plan comprising a series of initiatives providing concrete responses to the situation and ensuring a more inclusive work environment for all team members. On the recommendation of the CSR Committee and the CNRG, the Board selected an Indicator to assess the implementation of this action plan, comprising three major axes: **listening** to teams, **training** managers and employees in "respect at work" and **assessing** team members on the exemplary nature of their behavior.

The Indicators selected for the financial year ending March 31, 2022 are as follows:

	Financial Indicators		Non-financial Indicator
	Non-IFRS Group EBIT	Group Net Bookings Digital	Respect and quality of life at work (CSR)
Target as a percentage of the annual fixed compensation	60%	20%	20%
Raison d'être	These two Indicators provide an additional indication of the quality of the Group's economic and financial management. Non-IFRS Group EBIT is the benchmark Indicator for measuring the Group's financial performance *(see 2.6.1)*. Net Bookings Digital corresponds to the digital revenue from Net Bookings (*see 2.6.1*) and measures the change in the share of the revenue that creates the most value for the Group.		Ubisoft is a group of talents and taking care of its teams is key to the success of its mission. The social context of the summer of 2020 highlighted the importance of strengthening respect and quality of life at work, which was also presented as a major issue by the main stakeholders in the materiality matrix produced in December 2019 (*see 5.2.1*). This Indicator aims to measure the implementation of quantifiable and measurable systems, grouped around three major axes: ♦ provide teams with the means to express themselves; ♦ train managers and employees in "respect at work"; ♦ evaluate team members on the exemplarity of their behavior.
Calculation method	The method consists of comparing the level of each of these Indicators, observed at March 31st of the financial year just ended, compared to the annual target announced to the market (the target) at the start of the financial year.		The implementation of listening, training and assessing systems is measured through specific targets approved in advance by the Board before the start of the financial year. The measurement is carried out by observing the implementation of each system in terms of headcount coverage, participation rate or completion of a deliverable at March 31st of the financial year ended (as a percentage). The results of each of these sub-indicators are aggregated in the form of an average to obtain the overall result of the Indicator.

For each Indicator, the payment of the annual variable compensation follows the following framework:

	Performance conditions				
	< 1st Threshold	1st Threshold	2nd Threshold	Target	Maximum
FINANCIAL INDICATORS (80%)					
Non-IFRS Group EBIT *(in € millions)*	<TBD	≥TBD <TBD	≥TBD <TBD	TBD	TBD
As % of target for this Indicator	*< 80%*	*≥ 80%* *< 90%*	*≥ 90%* *< 100%*	*100%*	*125%*
Annual variable compensation as a % of fixed compensation	0%	18%	30%	60%	90%
	% of payment defined by tier			% of payment defined proportionally	
Group Net Bookings Digital *(in € millions)*	<TBD	≥TBD <TBD	≥TBD <TBD	TBD	TBD
As % of target for this Indicator	*< 80%*	*≥ 80%* *< 90%*	*≥ 90%* *< 100%*	*100%*	*125%*
Annual variable compensation as a % of fixed compensation)	0%	6%	10%	20%	30%
	% of payment defined by tier			% of payment defined proportionally	
NON-FINANCIAL INDICATOR (20%)					
Respect and quality of life at work ("CSR")	<70%	≥ 70% < 80%	≥ 80% < 85%	85%	100%
Annual variable compensation as a % of fixed compensation	0%	6%	10%	20%	30%
	% of payment defined by tier			% of payment defined proportionally	
TOTAL					
Annual variable compensation as a % of fixed compensation	0%	30%	50%	100%	150%

LONG-TERM VARIABLE COMPENSATION

The objective is to grant long-term variable compensation for each financial year that, in the event of achievement of the performance conditions set, would align the overall compensation package with the Market Median.

Following the proposal by the CNRG, the value of the annual grant of long-term variable compensation, estimated at the allocation date (accounting valuation), in the form of Share Plans or Multi-annual Compensation, represents around 40% of the total compensation of the Chairman and CEO, *i.e.* 133% of the fixed compensation.

The long-term variable compensation is set by the Board on the proposal of the CNRG as part of and, for the Share Plans, subject to the resolutions adopted by the Shareholders' General Meeting. Thus, it will be submitted to the vote of the shareholders at the next General Meeting approving the financial statements for the financial year ended March 31, 2021 to authorize the Board to proceed with an AGA in favor of executive corporate managing officers.

On the proposal of the CSR Committee and the CNRG, the Indicator previously relating to the increase in the gender diversity of teams has been replaced by an Indicator on the reduction in Ubisoft's carbon intensity. For the previous financial year, particularly attentive to the issues of inclusion and diversity within its teams, the Board had set an objective of 24% women in its teams by 2023, with the intention of accelerating the dynamic on this major challenge. This resulted in an increase in the proportion of women in the teams of 1.5 points in the single financial year ended March 31, 2021 *(see 5.4.2.1)*.

Based on the proposals made by the CSR Committee, the Board has chosen to replace it with an Indicator relating to the environmental impact linked to Ubisoft's activities, an issue whose criticality has accelerated with the multitude of ecological disasters and the growing attention of public institutions, investors, consumers and teams. This change makes it possible to include an ambitious strategic vision for environmental issues in the long-term variable compensation of the Chairman and CEO.

The following Indicators will be planned in respect of this resolution:

	Financial Indicator	Non-financial Indicators	
	Positioning of Ubisoft TSR compared to the TSR of the NASDAQ Composite Index	Growth in the Number of Monthly Active Users (MAU)	Reduction in carbon intensity (CSR)
Percentage of the award in question	60%	20%	20%
Raison d'être	This external financial Indicator ensures the correlation between the value of long-term compensation and total shareholder return (*TSR) of the* Ubisoft Share compared to a panel of comparable companies. The choice of the NASDAQ Composite Index, consistent with the practices of our main competitors, makes it possible to compare the performance of Ubisoft Shares with an international panel with strong growth potential and exposed to similar technological challenges. The construction of the objective in the form of a percentile mitigates, on the one hand, sharp fluctuations, upward or downward, in the TSRs of the companies that make up the NASDAQ Composite Index, and on the other hand the effects of entries and exits of companies from the index.	MAUs (Monthly Active Users) correspond to the number of unique players who have, over the course of a month, at least one gaming activity on any type of game published by Ubisoft on consoles and PCs. One of the main strategic priorities for Ubisoft is growth in MAU. The change in the Monthly Active Users is a benchmark measurement for the video games industry that notably assesses the ability to increase the audience and involve players within our experiences, ultimately reflected in economic and financial performance.	Carbon intensity corresponds to the carbon footprint in metric tons of CO_2 equivalent (TCO_{2e}) emitted by each full-time equivalent (FTE) team member. In recent years, the Group's significant growth has led to an increase in its carbon footprint, which is mainly linked to the size of its workforce (travel, IT equipment, electricity consumption, etc.). By joining the "Playing for the Planet" program at the United Nations 2019 Climate Action Summit, the Group joined the movement committed by the industry to act together against global warming, an issue whose criticality has accelerated with the multitude of environmental disasters and the growing attention of both internal and external stakeholders. This Indicator thus measures the Group's decarbonization efforts [1] by neutralizing the effect of growth.
Calculation method	The level of achievement for this Indicator is assessed over a period of three consecutive years. The method consists in comparing the TSR of Ubisoft with the TSR of the companies in the NASDAQ Composite Index, the TSR being calculated between the grant date and the end of the valuation period.	The level of achievement for this Indicator is assessed over a period of three consecutive financial years. The change in the number of MAU is measured using the average annual growth rate between the average MAU during the financial year prior to the award and the average MAU during the financial year prior to the acquisition/payment of the long-term compensation.	The level of achievement for this Indicator is assessed over a period of three consecutive financial years. The carbon intensity is calculated each year on the basis of the carbon footprint recorded over the calendar year and the number of employees present at December 31st. The method consists of comparing, using an equivalent methodology, the carbon intensity of the year preceding the award [2] with the carbon intensity observed three years later.

(1) The "decarbonization" includes direct efforts to reduce emissions generated by Ubisoft (scopes 1, 2, 3-upstream: see 5.7.1) and excludes offsetting generated by the financing of responsible projects

(2) The calculation basis for 12/31/23 corresponds to the year 2019, as the year 2020 is not representative of Ubisoft's emissions due to the context of the Covid-19 crisis

For each Indicator, the acquisition of long-term variable compensation will be by tier according to the following framework:

	< 50th percentile	≥ 50th and ≤ 60th percentile	> 60th percentile
Positioning of Ubisoft TSR compared to the TSR of the NASDAQ Composite Index (60%)	**0%** of the allocation for this Indicator	**50%** of the allocation for this Indicator	**100%** of the allocation for this Indicator

	< 80% of the target	≥ 80% and < 90% of the target	≥ 90% and < 100% of the target	Target not communicated (1)
Growth in the Number of Monthly Active Users (MAU) (20%)	**0%** of the allocation for this Indicator	**30%** of the allocation for this Indicator	**50%** of the allocation for this Indicator	**100%** of the allocation for this Indicator

(1) The details of the expected, set and precisely defined level of achievement cannot be disclosed without revealing confidential information about the Group's strategy. It is recalled that the target objective is demanding and in line with the Group's value creation objectives

	> 80% of the target	≤ 80% and > 90% of the target	≤ 90% and > 100% of the target	≤ -8.8% (1)
Reduction in carbon intensity (20%)	**0%** of the allocation for this Indicator	**30%** of the allocation for this Indicator	**50%** of the allocation for this Indicator	**100%** of the allocation for this Indicator

(1) In order to define the target, the CSR Committee took into consideration the objectives integrated into the carbon neutral by 2030 plan, in particular:
- *Reach 100% renewable energy (73.5% in 2020)*
- *Reduce business trips by at least 20%*
- *Increase the lifespan of IT equipment by one to two years and steer the purchasing process towards lower carbon supply*
- *Reduce Ubisoft's electrical consumption by improving the adaptation of sites to new ways of working*
- *Reach a share of 68% of units sold in digital format (48% in 2019)*

In accordance with the compensation policy for executive corporate managing officers set out in 4.2.1.3, you are reminded that the achievement of the performance conditions determining the vesting/payment of long-term variable compensation is assessed over a minimum period of three consecutive financial years or calendar years. The Share Plans are definitively vested after a minimum vesting period of four years (1). Vesting/payment is also conditional upon remaining in office as an executive corporate managing officer.

COMPENSATION GRANTED IN RESPECT OF THE TERM AS DIRECTOR

The Chairman and CEO receives compensation for his duties as a director consisting of a fixed portion (40%) and a variable portion (60%) based on his attendance at Board meetings. For the financial year ending March 31, 2022, the amount of this compensation could reach €40,000 if the attendance rate at Board meetings is achieved *(see 4.2.1.2)*.

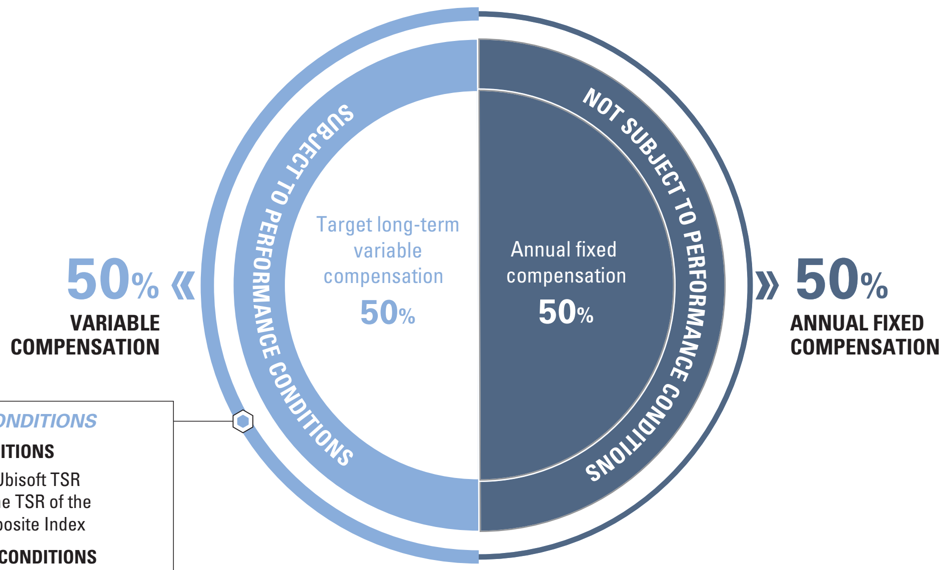
OTHER COMPONENTS OF COMPENSATION

The Chairman and CEO receives no other compensation for his office:
- supplementary pension scheme;
- severance payment;
- non-compete indemnity;
- exceptional compensation.

(1) For AGA, the vesting date corresponds to the date on which the Shares are delivered, and for SOP it corresponds to the date on which the exercise rights are opened

4.2.1.5 EVPs – Application of the Compensation policy for the financial year ending March 31, 2022

TOTAL COMPENSATION STRUCTURE OF THE EXECUTIVE VICE-PRESIDENTS



PERFORMANCE CONDITIONS

60% FINANCIAL CONDITIONS

60% Positioning of Ubisoft TSR compared to the TSR of the NASDAQ Composite Index

40% NON-FINANCIAL CONDITIONS

20% Growth in the number of Monthly Active Users (MAU)

20% Reduction in carbon intensity ("CSR")

COMPONENT OF THE COMPENSATION OF THE EXECUTIVE VICE-PRESIDENTS

✔
- Annual fixed compensation
- Long-term variable compensation
- Compensation granted in respect of the term as director

✘
- Supplementary pension scheme
- Severance payment
- Non-compete indemnity
- Annual variable compensation
- Exceptional compensation

In line with the aforementioned five compensation pillars and the objectives of the compensation policy, the Board, upon the proposal of the CNRG, defined the structure of compensation for the EVPs, notably by ensuring the consistency of this policy with the principles listed in the Afep-Medef Code and the coherence of the total compensation with that of the Chairman and CEO.

The CNRG ensures the competitiveness of the total compensation of the EVPs by referring to regular compensation studies.

ANNUAL FIXED COMPENSATION

The fixed compensation of EVPs is determined taking into account their responsibilities and experience in the role and in the Company's area of business, as well as their years of service in the Group.

The CNRG, in view of the context associated with the Covid-19 crisis *(see 4.2.1.4)*, and while remaining attentive to guaranteeing the competitiveness of total compensation over the long-term, proposed to maintain the fixed compensation of the EVPs in respect of the financial year ending March 31, 2022 at the level of that approved for the financial year ended March 31, 2019, *i.e.*: €65,621.

LONG-TERM VARIABLE COMPENSATION

Following the proposal by the CNRG, the value of the annual grant of long-term variable compensation, estimated at the allocation date (accounting valuation) in the form of Share Plans or Multi-annual Compensation, represents around 50% of the total compensation of the EVPs, *i.e.* 100% of their fixed compensation.

The long-term variable compensation policy applies under the same terms and conditions as that applicable to the Chairman and CEO indicated above *(see 4.2.1.4)*, it being specified that in the case of Share Plans, a single resolution is submitted for approval by the General Meeting for all executive corporate managing officers.

COMPENSATION GRANTED IN RESPECT OF THE TERM AS DIRECTOR

The EVPs receive compensation for their duties as directors consisting of a fixed portion (40%) and a variable portion (60%) based on their attendance at Board meetings. For the financial year ending March 31, 2022, the amount of this compensation could reach €40,000 if the attendance rate at Board of directors' meetings is achieved (*see 4.2.1.2*).

In addition, the EVPs may receive compensation as described in 4.2.1.2 as President and/or member of the Board committees.

OTHER COMPONENTS OF COMPENSATION

The EVPs do not receive any other compensation for their office:

- supplementary pension scheme;
- severance payment;
- non-compete indemnity;
- annual variable compensation;
- exceptional compensation.

4.2.2 COMPONENTS OF THE COMPENSATION PAID TO CORPORATE OFFICERS DURING OR ALLOCATED IN RESPECT OF THE FINANCIAL YEAR ENDED MARCH 31, 2021 (“EX POST” VOTE)

5th, 6th, 7th, 8th, 9th and 10th resolutions of the 2021 General Meeting

4.2.2.1 “Ex Post” report (“overall Ex Post” vote)

5th resolution of the 2021 General Meeting

4.2.2.1.1 TOTAL COMPENSATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED IN RESPECT OF THE TERM AS EXECUTIVE CORPORATE MANAGING OFFICER (FY21)

The Board, on the recommendation of the CNRG, did not make any substantial changes to the compensation policy for executive corporate managing officers, approved by the 2020 General Meeting, pursuant to the provisions of article L. 225-37-2, II, as applicable at that date (now article L. 22-10-8, II of the French commercial code).

All of the components of compensation paid or allocated in respect of the office as executive corporate managing officer are presented in the AMF Tables in 4.2.2.1.4.

After review, the Board determined the achievement rates for the Indicators relating to the annual variable compensation of the Chairman and CEO and the long-term variable compensation of the executive corporate managing officers (Chairman and CEO and EVPs) as follows:

Annual variable compensation allocated to the Chairman and CEO in respect of the financial year ended March 31, 2021

The Board meeting of May 11, 2021 noted the achievement of the performance conditions giving rise to the payment of the target annual variable compensation allocated in respect of the financial year ended March 31, 2021 to the Chairman and CEO subject to the “Individual Ex Post” vote by the 2021 General Meeting.

ACHIEVEMENT OF PERFORMANCE CONDITIONS FOR THE ANNUAL VARIABLE COMPENSATION ALLOCATED TO THE CHAIRMAN AND CEO IN RESPECT OF THE FINANCIAL YEAR ENDED MARCH 31, 2021

	Performance conditions					Achievement of objectives
	< 1st Threshold	1st Threshold	2nd Threshold	Target	Maximum	
			FINANCIAL INDICATORS (80%)			
Non-IFRS Group EBIT *(in € millions)*	< 416	≥ 416 - < 468	≥ 468 - < 520	520 (1)	650	473.3
As % of target for this Indicator	*< 80%*	*≥ 80% < 90%*	*≥ 90% < 100%*	*100%*	*125%*	*91%*
Annual variable compensation as a % of fixed compensation	0%	18%	30%	60%	90%	30%
	% of payment defined by tier			% of payment defined proportionally		
Group Net Bookings Digital *(in € millions)*	< 1,298	≥ 1,298 – < 1,460	≥ 1,460 – < 1,622	1,622 (1)	2,027.5	1,608.9
As % of target for this Indicator	*< 80%*	*≥ 80% < 90%*	*≥ 90% < 100%*	*100%*	*125%*	*99%*
Annual variable compensation as a % of fixed compensation	0%	6%	10%	20%	30%	10%
	% of payment defined by tier			% of payment defined proportionally		
			NON-FINANCIAL INDICATOR (20%)			
Player protection (“CSR”)	<Threshold (2)	Threshold (2)		Target (2)	Maximum (2)	Maximum
Annual variable compensation as a % of fixed compensation	0%	6%	6%	20%	30%	30%
	Percentage of payment defined by tier					
			TOTAL			
Annual variable compensation as a % of fixed compensation	0%	30%	46%	100%	150%	70%

(1) The target corresponds to the objectives announced by the Group in the financial press release of October 29, 2020 (details below)

(2) Details on the expected, established and precisely predefined level of achievement is provided below

Due to the context of the Covid-19 crisis and in order to take into account its potential impact on the Group's business, the financial objectives for the financial year ended March 31, 2021, announced by Ubisoft on May 14, 2020 in the press release on the annual results, have been expressed in the form of ranges – the lower figure takes into account the possible postponement of an AAA game to the financial year ending March 31, 2022.

As mentioned in the 2020 Universal Registration Document, it was decided that the Board would make an announcement by the end of October 2020 with regard to these ranges, defining the target related to the non-IFRS Group EBIT and Group Net Bookings Digital objectives for the annual variable compensation of the Chairman and CEO for the financial year ended March 31, 2021, it being specified that the Group's Net Bookings Digital target thus referred to is understood to equal at least 69% of Group Net Bookings.

This delay was designed to ensure the pertinence of the targets and thus enable the Group:

- on the one hand, to have greater visibility regarding the impact of the Covid-19 crisis on its operations and on changes in consumer habits; and
- on the other hand, to ensure that these objectives are demanding, as AAA game releases are expected in the second half of the financial year.

The Board of July 1, 2020 established that the non-IFRS Group EBIT and Group Net Bookings Digital targets relating to the annual variable compensation of the CEO would correspond to the objectives announced in the half-year results release expected in October 2020 and, if again expressed in the form of ranges, at the upper limit of said ranges.

The financial objectives communicated on October 29, 2020 were updated by Ubisoft to take into account:

- on the one hand, the remarkable performance of the first half and favorable indications on video game consumption at the end of the year; and
- on the other hand, the impact of the Covid-19 crisis that led to the delays of *Far Cry six* and *Rainbow Six Quarantine* to the financial year ended March 31, 2022.

As a result, the updated and expected targets for the financial year ended March 31, 2021 are between €2,200 million and €2,350 million for Group Net Bookings and between €420 million and €520 million for non-IFRS Group EBIT.

In accordance with the terms and conditions detailed above and the compensation policy approved by the 2020 General Meeting, the Board set the targets for the financial Indicators for the Chairman and CEO's annual variable compensation for the financial year ended March 31, 2021, in accordance with the half-year financial press release published on October 29, 2020, as follows:

- €520 million for non-IFRS Group EBIT, corresponding to the upper end of the range;
- €1,622 million for Group Net Bookings Digital, corresponding to 69% of the upper end of the Group Net Bookings range.

The Board meeting of May 11, 2021 noted the achievement of the second threshold for non-IFRS Group EBIT and Group Net Bookings Digital objectives, entitling the holder to 50% of the annual variable compensation linked to each of these Indicators, *i.e.* respectively 30% and 10% of annual fixed compensation. Thus, despite a remarkable financial performance during the year, the targets could not be achieved, in particular due to the impact of the Covid-19 crisis on the Group's operations.

Protection of players is, moreover, a major issue for Ubisoft, confirmed by the expectations of the main stakeholders presented in the materiality matrix conducted in December 2019 *(see 5.2.1)*. During the financial year ended March 31, 2020, the player protection Indicator had already made it possible to expand and accelerate the actions undertaken on the subject. With a portfolio including more general public games that can be played by younger players, the issue of protecting young players has become essential and has thus been reflected in the "Player Protection" Indicator comprising two sub-indicators for the financial year ended March 31, 2021, as follows:

	Definition	Threshold	Target	Maximum	Level of achievement
Sub-indicator Protection of young players on PC	Global implementation [(1)] of a protection program for young players [(2)] for free games (FTP) with a rating below ESRB M/ PEGI 16 [(3)]	Integration of parental control mechanisms, with a default position of no targeted advertising, no personalized promotional offers and no sharing of data for marketing purposes	Threshold achieved + implementation of limitation on social interaction through *"chats"* (limited to people accepted by the player as friends with notification sent to parents)	Target achieved + notification sent to parents of digital purchases and gaming time	Maximum
Sub-indicator Protection of young players on Mobile	Establishment of an age gate on new mobile games for which the target audience is minors [(2) (4)], in order to protect them by disabling certain features by default	Implementation of the age gate for players in the European Union outside the United States [(5)]	Threshold achieved + LATAM + Canada + Africa and Middle East	Implementation of the age gate for players worldwide [(1)]	Maximum

(1) Excluding China (games published by our Chinese partners)

(2) Minors within the meaning of local regulations on personal data and, for Mobile games, depending on the nature of the content

(3) Game concerned in the financial year ended 03/31/21: Hyperscape

(4) Games concerned in the financial year ended 03/31/21: Hungry Shark Evolution, Hungry Shark World, Hungry Dragon, Horse Haven, Growtopia, Just Dance Now and Howrse Companion. It is specified that Brawlhalla, which does not include targeted advertising, does not require an "age gate" to protect our players

(5) United States: legal obligation

The **protection program** of young players on PC consists of setting up a minor account comprising, on the one hand, restrictions by default directly associated with the account, and on the other hand, a set of parental control mechanisms allowing the legal guardian to manage the permissions of the minor's account.

The "**age gate**" on new Mobile games is a mechanism that requires players to indicate their age when the game is first launched. The aim is to deactivate certain functionalities by default for the youngest players (targeted advertising, data sharing, personalized commercial offers, etc.).

The level of achievement for each sub-indicator is measured through a technical demonstration to the CSR Committee, which notes the implementation of the mechanisms in each game concerned, and then passes its conclusions to the CNRG and the Board.

For the financial year ended March 31, 2021, the CSR Committee noted:

- the implementation of all functionalities proposed under the protection program on free PC games with a rating below ESRB M/PEGI 16, *i.e.* an achievement level equal to the maximum for the first sub-indicator. The implementation of this program required a complete review of the account creation process in order to allow the identification of different account statuses with specific rights associated with each one;
- the implementation of the "age gate" on new Mobile games with a target audience of minors in all territories covered by the game, *i.e.* a level of achievement equal to the maximum for the second sub-indicator. This mechanism had to be implemented game by game, involving intense mobilization of the teams. Its implementation worldwide was also very complex due to the cultural differences relating to player consent in certain regions.

The overall achievement level of the "player protection" Indicator is calculated based on the achievement of each sub-indicator according to the following matrix:

Level of achievement of the first sub-indicator	Level of achievement of the second sub-indicator	Overall level of achievement for the "player protection" Indicator
<Threshold	≤Threshold	<Threshold
<Threshold	≥Target	Threshold
Threshold	≥Threshold and < Maximum	
Threshold	Maximum	Target
Target	≥Target	
Maximum	Maximum	Maximum

Accordingly, the Board recorded an overall achievement of "Maximum", giving entitlement to 150% of the annual variable compensation related to this Indicator, *i.e.* 30% of annual fixed compensation.

Consequently, the achievement of non-IFRS Group EBIT, Group Net Bookings Digital and Player Protection (CSR) targets entitles the holder to annual variable compensation equal to 70% of the annual fixed compensation, *i.e.* €409,377.

Long-term variable compensation allocated to the Chairman and CEO and EVPs in respect of the financial year ended March 31, 2021

In accordance with the principles and criteria for determining, distributing and allocating the components of compensation submitted to the shareholders' vote at the 2020 General Meeting, on December 8, 2020, on the proposal of the CNRG, the Board allocated 36,716 SOP to the Chairman and CEO (IFRS valuation: €774,708) and 3,097 SOP to each EVP (IFRS valuation: €65,347) as part of the 29th resolution of the 2020 General Meeting. Details of this allocation are presented in AMF Table No. 4 in 4.2.2.1.4.

The vesting of SOP is conditional:

(i) for 60%, on the total shareholder return of Ubisoft Shares (the "Ubisoft TSR") compared with the TSR of the companies in the NASDAQ Composite Index, both TSRs being calculated over a three-year period from the allocation date, *i.e.* from December 8, 2020 to December 7, 2023;

(ii) for 20%, on Growth in the Number of Monthly Active Users (MAU), measured by the average annual growth rate between the average MAU in the financial year ended March 31, 2020 and the average MAU in the financial year ending March 31, 2023;

(iii) for 20%, on a "CSR" performance condition (Increase in the gender diversity of teams), calculated based on the permanent headcount present at March 31, 2023.

For each Indicator, the vesting of the SOP will be by tier according to the following framework:

	< 50th percentile	≥ 50th and ≤ 60th percentile	> 60th percentile
Positioning of Ubisoft TSR compared to the TSR of the NASDAQ Composite Index (60%)	**0%** of the allocation for this Indicator	**50%** of the allocation for this Indicator	**100%** of the allocation for this Indicator

	< 80% of the target	≥ 80% and < 90% of the target	≥ 90% and < 100% of the target	≥ target (3)
Growth (1) in the Number of Monthly Active Users (MAU) (2) (20%)	**0%** of the allocation for this Indicator	**30%** of the allocation for this Indicator	**50%** of the allocation for this Indicator	**100%** of the allocation for this Indicator

(1) Growth is measured using the average annual growth rate between the average MAU during the financial year prior to the allocation and the average MAU during the financial year prior to the acquisition/payment of the long-term compensation

(2) MAU: the number of single players that over a month have had a minimum of one gaming activity on any type of game published by Ubisoft on any platform (PC, console) with the exception of Mobile

(3) The details of the expected, set and precisely defined level of achievement cannot be disclosed without revealing confidential information about the Group's strategy. It is recalled that the target objective is demanding and in line with the Group's value creation objectives

	< 23% of women in the teams	≥ 23% and < 24% of women in the teams	≥ 24% of women in the teams (1)
Increase in the gender diversity of teams (20%)	**0%** of the allocation for this Indicator	**50%** of the allocation for this Indicator	**100%** of the allocation for this Indicator

(1) At 03/31/20, the Group comprised 22% women. In a context where the number of women from higher education trained in Ubisoft's businesses is limited and where competition for talents is very high, every additional point represents a real challenge. To illustrate this, and for this purpose only, all other things being equal, assuming average annual growth of our headcount of 10% over the period, women need to represent at least one-third of this net growth in headcount to achieve this objective

The level of achievement of these Indicators is assessed over a period of three consecutive financial years or calendar years conditioning the vesting of the long-term compensation. The SOP plan will vest definitively after a vesting period of four years [1]. Vesting will also be conditional upon remaining in office as an executive corporate managing officer. The Group undertakes to communicate the level of achievement of the performance conditions in the Universal Registration Document published in respect of the financial year in which the vesting of the rights occurs.

Long-term variable compensation (Share Plan) definitively vested during the financial year ended March 31, 2021

The Board meeting of May 14, 2020 noted, on the proposal of the CNRG, the achievement of the performance condition linked to the average Group EBIT assessed over four financial years (March 31, 2017, 2018, 2019 and 2020) for the SOP plan of December 14, 2016 in favor of the EVPs. Under this plan, the percentage of acquisition between the threshold and the target is proportional to the percentage of the target objective achieved. The Group's performance over these four financial years thus gave rise to an acquisition of 75.97% of the SOP awarded, or 3,674 options for each EVP. You are reminded that the payment method for long-term variable compensation has evolved since then into tiered acquisition.

ACHIEVEMENT OF PERFORMANCE CONDITIONS FOR THE LONG-TERM VARIABLE COMPENSATION (SHARE PLAN) ACQUIRED BY THE EVPS DURING THE FINANCIAL YEAR ENDED MARCH 31, 2021

	<Threshold	Threshold	Target	Level of achievement
Non-IFRS Group EBIT *(in € millions)*	< 234.5	≥ 234.5 - <335	≥ 335	254.5 (1)
Long-term variable compensation as a% of the definitive allocation	0%	70% (2)	100%	75.97%

(1) Average non-IFRS Group EBIT assessed over four financial years (March 31, 2017, 2018, 2019 and 2020)

(2) The final percentage allocation with reference to the threshold and the target objective is proportional to the percentage achievement of the Target objective

(1) The vesting date corresponds to the date on which the exercise rights are opened

Concerning the AGAP plan of December 16, 2015 in favor of the Chairman and CEO and one EVP *(see 4.2.3.3)*, it is specified that the stock market condition to which the conversion of the AGAP into OS was subject was reached, the corresponding maximum parity of 30 OS for one AGAP was consequently applied.

Exercise of SOP carried out by executive corporate managing officers as well as the performance shares converted into ordinary shares during the financial year ended March 31, 2021 are presented in AMF Tables Nos. 5 and 7 in 4.2.2.1.4.

A history of the Share Plans for executive corporate managing officers is presented in section 4.2.3.3.

Multi-annual variable compensation (Multi-annual Compensation) due during the financial year ended March 31, 2021

The Board meeting of May 11, 2021 noted that none of the minimum thresholds inherent in the following Indicators, on which payment in cash for the shadow stock options granted on March 30, 2018 in favor of the Chairman and CEO and EVPs were conditional, were achieved; no shadow stock options therefore vested and therefore no payment may be made in respect of this Multi-annual Compensation.

ACHIEVEMENT OF PERFORMANCE CONDITIONS FOR THE MULTI-ANNUAL VARIABLE COMPENSATION (CHAIRMAN AND CEO AND EVPS) DUE DURING THE FINANCIAL YEAR ENDED MARCH 31, 2021

	<Threshold	Threshold	Target	Level of achievement
Average non-IFRS Group EBIT (50%) (1)	< 80% average Group EBIT	80% average Group EBIT	≥ 100% average Group EBIT	73%
Multi-annual compensation as a % of the definitive allocation	0% of the allocation based on this Indicator	80% of the allocation for the Indicator (2)	100% of the allocation based on this Indicator	0% of the allocation based on this Indicator

(1) Average non-IFRS Group EBIT assessed over three financial years (March 31, 2018, 2019 and 2020) The target level defined for average Group EBIT is consistent with the objectives announced by the Group in its press release issued at the beginning of each financial year

(2) The final percentage allocation with reference to the threshold and the target objective is proportional to the percentage achievement of the Target objective

	<Threshold	Threshold	Target	Level of achievement
Ubisoft TSR versus NASDAQ TSR (50%) (1)	TSR Ubisoft < TSR NASDAQ	Ubisoft TSR ≥ 100% or ≤ 115% NASDAQ TSR	Ubisoft TSR > 115% NASDAQ TSR	TSR Ubisoft < TSR NASDAQ
Multi-annual compensation as a % of the definitive allocation	0% of the allocation based on this Indicator	Between 70% and 100% of the allocation for the Indicator (2)	100% of the allocation based on this Indicator	0% of the allocation based on this Indicator

(1) The Ubisoft TSR and the NASDAQ TSR are calculated between March 30, 2018 and March 29, 2021

(2) Multi-annual compensation is earned with a proportional increase between each milestone

4.2.2.1.2 TOTAL COMPENSATION AND BENEFITS OF ANY KIND PAID OR ALLOCATED IN RESPECT OF THE TERM AS DIRECTOR (FY21)

The compensation allocated to directors for their participation in the work of the Board and its committees in respect of the financial year ended is summarized in the table below:

	Board of directors		Audit Committee [1]		CNRG [2]		CSR Committee [3]		Lead director	
	Fixed	Variable	Fixed	Variable	Fixed	Variable	Fixed	Variable	Lump sum [4]	Total
Yves Guillemot	€16,000	€24,000	-	-	-	-	-	-	-	€40,000
Claude Guillemot	€16,000	€24,000	-	-	-	-	-	-	-	€40,000
Michel Guillemot	€16,000	€24,000	-	-	-	-	-	-	-	€40,000
Gérard Guillemot	€16,000	€24,000	-	-	-	-	€5,000	€6,000	-	€51,000
Christian Guillemot	€16,000	€24,000	-	-	-	-	-	-	-	€40,000
Didier Crespel	€16,000	€24,000	-	€10,000	-	-	-	-	€15,000	€65,000
Laurence Hubert-Moy	€16,000	€24,000	-	€10,000	€10,000	€10,000	-	-	-	€70,000
Florence Naviner	€16,000	€24,000	€15,000	€10,000	-	-	-	-	-	€65,000
Corinne Fernandez-Handelsman	€16,000	€24,000	-	-	-	€10,000	-	€6,000	-	€56,000
Belén Essioux-Trujillo	€5,333	€3,000	-	-	-	-	-	-	-	€8,333
John Parkes	€12,000	€15,000	-	-	-	-	-	-	-	€27,000
Lionel Bouchet	€16,000	€24,000	-	-	-	-	-	€6,000	-	€46,000
Anne Wübbenhorst	€5,333	€3,000	-	-	-	-	-	-	-	€8,333
Frédérique Dame	€4,000	€6,000	-	-	-	-	-	-	-	€10,000
Virginie Haas	€10,667	€18,000	-	-	-	-	-	-	-	€28,667
										€595,333

(1) 5 meetings in FY21
(2) 6 meetings in FY21
(3) 4 meetings in FY21
(4) Lead director: flat rate for the financial year

4.2.2.1.3 INTERNAL COMPARISON COMPONENTS/EQUITY RATIO

Pursuant to article L. 22-10-9, I-6° and 7 of the French commercial code, and although the Company does not have any employees, the Board of directors decided to refer to the guidelines on equity ratios established by the Afep to determine the ratios between the level of compensation of each of its executive corporate managing officers on the one hand, and the average and median compensation on a full-time equivalent basis of employees other than the executive corporate managing officers on the other, notwithstanding any legal obligations incumbent on it.

In order to prepare a stable, consistent model, which does not depend on changes in the workforce in countries where levels of compensation are not comparable, the selected scope targets all team members that work and benefit from an employment contract with one of the Group's subsidiaries in France. This representative scope includes around 3,000 team members whose functions cover the Group's entire value chain. In accordance with the Afep recommendations, only team members in the scope that are continuously present over two financial years are retained for the calculation, which reinforces the consistency and comparability of the scope over time.

In the numerator and denominator are found the compensation and benefits of any kind paid or allocated during the financial year, according to the information that appears to be the most relevant for the Company.

Compensation is taken into account on a gross full-time equivalent basis and includes the companies included in the consolidation scope within the meaning of article L. 233-16 of the French commercial code according to the following list:

- the fixed component;
- the variable component paid during financial year N;
- the exceptional compensation paid during financial year N;
- the compensation paid during year N in respect of the office as director and, where applicable, the President/member of a Committee;
- the long-term variable component: share purchase and/or subscription options, performance shares, other long-term variable compensation instruments and multi-annual variable compensation allocated during financial year N, the components allocated being valued at their IFRS fair value;
- the benefits in kind received during financial year N.

Comparative change over the last five financial years

ANNUAL CHANGE IN UBISOFT'S PERFORMANCE, TOTAL COMPENSATION OF EXECUTIVE CORPORATE MANAGING OFFICERS AND AVERAGE COMPENSATION OF EMPLOYEES ON A FULL-TIME EQUIVALENT BASIS

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
UBISOFT'S PERFORMANCE					
Non-IFRS Net Bookings	+5%	+19%	+17%	-24%	+46%
Non-IFRS EBIT	+41%	+26%	+49%	-92%	+1,282%
EMPLOYEE COMPENSATION (1)					
Average compensation	+5%	-10%	+14%	-3%	-8% (2)
TOTAL COMPENSATION OF EXECUTIVE CORPORATE MANAGING OFFICERS (1)					
Yves Guillemot – Chairman and CEO	-37%	+77%	+21%	+1%	-27% (2)
Claude Guillemot – EVP	-28%	+8%	+4%	0%	0%
Michel Guillemot – EVP	-34%	+45%	+4%	0%	0%
Gérard Guillemot – EVP	+225% (3)	-1%	0%	+6%	-4%
Christian Guillemot – EVP	-15%	+8%	+4%	0%	0%

(1) It should be noted that in certain years, the Group did not have the opportunity of allocating long-term variable compensation to the teams and/or executive corporate managing officers, which accounts for a large portion of the variations noted. To a lesser extent, the growth in the scope through increased recruitment of young talents over the last few years has also had an impact on these variations

(2) Due to the financial results for the financial year ended 03/31/20, the amount of employee savings and/or annual variable compensation paid to employees and the Chairman and CEO during the financial year ended 03/31/21 were significantly below the amounts paid in the previous financial year

(3) During the financial year ended 03/31/17, Gérard Guillemot was appointed CEO of Ubisoft's cinema and television business

You are reminded that between the financial years ended March 31, 2017 and March 31, 2020, in line with the compensation principles indicated in 4.2.1.3 and in view of the growth and transformation of the Group in recent years, the Group made adjustments to the total target compensation of the Chairman and CEO in order to position it at the Market Median, particularly through higher long-term variable compensation.

ANNUAL CHANGE IN THE RATIOS BETWEEN THE TOTAL COMPENSATION OF EXECUTIVE CORPORATE MANAGING OFFICERS AND AVERAGE AND MEDIAN COMPENSATION OF EMPLOYEES ON A FULL-TIME EQUIVALENT BASIS

	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Yves Guillemot – Chairman and CEO					
Ratio compared to average employee compensation	12	24	26	27	21
Change in the ratio (in%) compared to the previous financial year	*-43%*	*+100%*	*+8%*	*+4%*	*-22%*
Ratio compared to median employee compensation	17	30	35	35	27
Change in the ratio (in%) compared to the previous financial year	*-37%*	*+76%*	*+17%*	*0%*	*-23%*
Claude Guillemot – EVP					
Ratio compared to average employee compensation	2	2	2	2	3
Change in the ratio (in%) compared to the previous financial year	*-33%*	*0%*	*0%*	*0%*	*+50%*
Ratio compared to median employee compensation	3	3	3	3	3
Change in the ratio (in%) compared to the previous financial year	*-25%*	*0%*	*0%*	*0%*	*0%*
Michel Guillemot – EVP					
Ratio compared to average employee compensation	2	2	2	2	3
Change in the ratio (in%) compared to the previous financial year	*0%*	*0%*	*0%*	*0%*	*+50%*
Ratio compared to median employee compensation	2	3	3	3	3
Change in the ratio (in%) compared to the previous financial year	*-33%*	*+50%*	*0%*	*0%*	*0%*
Gérard Guillemot – EVP					
Ratio compared to average employee compensation	10	11	10	11	11
Change in the ratio (in%) compared to the previous financial year	*+233%*	*+10%*	*-9%*	*+10%*	*0%*
Ratio compared to median employee compensation	14	14	14	14	15
Change in the ratio (in%) compared to the previous financial year	*+250%*	*0%*	*0%*	*0%*	*+7%*
Christian Guillemot – EVP					
Ratio compared to average employee compensation	2	2	2	2	3
Change in the ratio (in%) compared to the previous financial year	*-33%*	*0%*	*0%*	*0%*	*+50%*
Ratio compared to median employee compensation	3	3	3	3	3
Change in the ratio (in%) compared to the previous financial year	*0%*	*0%*	*0%*	*0%*	*0%*

The CNRG, attentive to compliance with the pillars of the compensation policy for executive corporate managing officers and in particular its consistency with the compensation policy within the Group *(see 4.2.1.3)*, examines the change in these equity ratios each year and assesses them in relation to benchmarks carried out in France as well as internationally.

4.2.2.1.4 STANDARDIZED TABLES SUMMARIZING THE COMPENSATION PAID OR ALLOCATED TO CORPORATE OFFICERS BY THE COMPANY AND BY ALL COMPANIES INCLUDED IN THE CONSOLIDATION SCOPE WITHIN THE MEANING OF ARTICLE L. 233-16 OF THE FRENCH COMMERCIAL CODE

As an introduction, it is specified that:

- AMF Tables No. 8 and No. 10 concerning Share Plans still valid as at March 31, 2021 (for all beneficiaries) are presented in sections 4.2.3.5 and 4.2.3.6;
- to the extent that the compensation received by the directors representing employees and the director representing employee shareholders under their employment contract within the Ubisoft group is not related to the exercise of their office as director and furthermore, that they do not exercise executive functions within the Company, it has been agreed not to disclose them.

Executive corporate managing officers

TABLE 1: SUMMARY OF COMPENSATION, STOCK OPTIONS AND/OR SHARES GRANTED

	03/31/21		03/31/20	
Yves Guillemot – Chairman and CEO	Ubisoft	Other companies	Ubisoft	Other companies
Compensation allocated for the financial year (1)	€1,034,201	-	€677,458	-
Valuation of multi-annual variable compensation allocated during the financial year (2)	-	-	-	-
Valuation of options allocated during the financial year (2)	€774,708	-	€779,758	-
Valuation of performance shares allocated during the financial year (2)	-	-	-	-
TOTAL	**€1,808,909**	**-**	**€1,457,216**	**-**

(1) Details given in Table 2 below, "Summary of compensation"
(2) IFRS fair value at the award date

	03/31/21		03/31/20	
Claude Guillemot – EVP	Ubisoft	Other companies	Ubisoft	Other companies
Compensation allocated for the financial year (1)	€105,621	-	€105,621	-
Valuation of multi-annual variable compensation allocated during the financial year (2)	-	-	-	-
Valuation of options allocated during the financial year (2)	€65,347	-	€65,617	-
Valuation of performance shares allocated during the financial year (2)	-	-	-	-
TOTAL	**€170,968**	**-**	**€171,238**	**-**

(1) Details given in Table 2 below, "Summary of compensation"
(2) IFRS fair value at the award date

	03/31/21		03/31/20	
Michel Guillemot – EVP	Ubisoft	Other companies	Ubisoft	Other companies
Compensation allocated for the financial year (1)	€105,621	-	€105,621	-
Valuation of multi-annual variable compensation allocated during the financial year (2)	-	-	-	-
Valuation of options allocated during the financial year (2)	€65,347	-	€65,617	-
Valuation of performance shares allocated during the financial year (2)	-	-	-	-
TOTAL	**€170,968**	**-**	**€171,238**	**-**

(1) Details given in Table 2 below, "Summary of compensation"
(2) IFRS fair value at the award date

	03/31/21		03/31/20	
Gérard Guillemot – EVP	Ubisoft	Other companies	Ubisoft	Other companies
Compensation allocated for the financial year (1)	€116,621	€595,416 (3)	€113,621	€627,290 (3)
Valuation of multi-annual variable compensation allocated during the financial year (2)	-	-	-	-
Valuation of options allocated during the financial year (2)	€65,347	-	€65,617	-
Valuation of performance shares allocated during the financial year (2)	-	-	-	-
TOTAL	**€181,968**	**€595,416**	**€179,238**	**€627,290**

(1) Details given in Table 2 below, "Summary of compensation"
(2) IFRS fair value at the award date
(3) For his duties as CEO of the cinema and television business (amounts subject to exchange rates)

Christian Guillemot – EVP	03/31/21 Ubisoft	03/31/21 Other companies	03/31/20 Ubisoft	03/31/20 Other companies
Compensation allocated for the financial year (1)	€105,621	-	€105,621	-
Valuation of multi-annual variable compensation allocated during the financial year (2)	-	-	-	-
Valuation of options allocated during the financial year (2)	€65,347	-	€65,617	-
Valuation of performance shares allocated during the financial year (2)	-	-	-	-
TOTAL	**€170,968**	**-**	**€171,238**	**-**

(1) Details given in Table 2 below, "Summary of compensation"
(2) IFRS fair value at the award date

TABLE 2: SUMMARY OF COMPENSATION PAID OR ALLOCATED BY THE ISSUER AND BY ALL COMPANIES (ARTICLE L. 233-16 OF THE FRENCH COMMERCIAL CODE)

Yves Guillemot – Chairman and CEO		03/31/21 Amounts paid *(in euros)* (1)	03/31/21 Amounts granted *(in euros)* (2)	03/31/20 Amounts paid *(in euros)* (1)	03/31/20 Amounts granted *(in euros)* (2)
Gross fixed compensation before tax		584,824	584,824	584,824	584,824
Annual variable compensation		52,634	409,377	583,834	52,634
Multi-annual variable compensation		-	-	-	-
Exceptional compensation		-	-	-	-
Compensation allocated in respect of the office as director	Fixed component (3)	16,000	16,000	16,000	16,000
	Variable component (3)	24,000	24,000	24,000	24,000
Benefits in kind		-	-	-	-
TOTAL		**677,458**	**1,034,201**	**1,208,658**	**677,458**

(1) Compensation paid to the executive corporate managing officer for his duties over the financial year
(2) Compensation awarded to the executive corporate managing officer for his duties during the financial year, irrespective of the date of payment
(3) 40% fixed and 60% variable

Claude Guillemot – EVP		03/31/21 Amounts paid *(in euros)* (1)	03/31/21 Amounts granted *(in euros)* (2)	03/31/20 Amounts paid *(in euros)* (1)	03/31/20 Amounts granted *(in euros)* (2)
Gross fixed compensation before tax		65,621	65,621	65,621	65,621
Annual variable compensation		-	-	-	-
Multi-annual variable compensation		-	-	-	-
Exceptional compensation		-	-	-	-
Compensation allocated in respect of the office as director	Fixed component (3)	16,000	16,000	16,000	16,000
	Variable component (3)	24,000	24,000	24,000	24,000
Benefits in kind		-	-	-	-
TOTAL		**105,621**	**105,621**	**105,621**	**105,621**

(1) Compensation paid to the executive corporate managing officer for his duties over the financial year
(2) Compensation awarded to the executive corporate managing officer for his duties during the financial year, irrespective of the date of payment
(3) 40% fixed and 60% variable

Michel Guillemot – EVP		03/31/21 Amounts paid *(in euros)* (1)	03/31/21 Amounts granted *(in euros)* (2)	03/31/20 Amounts paid *(in euros)* (1)	03/31/20 Amounts granted *(in euros)* (2)
Gross fixed compensation before tax		65,621	65,621	65,621	65,621
Annual variable compensation		-	-	-	-
Multi-annual variable compensation		-	-	-	-
Exceptional compensation		-	-	-	-
Compensation allocated in respect of the office as director	Fixed component (3)	16,000	16,000	16,000	16,000
	Variable component (3)	24,000	24,000	24,000	24,000
Benefits in kind		-	-	-	-
TOTAL		**105,621**	**105,621**	**105,621**	**105,621**

(1) Compensation paid to the executive corporate managing officer for his duties over the financial year
(2) Compensation awarded to the executive corporate managing officer for his duties during the financial year, irrespective of the date of payment
(3) 40% fixed and 60% variable

Gérard Guillemot – EVP		03/31/21 Amounts paid *(in euros)* (1)	03/31/21 Amounts granted *(in euros)* (2)	03/31/20 Amounts paid *(in euros)* (1)	03/31/20 Amounts granted *(in euros)* (2)
Gross fixed compensation before tax		661,037 (3)	661,037 (3)	692,911 (3)	692,911 (3)
Annual variable compensation		-	-	-	-
Multi-annual variable compensation		-	-	-	-
Exceptional compensation		-	-	-	-
Compensation allocated in respect of the duties as director and Chairman/ member of a committee	Fixed component (4)	21,000	21,000	21,000	21,000
	Variable component (4)	30,000	30,000	27,000	27,000
Benefits in kind		-	-	-	-
TOTAL		**712,037**	**712,037**	**740,911**	**740,911**

(1) Compensation paid to the executive corporate managing officer for his duties over the financial year
(2) Compensation awarded to the executive corporate managing officer for his duties during the financial year, irrespective of the date of payment
(3) Including €595,416 (FY21) and €627,290 (FY20) for his duties as CEO of the cinema and television business (amounts subject to exchange rates)
(4) Including 40% fixed and 60% variable components for his term of office as director and a fixed and variable component as President/member of the CSR Committee (see 4.2.2.1.2)

Christian Guillemot – EVP		03/31/21 Amounts paid *(in euros)* (1)	03/31/21 Amounts granted *(in euros)* (2)	03/31/20 Amounts paid *(in euros)* (1)	03/31/20 Amounts granted *(in euros)* (2)
Gross fixed compensation before tax		65,621	65,621	65,621	65,621
Annual variable compensation		-	-	-	-
Multi-annual variable compensation		-	-	-	-
Exceptional compensation		-	-	-	-
Compensation allocated in respect of the office as director	Fixed component (3)	16,000	16,000	16,000	16,000
	Variable component (3)	24,000	24,000	24,000	24,000
Benefits in kind		-	-	-	-
TOTAL		**105,621**	**105,621**	**105,621**	**105,621**

(1) Compensation paid to the executive corporate managing officer for his duties over the financial year
(2) Compensation awarded to the executive corporate managing officer for his duties during the financial year, irrespective of the date of payment
(3) 40% fixed and 60% variable

TABLE 4: SHARE PURCHASE OR SUBSCRIPTION OPTIONS ALLOCATED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE MANAGING OFFICER BY THE ISSUER AND BY ALL GROUP COMPANIES

Options granted between April 1, 2020 and March 31, 2021					
Identity of the executive corporate managing officer	Type of options (purchase or subscription)	Valuation of the options according to the method selected for the consolidated financial statements	Number of options allocated (1)	Exercise price	Plan no. Plan date – Exercise period
Yves Guillemot – Chairman and CEO	Share subscription options	€774,708	36,716	€77.76	No. 47 12/08/20 from 12/08/24 to 12/07/25 inclusive (2)
Claude Guillemot – EVP		€65,347	3,097	€77.76	No. 47 12/08/20 from 12/08/24 to 12/07/25 inclusive (2)
Michel Guillemot – EVP		€65,347	3,097	€77.76	No. 47 12/08/20 from 12/08/24 to 12/07/25 inclusive (2)
Gérard Guillemot – EVP		€65,347	3,097	€77.76	No. 47 12/08/20 from 12/08/24 to 12/07/25 inclusive (2)
Christian Guillemot – EVP		€65,347	3,097	€77.76	No. 47 12/08/20 from 12/08/24 to 12/07/25 inclusive (2)

(1) 5% to be held in registered form until the expiry/termination of duties

(2) Subject to the achievement of performance conditions (see 4.2.2.1.1)

TABLE 5: SHARE PURCHASE OR SUBSCRIPTION OPTIONS EXERCISED DURING THE FINANCIAL YEAR BY EACH EXECUTIVE CORPORATE MANAGING OFFICER

Options exercised during the financial year between April 1, 2020 and March 31, 2021			
Identity of the executive corporate managing officer	Number of options exercised	Exercise price	Plan no. Plan date - Expiry date
Yves Guillemot – Chairman and CEO	-	-	-
Claude Guillemot – EVP	-	-	-
Michel Guillemot – EVP	-	-	-
Gérard Guillemot – EVP	12,500 (1)	€26.85	No. 31 12/16/15–12/15/20
Christian Guillemot – EVP	-	-	-

(1) 5% to be held in registered form until the expiry/termination of duties

The history of the share purchase and/or subscription option plans for the Company's executive corporate managing officers is presented in 4.2.3.3.

TABLE 6: PERFORMANCE SHARES ALLOCATED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE MANAGING OFFICER BY THE ISSUER AND BY ALL GROUP COMPANIES

No performance shares were allocated to the executive corporate managing officers between April 1, 2020 and March 31, 2021.

TABLE 7: PERFORMANCE SHARES THAT BECAME AVAILABLE DURING THE FINANCIAL YEAR FOR EACH EXECUTIVE CORPORATE MANAGING OFFICER

Preference shares (AGAP) converted between April 1, 2020 and March 31, 2021			
Identity of the executive corporate managing officer	Number of AGAP resulting in conversion	Plan date – Expiry date [4]	Number of OS resulting from the conversion of AGAP
Yves Guillemot – Chairman and CEO	1,333 [1]	12/16/15–12/17/20 [2]	39,990 [3]
Claude Guillemot – EVP	-	-	-
Michel Guillemot – EVP	-	-	-
Gérard Guillemot – EVP	-	-	-
Christian Guillemot – EVP	167 [1]	12/16/15–12/17/20 [2]	5,010 [3]

(1) 1 AGAP may give entitlement to 30 ordinary shares subject to the achievement of share market price conditions, with the application, where appropriate, of a proportional and linear sliding scale (see 4.2.3.3)

(2) Waiver of the conversion period in favor of automatic conversion by an amendment to the plan regulations on 09/18/19

(3) 5% to be held in registered form until the expiry/termination of duties

(4) Conversion date of AGAP

The history of the performance share plans for the Company's executive corporate managing officers is presented in section 4.2.3.3.

TABLE 11: SUMMARY TABLE OF COMPENSATION AND BENEFITS OWED AS A RESULT OF THE COMPANY'S EXECUTIVE CORPORATE MANAGING OFFICERS LEAVING OFFICE

	Combination of the term of office with an employment contract with the Company		Supplementary pension scheme		Indemnities or benefits payable or that may be payable due to termination or change in responsibilities		Compensation relating to a non-compete clause	
Name	Yes	No	Yes	No	Yes	No	Yes	No
Yves Guillemot – Chairman and CEO		✓		✓		✓		✓
Claude Guillemot – EVP		✓		✓		✓		✓
Michel Guillemot – EVP		✓		✓		✓		✓
Gérard Guillemot – EVP		✓		✓		✓		✓
Christian Guillemot – EVP		✓		✓		✓		✓

Non-executive corporate officers

TABLE 3: TABLE ON THE COMPENSATION RECEIVED BY NON-EXECUTIVE CORPORATE OFFICERS

Identity of the non-executive corporate officers		03/31/21 Amounts paid *(in euros)* [(1)]	03/31/21 Amounts granted *(in euros)* [(2)]	03/31/20 Amounts paid *(in euros)* [(1)]	03/31/20 Amounts granted *(in euros)* [(2)]
Didier Crespel					
Compensation	Fixed component	€31,000 [(3)]	€31,000 [(3)]	€31,000 [(3)]	€31,000 [(3)]
	Variable component	€34,000 [(5)]	€34,000 [(5)]	€34,000 [(5)]	€34,000 [(5)]
Other compensation		-	-	-	-
TOTAL		**€65,000**	**€65,000**	**€65,000**	**€65,000**
Laurence Hubert-Moy					
Compensation	Fixed component	€26,000 [(4)]	€26,000 [(4)]	€21,000 [(4)]	€21,000 [(4)]
	Variable component	€44,000 [(5)]	€44,000 [(5)]	€44,000 [(5)]	€44,000 [(5)]
Other compensation		-	-	-	-
TOTAL		**€70,000**	**€70,000**	**€65,000**	**€65,000**
Florence Naviner					
Compensation	Fixed component	€31,000 [(4)]	€31,000 [(4)]	€31,000 [(4)]	€31,000 [(4)]
	Variable component	€34,000 [(5)]	€34,000 [(5)]	€34,000 [(5)]	€34,000 [(5)]
Other compensation		-	-	-	-
TOTAL		**€65,000**	**€65,000**	**€65,000**	**€65,000**
Corinne Fernandez-Handelsman					
Compensation	Fixed component	€16,000	€16,000	€16,000	€16,000
	Variable component	€40,000 [(5)]	€40,000 [(5)]	€37,000 [(5)]	€37,000 [(5)]
Other compensation		-	-	-	-
TOTAL		**€56,000**	**€56,000**	**€53,000**	**€53,000**
Belén Essioux-Trujillo					
Compensation	Fixed component	€5,333 [(6)]	€5,333 [(6)]	-	-
	Variable component	€3,000 [(6)]	€3,000 [(6)]	-	-
Other compensation		-	-	-	-
TOTAL		**€8,333**	**€8,333**	**-**	**-**
John Parkes					
Compensation	Fixed component	€12,000 [(6)]	€12,000 [(6)]	-	-
	Variable component	€15,000 [(6)]	€15,000 [(6)]	-	-
Other compensation		[(7)]	[(7)]	[(7)]	[(7)]
TOTAL		**€27,000**	**€27,000**	**-**	**-**
Lionel Bouchet					
Compensation	Fixed component	€16,000	€16,000	€16,000	€16,000
	Variable component	€30,000 [(5)]	€30,000 [(5)]	€27,000 [(5)]	€27,000 [(5)]
Other compensation		[(7)]	[(7)]	[(7)]	[(7)]
TOTAL		**€46,000**	**€46,000**	**€43,000**	**€43,000**
Anne Wübbenhorst					
Compensation	Fixed component	€5,333 [(6)]	€5,333 [(6)]	-	-
	Variable component	€3,000 [(6)]	€3,000 [(6)]	-	-
Other compensation		[(7)]	[(7)]	[(7)]	[(7)]
TOTAL		**€8,333**	**€8,333**	**-**	**-**

Identity of the non-executive corporate officers		03/31/21 Amounts paid *(in euros)* (1)	03/31/21 Amounts granted *(in euros)* (2)	03/31/20 Amounts paid *(in euros)* (1)	03/31/20 Amounts granted *(in euros)* (2)
Frédérique Dame					
Compensation	Fixed component	€4,000 (6)	€4,000 (6)	€16,000	€16,000
	Variable component	€6,000 (6)	€6,000 (6)	€12,000	€12,000
Other compensation		-	-	-	-
TOTAL		**€10,000**	**€10,000**	**€28,000**	**€28,000**
Virginie Haas					
Compensation	Fixed component	€10,667 (6)	€10,667 (6)	€16,000	€16,000
	Variable component	€18,000 (6)	€18,000 (5) (6)	€34,000 (5)	€34,000 (5)
Other compensation		-	-	-	-
TOTAL		**€28,667**	**€28,667**	**€50,000**	**€50,000**

(1) All compensation paid to non-executive corporate officers for their duties over the financial year

(2) Compensation awarded to non-executive corporate officers for their duties over the financial year, irrespective of the date of payment

(3) Including flat-rate fee as lead director

(4) Including the fixed component as President of a Committee (see 4.2.1.2)

(5) Including the variable component as member of a Committee (see 4.2.1.2)

(6) Pro rata for the term of office as director and/or member of a committee (see 4.1.3.3)

(7) John Parkes, director representing employee shareholders, Lionel Bouchet and Anne Wübbenhorst, directors representing employees, holding employment contracts within the Ubisoft group, receive compensation unrelated to their terms of office as directors. As a result, this information has not been communicated

4.2.2.2 Individual compensation ("Individual Ex Post" vote)

6th, 7th, 8th, 9th and 10th resolutions of the 2021 General Meeting

Pursuant to article L. 22-10-34, II of the French commercial code, a breakdown of the total compensation and benefits of any kind, paid during or granted in respect of the financial year to the Chairman and CEO and to each EVP, submitted for a shareholder vote, is set out here below.

Yves Guillemot, Chairman and CEO (6th resolution)

Components of compensation paid or allocated during FY21	Amount or accounting valuation: Amounts paid during FY21	Amount or accounting valuation: Amount allocated in respect of FY21	Presentation
Annual gross fixed compensation (the "Fixed" compensation)	**€584,824**	**€584,824**	**Compensation in force since April 1, 2019** At April 1, 2020, the fixed compensation of Yves Guillemot was €584,824, unchanged since April 1, 2019.
Annual variable compensation	**€52,634** For FY20 Approved by the General Meeting of 07/02/20 (6th resolution)	**€409,377** For FY21 Payment conditional on approval by the General Meeting of 07/01/21 (6th resolution)	The target value for annual variable compensation corresponds to around 30% of the total compensation for the Chairman and CEO, *i.e.* 100% of Fixed compensation with a maximum of 150% of the Fixed compensation. The payment of the annual variable compensation is determined according to the achievement of the following performance conditions: (see table below)

	Performance conditions: < 1st Threshold	Performance conditions: 1st Threshold	Performance conditions: 2nd Threshold	Performance conditions: Target	Performance conditions: Maximum	Achievement of objectives
FINANCIAL INDICATORS (80%)						
Non-IFRS Group EBIT *(in € millions)*	< 416	≥ 416 - < 468	≥ 468 - < 520	520 [(a)]	650	473.3
As% of target for this Indicator	*< 80%*	*≥ 80% < 90%*	*≥ 90% < 100%*	*100%*	*125%*	*91%*
Annual variable compensation as% of fixed amount	0%	18%	30%	60%	90%	30%
Group Net Bookings Digital *(in € millions)*	< 1,298	≥ 1,298 – < 1,460	≥ 1,460 – < 1,622	1,622 [(a)]	2,027.5	1,608.9
As% of target for this Indicator	*< 80%*	*≥ 80% < 90%*	*≥ 90% < 100%*	*100%*	*125%*	*99%*
Annual variable compensation as% of fixed amount	0%	6%	10%	20%	30%	10%
NON-FINANCIAL INDICATOR (20%)						
Player protection ("CSR")	<Threshold [(b)]	Threshold [(b)]		Target [(b)]	Maximum [(b)]	Maximum
Annual variable compensation as% of fixed amount	0%	6%	6%	20%	30%	30%
TOTAL						
Annual variable compensation as% of Fixed amount	0%	30%	46%	100%	150%	70%

(a) The target corresponds to the objectives announced by the Group in the financial press release of 10/29/20 (details on p. 105)

(b) Details on the expected, established and precisely predefined level of achievement is provided below

Yves Guillemot, Chairman and CEO (6th resolution)			
Components of compensation paid or allocated during FY21	Amount or accounting valuation		Presentation
	Amounts paid during FY21	Amount allocated in respect of FY21	
Annual variable compensation			The "player protection" Indicator comprises two sub-indicators, described on page 106. Achievement level for the sub-indicators:

	Definition	Threshold	Target	Maximum	Level of achievement
Sub-indicator Protection of young players on PC	Global implementation of [a] a young player protection program [b] for free-to-play games (FTP) with a rating below ESRB M/ PEGI 16 [c]	Integration of parental control mechanisms, with a default position of no targeted advertising, no personalized promotional offers and no sharing of data for marketing purposes	Threshold achieved + implementation of limitation on social interaction through "chats" (limited to people accepted by the player as friends with notification sent to parents)	Target achieved + notification sent to parents of digital purchases and gaming time	Maximum
Sub-indicator Protection of young players on Mobile	Implementation of an "age gate" on new Mobile games for which the target audience is minors [b] [d], with the aim of protecting them by deactivating certain functionalities by default	Implementation of the "age gate" for players in the European Union excluding the United States [e]	Threshold achieved + LATAM + Canada + Africa and Middle East	Implementation of the "age gate" for players worldwide [a]	Maximum

(a) excluding China (games published by our Chinese partners)

(b) minors within the meaning of local regulations on personal data and, for Mobile games, depending on the nature of the content

(c) game concerned in the financial year ended 03/31/21: Hyperscape

(d) games concerned in the financial year ended 03/31/21: Hungry Shark Evolution, Hungry Shark World, Hungry Dragon, Horse Haven, Growtopia, Just Dance Now and Howrse Companion. It is specified that Brawlhalla, which does not include targeted advertising, does not require an "age gate" to protect our players

(e) United States: legal obligation

The level of achievement for each sub-indicator is measured through a technical demonstration to the CSR Committee, which notes the implementation of the mechanisms in each game concerned, and then passes its conclusions to the CNRG and the Board of directors.

The overall achievement level of the "player protection" Indicator is calculated based on the achievement of each sub-indicator according to the following matrix:

Level of achievement of the first sub-indicator	Level of achievement of the second sub-indicator	Overall level of achievement for the "player protection" Indicator
<Threshold	≤Threshold	<Threshold
<Threshold	≥Target	Threshold
Threshold	≥Threshold and < Maximum	
Threshold	Maximum	Target
Target	≥Target	
Maximum	Maximum	Maximum

The Board of directors thus noted an overall achievement of "Maximum", giving entitlement to 150% of the annual variable compensation related to this Indicator, *i.e.* 30% of the Fixed compensation.

Accordingly, the level of achievement of objectives gives entitlement to annual variable compensation equal to 70% of annual fixed compensation, a gross amount of €409,377.

Yves Guillemot, Chairman and CEO (6th resolution)			
Components of compensation paid or allocated during FY21	Amount or accounting valuation: Amounts paid during FY21	Amount or accounting valuation: Amount allocated in respect of FY21	Presentation
Multi-annual variable compensation (in cash)	€0	N/A	Failure to reach any of the minimum thresholds inherent in the Indicators to which payment in cash for the shadow stock-options allocated on March 30, 2018 was subject, means that no shadow stock options were acquired and consequently, no payment may be made in respect of this Multi-annual Compensation.
Stock options ("SOP")	N/A	**€774,708** (accounting valuation)	The long-term variable compensation consists of an award of 36,716 SOP with the exercise price set at €77.76 [1]. The vesting of SOP is conditional: (i) for 60%, on the total shareholder return on Ubisoft Shares (the "Ubisoft TSR") compared with the TSR of the companies in the NASDAQ Composite Index, both TSRs being calculated over a three-year period from the allocation date, *i.e.* from December 8, 2020 to December 7, 2023; (ii) for 20%, on Growth in the Number of Monthly Active Users (MAU), measured by the average annual growth rate between the average MAU in the financial year ended March 31, 2020 and the average MAU in the financial year ending March 31, 2023; (iii) for 20%, on a "CSR" performance condition (Increase in the gender diversity of teams), calculated based on the permanent headcount present at March 31, 2023. For each Indicator, the vesting of the SOP occurs in steps, based on the following framework:

	< 50th percentile	≥ 50th and ≤ 60th percentile	> 60th percentile
Positioning of Ubisoft TSR compared to the TSR of the NASDAQ Composite Index (60%)	**0%** of the allocation for this Indicator	**50%** of the allocation for this Indicator	**100%** of the allocation for this Indicator

	< 80% of the target	≥ 80% and < 90% of the target	≥ 90% and < 100% of the target	Target [c]
Growth [a] in the Number of Monthly Active Users (MAU) [b] (20%)	**0%** of the allocation based on this Indicator	**30%** of the allocation based on this Indicator	**50%** of the allocation based on this Indicator	**100%** of the allocation based on this Indicator

(a) Growth is measured using the average annual growth rate between the average MAU during the financial year prior to the allocation and the average MAU during the financial year prior to the acquisition/payment of the long-term compensation

(b) MAU: the number of single players that over a month have had a minimum of one gaming activity on any type of game published by Ubisoft on any platform (PC, console) with the exception of Mobile

(c) The details of the expected, set and precisely defined level of achievement cannot be disclosed without revealing confidential information about the Group's strategy. It is recalled that the target objective is demanding and in line with the Group's value creation objectives

	< 23% of women in the teams	≥ 23% and < 24% of women in the teams	≥ 24% of women in the teams [a]
Increase in the gender diversity of teams (20%)	**0%** of the allocation based on this Indicator	**50%** of the allocation based on this Indicator	**100%** of the allocation based on this Indicator

(a) At 03/31/20, the Group comprised 22% women. In a context where the number of women from higher education trained in Ubisoft's businesses is limited and where competition for talents is very high, every additional point represents a real challenge. To illustrate this, and for this purpose only, all other things being equal, assuming average annual growth of our headcount of 10% over the period, women need to represent at least one-third of this net growth in headcount to achieve this objective

The level of achievement of these Indicators is assessed over a period of three consecutive financial years or calendar years conditioning the vesting of the long-term compensation. The SOP plan will vest definitively after a vesting period of four years [2]. Vesting will also be conditional upon remaining in office as an executive corporate managing officer. The Group undertakes to communicate the level of achievement of the performance conditions in the Universal Registration Document published in respect of the financial year in which the vesting occurs [2].

Yves Guillemot, Chairman and CEO (6th resolution)			
Components of compensation paid or allocated during FY21	Amount or accounting valuation		Presentation
	Amounts paid during FY21	Amount allocated in respect of FY21	
Compensation allocated in respect of the office as director (gross)	**€40,000**	**€40,000**	€40,000 maximum in total **Fixed**: 40% is paid in two equal installments in September (for the period from April 1st to September 30th) and March (for the period from October 1st to March 31st). **Variable** (3): 60% paid in March prorated in accordance with the Board members' attendance at Board meetings held during the financial year, in the following proportions: ♦ less than 50% attendance at Board meetings: no payment of the variable component; ♦ attendance at Board meetings ≥ 50% and < 75%: half of the variable component paid; ♦ attendance at Board meetings ≥ 75%: all of the variable component is paid.

(1) €77.76 corresponding to the opening Ubisoft Share price on Euronext Paris on the date the Board determines the allocation

(2) The vesting date corresponds to the date on which the exercise rights are opened

(3) Attendance rate at Board meetings for the financial year ended 03/31/21 indicated in section 4.1.2.4

Deferred variable compensation	Annual exceptional compensation	Performance shares	Other long-term compensation (redeemable equity warrants, equity warrants, etc.)	Benefits in kind	Severance payment	Non-compete indemnity	Supplementary pension scheme
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Claude Guillemot, EVP (7th resolution)			
Components of compensation paid or allocated during FY21	Amount or accounting valuation		Presentation
	Amounts paid during FY21	Amount allocated in respect of FY21	
Annual gross fixed compensation	**€65,621**	**€65,621**	**Compensation in force since April 1, 2018** At April 1, 2020, the fixed compensation of Claude Guillemot was €65,621, unchanged since April 1, 2018.
Multi-annual variable compensation (in cash)	€0	N/A	Failure to reach any of the minimum thresholds inherent in the Indicators to which payment in cash for the shadow stock-options allocated on March 30, 2018 was subject, means that no shadow stock options were acquired and consequently, no payment may be made in respect of this Multi-annual Compensation.
Stock options ("SOP")	N/A	**€65,347** (accounting valuation)	The long-term variable compensation consists of an award of 3,097 SOP with the exercise price set at €77.76 [1]. The vesting of SOP is conditional: (i) for 60%, on the total shareholder return on Ubisoft Shares (the "Ubisoft TSR") compared with the TSR of the companies in the NASDAQ Composite Index, both TSRs being calculated over a three-year period from the allocation date, *i.e.* from December 8, 2020 to December 7, 2023; (ii) for 20%, on Growth in the Number of Monthly Active Users (MAU), measured by the average annual growth rate between the average MAU in the financial year ended March 31, 2020 and the average MAU in the financial year ending March 31, 2023; (iii) for 20%, on a "CSR" performance condition (Increase in the gender diversity of teams), calculated based on the permanent headcount present at March 31, 2023. For each Indicator, the vesting of the SOP occurs in steps, based on the following framework:

	< 50th percentile	≥ 50th and ≤ 60th percentile	> 60th percentile
Positioning of Ubisoft TSR compared to the TSR of the NASDAQ Composite Index (60%)	**0%** of the allocation for this Indicator	**50%** of the allocation for this Indicator	**100%** of the allocation for this Indicator

	< 80% of the target	≥ 80% and < 90% of the target	≥ 90% and < 100% of the target	Target [c]
Growth [a] in the Number of Monthly Active Users (MAU) [b] (20%)	**0%** of the allocation based on this Indicator	**30%** of the allocation based on this Indicator	**50%** of the allocation based on this Indicator	**100%** of the allocation based on this Indicator

(a) Growth is measured using the average annual growth rate between the average MAU during the financial year prior to the allocation and the average MAU during the financial year prior to the acquisition/payment of the long-term compensation

(b) MAU: the number of single players that over a month have had a minimum of one gaming activity on any type of game published by Ubisoft on any platform (PC, console) with the exception of Mobile

(c) The details of the expected, set and precisely defined level of achievement cannot be disclosed without revealing confidential information about the Group's strategy. It is recalled that the target objective is demanding and in line with the Group's value creation objectives

	< 23% of women in the teams	≥ 23% and < 24% of women in the teams	≥ 24% of women in the teams [a]
Increase in the gender diversity of teams (20%)	**0%** of the allocation based on this Indicator	**50%** of the allocation based on this Indicator	**100%** of the allocation based on this Indicator

(a) At 03/31/20, the Group comprised 22% women. In a context where the number of women from higher education trained in Ubisoft's businesses is limited and where competition for talents is very high, every additional point represents a real challenge. To illustrate this, and for this purpose only, all other things being equal, assuming average annual growth of our headcount of 10% over the period, women need to represent at least one-third of this net growth in headcount to achieve this objective

The level of achievement of these Indicators is assessed over a period of three consecutive financial years or calendar years conditioning the vesting of the long-term compensation. The SOP plan will vest definitively after a vesting period of four years [2]. Vesting will also be conditional upon remaining in office as an executive corporate managing officer. The Group undertakes to communicate the level of achievement of the performance conditions in the Universal Registration Document published in respect of the financial year in which the vesting occurs [2].

Claude Guillemot, EVP (7th resolution)			
Components of compensation paid or allocated during FY21	Amount or accounting valuation		Presentation
	Amounts paid during FY21	Amount allocated in respect of FY21	
Compensation allocated in respect of the office as director (gross)	**€40,000**	**€40,000**	€40,000 maximum in total **Fixed**: 40% is paid in two equal installments in September (for the period from April 1st to September 30th) and March (for the period from October 1st to March 31st). **Variable** (3) : 60% paid in March prorated in accordance with the Board members' attendance at Board meetings held during the financial year, in the following proportions: ♦ less than 50% attendance at Board meetings: no payment of the variable component; ♦ attendance at Board meetings ≥ 50% and < 75%: half of the variable component paid; ♦ attendance at Board meetings ≥ 75%: all of the variable component is paid.

(1) €77.76 corresponding to the opening Ubisoft Share price on Euronext Paris on the date the Board determines the allocation

(2) The vesting date corresponds to the date on which the exercise rights are opened

(3) Attendance rate at Board meetings for the financial year ended 03/31/21 indicated in section 4.1.2.4

Annual variable compensation	Deferred variable compensation	Annual exceptional compensation	Performance shares	Other long-term compensation (redeemable equity warrants, equity warrants, etc.)	Benefits in kind	Severance payment	Non-compete indemnity	Supplementary pension scheme
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

<table>
<tr><th colspan="4">Michel Guillemot, EVP (8th resolution)</th></tr>
<tr><th rowspan="2">Components of compensation paid or allocated during FY21</th><th colspan="2">Amount or accounting valuation</th><th rowspan="2">Presentation</th></tr>
<tr><th>Amounts paid during FY21</th><th>Amount allocated in respect of FY21</th></tr>
<tr><td>Annual gross fixed compensation</td><td>€65,621</td><td>€65,621</td><td>Compensation in force since April 1, 2018
At April 1, 2020, the fixed compensation of Michel Guillemot was €65,621, unchanged since April 1, 2018.</td></tr>
<tr><td>Multi-annual variable compensation (in cash)</td><td>€0</td><td>N/A</td><td>Failure to reach any of the minimum thresholds inherent in the Indicators to which payment in cash for the shadow stock-options allocated on March 30, 2018 was subject, means that no shadow stock options were acquired and consequently, no payment may be made in respect of this Multi-annual Compensation.</td></tr>
<tr><td>Stock options ("SOP")</td><td>N/A</td><td>€65,347
(accounting valuation)</td><td>The long-term variable compensation consists of an award of 3,097 SOP with the exercise price set at €77.76 [1].
The vesting of SOP is conditional:
(i) for 60%, on the total shareholder return on Ubisoft Shares (the "Ubisoft TSR") compared with the TSR of the companies in the NASDAQ Composite Index, both TSRs being calculated over a three-year period from the allocation date, i.e. from December 8, 2020 to December 7, 2023;
(ii) for 20%, on Growth in the Number of Monthly Active Users (MAU), measured by the average annual growth rate between the average MAU in the financial year ended March 31, 2020 and the average MAU in the financial year ending March 31, 2023;
(iii) for 20%, on a "CSR" performance condition (Increase in the gender diversity of teams), calculated based on the permanent headcount present at March 31, 2023.
For each Indicator, the vesting of the SOP occurs in steps, based on the following framework:
<table>
<tr><th></th><th>< 50th percentile</th><th>≥ 50th and ≤ 60th percentile</th><th>> 60th percentile</th></tr>
<tr><td>Positioning of Ubisoft TSR compared to the TSR of the NASDAQ Composite Index (60%)</td><td>0% of the allocation for this Indicator</td><td>50% of the allocation for this Indicator</td><td>100% of the allocation for this Indicator</td></tr>
</table>
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<tr><th></th><th>< 80% of the target</th><th>≥ 80% and < 90% of the target</th><th>≥ 90% and < 100% of the target</th><th>Target [c]</th></tr>
<tr><td>Growth [a] in the Number of Monthly Active Users (MAU) [b] (20%)</td><td>0% of the allocation based on this Indicator</td><td>30% of the allocation based on this Indicator</td><td>50% of the allocation based on this Indicator</td><td>100% of the allocation based on this Indicator</td></tr>
</table>
(a) Growth is measured using the average annual growth rate between the average MAU during the financial year prior to the allocation and the average MAU during the financial year prior to the acquisition/payment of the long-term compensation
(b) MAU: the number of single players that over a month have had a minimum of one gaming activity on any type of game published by Ubisoft on any platform (PC, console) with the exception of Mobile
(c) The details of the expected, set and precisely defined level of achievement cannot be disclosed without revealing confidential information about the Group's strategy. It is recalled that the target objective is demanding and in line with the Group's value creation objectives
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<tr><th></th><th>< 23% of women in the teams</th><th>≥ 23% and < 24% of women in the teams</th><th>≥ 24% of women in the teams [a]</th></tr>
<tr><td>Increase in the gender diversity of teams (20%)</td><td>0% of the allocation based on this Indicator</td><td>50% of the allocation based on this Indicator</td><td>100% of the allocation based on this Indicator</td></tr>
</table>
(a) At 03/31/20, the Group comprised 22% women. In a context where the number of women from higher education trained in Ubisoft's businesses is limited and where competition for talents is very high, every additional point represents a real challenge. To illustrate this, and for this purpose only, all other things being equal, assuming average annual growth of our headcount of 10% over the period, women need to represent at least one-third of this net growth in headcount to achieve this objective
The level of achievement of these Indicators is assessed over a period of three consecutive financial years or calendar years conditioning the vesting of the long-term compensation. The SOP plan will vest definitively after a vesting period of four years [2]. Vesting will also be conditional upon remaining in office as an executive corporate managing officer. The Group undertakes to communicate the level of achievement of the performance conditions in the Universal Registration Document published in respect of the financial year in which the vesting occurs [2].</td></tr>
</table>

Michel Guillemot, EVP (8th resolution)			
Components of compensation paid or allocated during FY21	Amount or accounting valuation		Presentation
	Amounts paid during FY21	Amount allocated in respect of FY21	
Compensation allocated in respect of the office as director (gross)	**€40,000**	**€40,000**	€40,000 maximum in total **Fixed**: 40% is paid in two equal installments in September (for the period from April 1st to September 30th) and March (for the period from October 1st to March 31st). **Variable** (3): 60% paid in March prorated in accordance with the Board members' attendance at Board meetings held during the financial year, in the following proportions: ♦ less than 50% attendance at Board meetings: no payment of the variable component; ♦ attendance at Board meetings ≥ 50% and < 75%: half of the variable component paid; ♦ attendance at Board meetings ≥ 75%: all of the variable component is paid.

(1) €77.76 corresponding to the opening Ubisoft Share price on Euronext Paris on the date the Board determines the allocation
(2) The vesting date corresponds to the date on which the exercise rights are opened
(3) Attendance rate at Board meetings for the financial year ended 03/31/21 indicated in section 4.1.2.4

Annual variable compensation	Deferred variable compensation	Annual exceptional compensation	Performance shares	Other long-term compensation (redeemable equity warrants, equity warrants, etc.)	Benefits in kind	Severance payment	Non-compete indemnity	Supplementary pension scheme
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

<table>
<tr><th colspan="4">Gérard Guillemot, EVP (9th resolution)</th></tr>
<tr><th rowspan="2">Components of compensation paid or allocated during FY21</th><th colspan="2">Amount or accounting valuation</th><th rowspan="2">Presentation</th></tr>
<tr><th>Amounts paid during FY21</th><th>Amount allocated in respect of FY21</th></tr>
<tr><td>Annual gross fixed compensation</td><td>€65,621 [(1)]</td><td>€65,621 [(1)]</td><td>Compensation in force since April 1, 2018
At April 1, 2020, the fixed compensation of Gérard Guillemot was €65,621, unchanged since April 1, 2018.</td></tr>
<tr><td>Multi-annual variable compensation (in cash)</td><td>€0</td><td>N/A</td><td>Failure to reach any of the minimum thresholds inherent in the Indicators to which payment in cash for the shadow stock-options allocated on March 30, 2018 was subject, means that no shadow stock options were acquired and consequently, no payment may be made in respect of this Multi-annual Compensation.</td></tr>
<tr><td>Stock options (“SOP”)</td><td>N/A</td><td>€65,347 (accounting valuation)</td><td>The long-term variable compensation consists of an award of 3,097 SOP with the exercise price set at €77.76 [(2)].
The vesting of SOP is conditional:
(i) for 60%, on the total shareholder return on Ubisoft Shares (the “Ubisoft TSR”) compared with the TSR of the companies in the NASDAQ Composite Index, both TSRs being calculated over a three-year period from the allocation date, i.e. from December 8, 2020 to December 7, 2023;
(ii) for 20%, on Growth in the Number of Monthly Active Users (MAU), measured by the average annual growth rate between the average MAU in the financial year ended March 31, 2020 and the average MAU in the financial year ending March 31, 2023;
(iii) for 20%, on a “CSR” performance condition (Increase in the gender diversity of teams), calculated based on the permanent headcount present at March 31, 2023.
For each Indicator, the vesting of the SOP occurs in steps, based on the following framework:
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<tr><th></th><th>< 50th percentile</th><th>≥ 50th and ≤ 60th percentile</th><th>> 60th percentile</th></tr>
<tr><td>Positioning of Ubisoft TSR compared to the TSR of the NASDAQ Composite Index (60%)</td><td>0% of the allocation for this Indicator</td><td>50% of the allocation for this Indicator</td><td>100% of the allocation for this Indicator</td></tr>
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<tr><th></th><th>< 80% of the target</th><th>≥ 80% and < 90% of the target</th><th>≥ 90% and < 100% of the target</th><th>Target [(c)]</th></tr>
<tr><td>Growth [(a)] in the Number of Monthly Active Users (MAU) [(b)] (20%)</td><td>0% of the allocation based on this Indicator</td><td>30% of the allocation based on this Indicator</td><td>50% of the allocation based on this Indicator</td><td>100% of the allocation based on this Indicator</td></tr>
</table>
(a) Growth is measured using the average annual growth rate between the average MAU during the financial year prior to the allocation and the average MAU during the financial year prior to the acquisition/payment of the long-term compensation
(b) MAU: the number of single players that over a month have had a minimum of one gaming activity on any type of game published by Ubisoft on any platform (PC, console) with the exception of Mobile
(c) The details of the expected, set and precisely defined level of achievement cannot be disclosed without revealing confidential information about the Group’s strategy. It is recalled that the target objective is demanding and in line with the Group’s value creation objectives
<table>
<tr><th></th><th>< 23% of women in the teams</th><th>≥ 23% and < 24% of women in the teams</th><th>≥ 24% of women in the teams [(a)]</th></tr>
<tr><td>Increase in the gender diversity of teams (20%)</td><td>0% of the allocation based on this Indicator</td><td>50% of the allocation based on this Indicator</td><td>100% of the allocation based on this Indicator</td></tr>
</table>
(a) At 03/31/20, the Group comprised 22% women. In a context where the number of women from higher education trained in Ubisoft’s businesses is limited and where competition for talents is very high, every additional point represents a real challenge. To illustrate this, and for this purpose only, all other things being equal, assuming average annual growth of our headcount of 10% over the period, women need to represent at least one-third of this net growth in headcount to achieve this objective
The level of achievement of these Indicators is assessed over a period of three consecutive financial years or calendar years conditioning the vesting of the long-term compensation. The SOP plan will vest definitively after a vesting period of four years [(3)]. Vesting will also be conditional upon remaining in office as an executive corporate managing officer. The Group undertakes to communicate the level of achievement of the performance conditions in the Universal Registration Document published in respect of the financial year in which the vesting occurs [(3)].</td></tr>
</table>

Gérard Guillemot, EVP (9th resolution)			
Components of compensation paid or allocated during FY21	Amount or accounting valuation		Presentation
	Amounts paid during FY21	Amount allocated in respect of FY21	
Compensation allocated in respect of the office as director (gross)	**€51,000**	**€51,000**	**Board of directors**: €40,000 maximum in total **Fixed**: 40% is paid in two equal installments in September (for the period from April 1st to September 30th) and March (for the period from October 1st to March 31st). **Variable** (4): 60% paid in March prorated to the Board members' attendance at Board meetings held during the financial year within the following proportions: ♦ less than 50% attendance at Board meetings: no payment of the variable component; ♦ attendance at Board meetings ≥ 50% and < 75%: half of the variable component paid; ♦ attendance at Board meetings ≥ 75%: all of the variable component is paid. **Corporate Social Responsibility Committee:** **Fixed** (President) (5): €5,000 maximum in total. **Variable** (4) (member): €1,500 per meeting (capped at four meetings per financial year).

(1) For his duties as CEO of the cinema and television business, in respect of the financial year ended 03/31/21, Gérard Guillemot received gross annual compensation of €595,416 (subject to exchange rates)

(2) €77.76 corresponding to the opening Ubisoft Share price on Euronext Paris on the date the Board determines the allocation

(3) The vesting date corresponds to the date on which the exercise rights are opened

(4) Attendance rate at Board of directors' and CSR Committee meetings for the financial year ended 03/31/21 indicated in 4.1.2.4

(5) Termination of the position as President of the CSR Committee with effect from 04/06/21

Annual variable compensation	Deferred variable compensation	Annual exceptional compensation	Performance shares	Other long-term compensation (redeemable equity warrants, equity warrants, etc.)	Benefits in kind	Severance payment	Non-compete indemnity	Supplementary pension scheme
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Christian Guillemot, EVP (10th resolution)			
Components of compensation paid or allocated during FY21	Amount or accounting valuation		Presentation
	Amounts paid during FY21	Amount allocated in respect of FY21	
Annual gross fixed compensation	**€65,621**	**€65,621**	**Compensation in force since April 1, 2018** At April 1, 2020, the fixed compensation of Christian Guillemot was €65,621, unchanged since April 1, 2018.
Multi-annual variable compensation (in cash)	€0	N/A	Failure to reach any of the minimum thresholds inherent in the Indicators to which payment in cash for the shadow stock-options allocated on March 30, 2018 was subject, means that no shadow stock options were acquired and consequently, no payment may be made in respect of this Multi-annual Compensation.
Stock options ("SOP")	N/A	**€65,347** (accounting valuation)	The long-term variable compensation consists of an award of 3,097 SOP with the exercise price set at €77.76 [1]. The vesting of SOP is conditional: (i) for 60%, on the total shareholder return on Ubisoft Shares (the "Ubisoft TSR") compared with the TSR of the companies in the NASDAQ Composite Index, both TSRs being calculated over a three-year period from the allocation date, *i.e.* from December 8, 2020 to December 7, 2023; (ii) for 20%, on Growth in the Number of Monthly Active Users (MAU), measured by the average annual growth rate between the average MAU in the financial year ended March 31, 2020 and the average MAU in the financial year ending March 31, 2023; (iii) for 20%, on a "CSR" performance condition (Increase in the gender diversity of teams), calculated based on the permanent headcount present at March 31, 2023. For each Indicator, the vesting of the SOP occurs in steps, based on the following framework:

	< 50th percentile	≥ 50th and ≤ 60th percentile	> 60th percentile
Positioning of Ubisoft TSR compared to the TSR of the NASDAQ Composite Index (60%)	**0%** of the allocation for this Indicator	**50%** of the allocation for this Indicator	**100%** of the allocation for this Indicator

	< 80% of the target	≥ 80% and < 90% of the target	≥ 90% and < 100% of the target	Target [c]
Growth [a] in the Number of Monthly Active Users (MAU) [b] (20%)	**0%** of the allocation based on this Indicator	**30%** of the allocation based on this Indicator	**50%** of the allocation based on this Indicator	**100%** of the allocation based on this Indicator

(a) Growth is measured using the average annual growth rate between the average MAU during the financial year prior to the allocation and the average MAU during the financial year prior to the acquisition/payment of the long-term compensation

(b) MAU: the number of single players that over a month have had a minimum of one gaming activity on any type of game published by Ubisoft on any platform (PC, console) with the exception of Mobile

(c) The details of the expected, set and precisely defined level of achievement cannot be disclosed without revealing confidential information about the Group's strategy. It is recalled that the target objective is demanding and in line with the Group's value creation objectives

	< 23% of women in the teams	≥ 23% and < 24% of women in the teams	≥ 24% of women in the teams [a]
Increase in the gender diversity of teams (20%)	**0%** of the allocation based on this Indicator	**50%** of the allocation based on this Indicator	**100%** of the allocation based on this Indicator

(a) At 03/31/20, the Group comprised 22% women. In a context where the number of women from higher education trained in Ubisoft's businesses is limited and where competition for talents is very high, every additional point represents a real challenge. To illustrate this, and for this purpose only, all other things being equal, assuming average annual growth of our headcount of 10% over the period, women need to represent at least one-third of this net growth in headcount to achieve this objective

The level of achievement of these Indicators is assessed over a period of three consecutive financial years or calendar years conditioning the vesting of the long-term compensation. The SOP plan will definitively vest after a vesting period of four years [2]. Vesting will also be conditional upon remaining in office as an executive corporate managing officer. The Group undertakes to communicate the level of achievement of the performance conditions in the Universal Registration Document published in respect of the financial year in which the date of vesting of the rights occurs [2].

4

Christian Guillemot, EVP (10th resolution)			
Components of compensation paid or allocated during FY21	Amount or accounting valuation		Presentation
	Amounts paid during FY21	Amount allocated in respect of FY21	
Compensation allocated in respect of the office as director (gross)	**€40,000**	**€40,000**	€40,000 maximum in total **Fixed**: 40% is paid in two equal installments in September (for the period from April 1st to September 30th) and March (for the period from October 1st to March 31st). **Variable** (3): 60% paid in March prorated in accordance with the Board members' attendance at Board meetings held during the financial year, in the following proportions: ♦ less than 50% attendance at Board meetings: no payment of the variable component; ♦ attendance at Board meetings ≥ 50% and < 75%: half of the variable component paid; ♦ attendance at Board meetings ≥ 75%: all of the variable component is paid.

(1) €77.76 corresponding to the opening Ubisoft Share price on Euronext Paris on the date the Board determines the allocation
(2) The vesting date corresponds to the date on which the exercise rights are opened
(3) Attendance rate at Board meetings for the financial year ended 03/31/21 indicated in section 4.1.2.4

Annual variable compensation	Deferred variable compensation	Annual exceptional compensation	Performance shares	Other long-term compensation (redeemable equity warrants, equity warrants, etc.)	Benefits in kind	Severance payment	Non-compete indemnity	Supplementary pension scheme
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

4.2.3 REPORTS REQUIRED BY ARTICLES L. 225-184 AND L. 225-197-4 OF THE FRENCH COMMERCIAL CODE

4.2.3.1 Principles and rules used for the allocation of share purchase and/or subscription options or free shares

Long-term incentive plans are a fundamental component of the Ubisoft business culture and its compensation policy.

They effectively help to:

- foster entrepreneurial spirit, which has always been one of the fundamental reasons for Ubisoft's performance;
- retain, incentivize, reward and promote the medium and long-term commitment of the Group's executives, key managers and talent through their involvement in the Group's development and their contribution to its growth;
- boost the competitiveness of the Group's team member compensation.

4.2.3.2 Allocations during the financial year ended March 31, 2021

For the financial year ended March 31, 2021, the Board granted and/or awarded SOP and AGA (*see 4.2.3.5 and 4.2.3.6*) in favor of employees, members of the Executive Committee of the Ubisoft group and/or executive corporate managing officers of the Company, under authorizations in force granted by the General Meeting.

As of March 31, 2021, the authorizations in force granted to the Board by the General Meeting are listed below:

Authorization in force at 03/31/21		Minimum budget		Expiry date Duration
Share purchase and/or subscription options	Employees/Executive Committee	1% of the share capital at the grant date (1)	07/02/20 28th	09/01/23 38 months
	Executive corporate managing officers	0.2% of the share capital at the grant date (1)	07/02/20 29th	09/01/23 38 months
Free ordinary share allocation	Employees/Executive Committee	2% of the share capital at the grant date	07/02/19 27th	09/01/22 38 months
	Executive corporate managing officers	N/A	N/A	N/A

(1) Joint maximum shared by the 28th and 29th resolutions of the General Meeting of 07/02/20

Note that plans are automatically canceled in the event of termination of employment or corporate office (except in the event of disability, death, departure or retirement). In addition, in the event of a change of control of the Company within the meaning of article L. 233-3 of the French commercial code, the SOP and AGA plans, with the exception of those concerning the executive corporate managing officers, cease to be subject to the condition, on the one hand, that the beneficiaries are, on the date of exercise of the SOP or transfer of ownership of the Shares, employees of the Group and, on the other hand, the achievement of performance conditions, if applicable.

4.2.3.3 Allocations during the financial year ended March 31, 2021 to executive corporate managing officers

The allocations granted to executive corporate managing officers of the Company during the past financial year are summarized in AMF Tables Nos. 4 and 6 in 4.2.2.1.4.

The exercise of SOP carried out by the executive corporate managing officers in respect of the past financial year as well as the Shares that became available under AGAP plans, following conversion, in respect of said financial year are presented in AMF Tables Nos. 5 and 7 appearing in 4.2.2.1.4.

The history of SOP plans and/or AGAP in favor of the Company's executive corporate managing officers, including the allocations for the past financial year, is set out below.

HISTORY OF THE SHARE PURCHASE AND/SUBSCRIPTION OPTIONS ALLOCATED TO EACH EXECUTIVE CORPORATE MANAGING OFFICER BY THE ISSUER AND BY ALL GROUP COMPANIES

General Meeting	09/25/06	07/04/07	09/22/08	07/10/09	07/02/10
Board of directors Plan no.	04/26/07 (No. 14)	06/27/08 (No. 17)	05/12/09 (No. 19)	04/29/10 (No. 22) (3)	04/27/11 (No. 24)
Price	€17,45 (1) (2)	€27,35 (1) (2)	€14.75 (2)	€9.91 (2)	€6.77 (2)
Number of executive corporate managing officers	5	5	5	5	5
Initially granted	151,680 (2)	139,648 (2)	125,392 (2)	120,336 (2)	111,232 (2) (4)
Yves Guillemot – Chairman and CEO	101,120 (2)	91,108 (2)	80,896 (2)	75,840 (2)	70,784 (2) (4)
Claude Guillemot – EVP	12,640 (2)	12,135 (2)	11,124 (2)	11,124 (2)	10,112 (2) (4)
Michel Guillemot – EVP	12,640 (2)	12,135 (2)	11,124 (2)	11,124 (2)	10,112 (2) (4)
Gérard Guillemot – EVP	12,640 (2)	12,135 (2)	11,124 (2)	11,124 (2)	10,112 (2) (4)
Christian Guillemot – EVP	12,640 (2)	12,135 (2)	11,124 (2)	11,124 (2)	10,112 (2) (4)
Exercise	0	0	0	0	111,232
Balance at 03/31/21	0	0	0	0	0
Performance conditions	N/A	N/A	N/A	**100%:** Internal conditions (cumulative): sales and profitability (3)	**100%:** Internal conditions (cumulative): sales and profitability

(1) Two-for-one stock split effective 11/14/08

(2) Subscription price and number adjusted following the issuance of share subscription warrants on 04/10/12 (articles L. 225-181 and L. 288-99 of the French commercial code)

(3) This plan expired early, on 05/15/14, the date on which the failure to achieve the cumulative performance conditions for sales and profitability was noted

(4) Board of directors of 03/09/12: change in the designation of 417,000 options from share subscription options to purchase options

(5) 25% of the award in favor of the Chairman and CEO subject to collective performance conditions: recognition of the failure to achieve the collective performance condition on 06/26/14 and subsequent cancelation of 25% of the award granted to the Chairman and CEO.

(6) Proportional vesting as follows:

- *if average non-IFRS Group EBIT < 70% of the target average non-IFRS Group EBIT: acquisition of SOP canceled*
- *if average non-IFRS Group EBIT ≥ 70% and < 100% of the target average non-IFRS Group EBIT: acquisition of SOP proportional to the% achieved*
- *if average non-IFRS Group EBIT ≥ 100% of the target average non-IFRS Group EBIT: acquisition of 100% of the SOP confirmed*

(7) Tiered vesting as follows:

- *< 80% of the average non-IFRS Group EBIT → 0% of the allocation for this Indicator*
- *≥ 80% and < 90% of the average non-IFRS Group EBIT → 30% of the allocation for this Indicator*
- *≥ 90% and < 100% of the average non-IFRS Group EBIT → 50% of the allocation for this Indicator.*
- *≥ 100% of the average non-IFRS Group EBIT → 100% of the allocation for this Indicator*

09/24/12	09/23/15	09/23/15	06/27/18	06/27/18	07/02/20
03/17/14 (No. 27)	12/16/15 (No. 31)	12/14/16 (No. 33)	12/17/18 (No. 41)	12/12/19 (No. 43)	12/08/20 (No. 47)
€11.92	€26.85	€31,955	€68.59	€54.30	€77.76
5	3	4	5	5	5
100,000	37,500	19,344	56,031	67,743	49,104
60,000 [5]	0	0	41,607	50,683	36,716
10,000	12,500	4,836	3,606	4,265	3,097
10,000	12,500	4,836	3,606	4,265	3,097
10,000	12,500	4,836	3,606	4,265	3,097
10,000	0	4,836	3,606	4,265	3,097
85,000 [5]	37,500	0	0	0	0
0	0	19,344	56,031	67,743	49,104
100%: Internal condition (average non-IFRS Group EBIT over four financial years/% depending on tiers) of which **25%:** collective performance condition	**100%:** Internal condition (average non-IFRS Group EBIT over four financial years/% based on tiers)	**100%:** Internal condition (average non-IFRS Group EBIT over four financial years/ proportional allocation [6])	**50%:** Internal condition (average non-IFRS Group EBIT over three financial years/acquisition by tier [7]) **50%:** External condition (TSR over three years/acquisition by tier [8])	**50%:** Internal condition (average non-IFRS Group EBIT over three financial years/acquisition by tier [7]) **50%:** External condition (TSR over three years/acquisition by tier [8])	**60%:** TSR (over three years/ vesting by tier [8]) **20%:** Growth in number of monthly active users (MAU) (over three financial years/ acquisition by tier [9]) **20%:** "CSR" Indicator (Increase in the gender diversity of teams) (over three financial years/acquisition by tier [10])

(8) Tiered vesting as follows [TSR]:

- *< 50th percentile → 0% of the allocation for this Indicator*
- *≥ 50th and ≤ 60th percentile → 50% of the allocation for this Indicator*
- *> 60th percentile → 100% of the allocation for this Indicator*

(9) Tiered vesting as follows [MAU]:

- *< 80% of the target → 0% of the allocation for this Indicator*
- *≥ 80% and < 90% of the target → 30% of the allocation for this Indicator*
- *≥ 90% and < 100% of the target → 50% of the allocation for this Indicator*
- *≥ 100% of the target → 100% of the allocation for this Indicator*

(10) Tiered vesting as follows [CSR]:

- *< 23% women in the teams → 0% of the allocation for this Indicator*
- *≥ 23% and < 24% women in the teams → 50% of the allocation for this Indicator*
- *≥ 24% women in the teams → 100% of the allocation for this Indicator*

4

HISTORY OF THE PERFORMANCE SHARES ALLOCATED TO EACH EXECUTIVE CORPORATE MANAGING OFFICER BY THE ISSUER AND BY ALL GROUP COMPANIES

Free preference share allocation plans		
Date of General Meeting	09/23/15	09/23/15
Date of Board/Grant date	12/16/15	12/14/16
Parity/5-year stock market conditions	if ↘ in the share price in relation to the floor share price (1): the AGAP do not give right to any OS if ↗ in the share price up to 50% compared to the floor share price (1): each% of ↗ recorded gives entitlement to 0.6 OS if ↗ in the share price ≥ 50% of the floor share price (1): one AGAP entitles the holder to 30 OS	
Performance conditions (assessed over the vesting period)	Internal performance condition: 100% contingent upon achieving predefined levels of average Group EBIT (2) (over three financial years)	Internal performance condition: 100% contingent upon achieving an average Group EBIT (2) (over three financial years measured proportionally based on a target objective used as a reference base for calculating proportionality and a floor below which the grant is void)
Total number of AGAP allocated initially	A maximum of 1,500 AGAP convertible to a maximum of 45,000 OS	394 AGAP convertible to a maximum of 11,820 OS
Number of executives	2	1
Number of AGAP awarded per executive	Yves Guillemot, Chairman and CEO: 1,333 AGAP Christian Guillemot, EVP: 167 AGAP	Yves Guillemot, Chairman and CEO: 394 AGAP
Vesting period of AGAP	three years	three years
Vesting date of the AGAP	12/17/18	12/16/19
Cumulative number of AGAP acquired at vesting date	1,500 AGAP	394 AGAP
AGAP retention period	two years	two years
End date of the retention period for the AGAP	12/16/20	12/15/21
Automatic conversion (3) of AGAP into OS	12/17/20	12/16/21
Cumulative number of canceled AGAP at 03/31/21	1,500 AGAP	0 AGAP
Cumulative number of OS delivered at 03/31/21	45,000 OS (4) (5)	N/A (6)
AGAP balance at 03/31/21	0 AGAP	0 AGAP

(1) Average price over the 20 trading days preceding the Board of directors' meeting granting the shares
(2) Non-IFRS
(3) Waiver of the one (1) year conversion period in favor of automatic conversion by an amendment to the plan regulations on 09/18/19
(4) 5% to be held in registered form until the expiry of duties
(5) Delivery of existing shares (see 7.2.4)
(6) Subject to the achievement of performance and market conditions, 11,820 OS at the date of automatic conversion

4.2.3.4 AMF Table No. 9: Stock options granted to and exercised by the ten employee grantees other than corporate officers who received or exercised the largest number of options

Options granted between April 1, 2020 and March 31, 2021	Options granted during the financial year ended 03/31/21 to the 10 employees other than corporate officers who received the highest number of options so granted	Average weighted price	Plan No. / Expiry date
Complete information for all Group companies combined	116,776	€72.76	Nos. 45 and 47 06/30/25 12/07/25

Options exercised between April 1, 2020 and March 31, 2021	Options exercised during the financial year ended 03/31/21 to the 10 employees other than corporate officers who received the highest number of options so granted	Average weighted price	Plan No. / Expiry date
Complete information for all Group companies combined	91,369	€39.93	No. 30 No. 32 No. 34 No. 35 No. 42 09/22/20 06/22/21 03/29/22 06/26/22 07/01/24

4.2.3.5 AMF Table No. 10: Summary of free share plans valid as at March 31, 2021

Free ordinary share allocation plans					
Date of General Meeting	06/27/18	06/27/18	06/27/18	06/27/18	06/27/18
Date of Board meeting	06/27/18	09/12/18	10/30/18	12/17/18	02/01/19
Performance conditions	(1) (2)	(1)	(1)	(1)	(1)
Number of beneficiaries	2,085	13	7	94	34
Executive corporate managing officers					
Yves Guillemot – Chairman and CEO	N/A	N/A	N/A	N/A	N/A
Claude Guillemot – EVP	N/A	N/A	N/A	N/A	N/A
Michel Guillemot – EVP	N/A	N/A	N/A	N/A	N/A
Gérard Guillemot – EVP	N/A	N/A	N/A	N/A	N/A
Christian Guillemot – EVP	N/A	N/A	N/A	N/A	N/A
Type of shares	ordinary	ordinary	ordinary	ordinary	ordinary
Vesting period + retention period	4+0	4+0	4+0	4+0	4+0
Vesting date of the shares	06/27/22	09/12/22	10/31/22	12/19/22	02/01/23
End date of the retention period	06/27/22	09/12/22	10/31/22	12/19/22	02/01/23
End date of the conversion period	N/A	N/A	N/A	N/A	N/A
Total number of shares granted initially	606,869	8,631	3,708	77,151	31,791
Cumulative number of shares canceled	99,869	2,138	1,675	13,361	2,554
Balance at 03/31/21	507,000	6,493	2,033	63,790	29,237

(1) 100% subject to individual performance objectives linked to the beneficiary's position

(2) For the members of the Executive Committee (Plan dated 06/27/18: three beneficiaries/Plan dated 07/02/19: two beneficiaries/Plan dated 10/29/20: one beneficiary):

- *1/3 conditional on the achievement of an average non-IFRS Group EBIT (with tiered acquisition) assessed over three financial years*
- *1/3 conditional on the achievement of a Ubisoft TSR compared to the TSR of the companies in the NASDAQ Composite Index (with tiered acquisition) assessed over three years*
- *1/3 conditioned to individual objectives (see (1)) assessed over four calendar and/or financial years, including for the plan of 10/29/20: growth in MAU and gender diversity of the teams*

(3) Early delivery of 123 ordinary shares to the heirs of a beneficiary pursuant to the provisions of article L. 225-197-3 of the French commercial code

06/27/18	06/27/18	07/02/19	07/02/19	07/02/19	07/02/19	07/02/19	07/02/19	07/02/19
05/15/19	07/02/19	09/18/19	12/12/19	02/13/20	07/01/20	10/29/20	12/08/20	02/10/21
[1]	[1] [2]	[1]	[1]	[1]	[1]	[1] [2]	[1]	[1]
28	2,288	8	4	35	2,576	8	75	3
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ordinary	ordinary	ordinary	ordinary	ordinary	ordinary	ordinary	ordinary	ordinary
4+0	4+0	4+0	4+0	4+0	4+0	4+0	4+0	4+0
05/15/23	07/03/23	09/18/23	12/12/23	02/13/24	07/01/24	10/29/24	12/09/24	02/10/25
05/15/23	07/03/23	09/18/23	12/12/23	02/13/24	07/01/24	10/29/24	12/09/24	02/10/25
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
41,097	876,828	5,901	2,954	32,275	966,574	4,088	59,980	1,147
393	107,153	0	0	6,355	92,320	345	1,126	0
40,704	769,552 [3]	5,901	2,954	25,920	874,254	3,743	58,854	1,147

4

Free preference share allocation plans ("AGAP")

Date of General Meeting	09/23/15		09/23/15
Date of Board meeting	06/23/16		12/14/16
Performance conditions	(1) (2)		(2)
Number of beneficiaries	41	2	1
Executive corporate managing officers	0		1
Yves Guillemot – Chairman and CEO	N/A		394 (5)
Christian Guillemot – EVP	N/A		N/A
Type of shares	preference (3)		preference (3)
Vesting period + retention period of the AGAP	3+2	5+0 (4)	3+2
Vesting date of the AGAP	06/24/19 (5)	06/23/21	12/16/19 (5)
End date of the retention period of the AGAP	06/23/21	N/A (4)	12/15/21
Date of automatic conversion (6) of the AGAP into OS (3)	06/24/21		12/16/21
Total number of AGAP allocated initially	6,518	320	394
giving rise to a potential maximum number of OS (3)	195,540	9,600	11,820
Cumulative number of AGAP canceled before the vesting date	0	0	0
Number of AGAP created	6,518	0	394
Number of AGAP canceled at the conversion date	0	N/A	0
Balance of AGAP to be created at 03/31/21	0	320	0
giving rise to a potential maximum number of OS (3)	195,540	9,600	11,820

(1) 100% subject to individual performance objectives linked to the position of each beneficiary (not applicable to two beneficiaries → internal performance condition (see (2))

(2) Internal performance condition: 100% contingent upon achieving an average level of non-IFRS Group EBIT over two financial years measured proportionally based on a target objective used as a reference base for calculating proportionality and a floor below which the grant is void (two beneficiaries concerned by the plan of 06/23/16 and one beneficiary concerned by the plan of 12/14/16)

(3) one AGAP that may give the right to 30 OS subject to achievement of share market price conditions (at the end of the retention or vesting period (4)) with application, if applicable, of a proportional and linear sliding scale:

- *if ↘ in the share price in relation to the Floor market price *: the AGAP do not give the right to any OS*
- *if ↗ in the share price up to 50% compared to the Floor share price *: each% of ↗ recorded gives entitlement to 0.6 OS*
- *if ↗ in the share price ≥ 50% of the Floor share price *: one AGAP entitles the holder to 30 OS*

** Average price over the 20 trading days preceding the Board of directors' meeting granting the shares*

(4) Extension to the vesting period and corresponding cancelation of the retention period for beneficiaries in international mobility

(5) End of vesting period: creation and delivery of preference shares (ISIN code: FR0013306776) to the eligible beneficiaries at the vesting date

(6) Automatic conversion substituted for the one (1) year conversion period by amendments to the plan regulations on 09/18/19

4.2.3.6 AMF Table No. 8: Summary of share purchase and/or subscription option plans valid as at March 31, 2021

Plan	Plan 32	Plan 33	Plan 34	Plan 35	Plan 36	Plan 37
General Meeting	09/23/15	09/23/15	09/23/15	09/23/15	09/23/15	09/23/15
Board of directors	06/23/16	12/14/16	03/30/17	06/27/17	09/22/17	12/12/17
Number of beneficiaries	138	5	39	75	2	1
Number granted	758,810	29,344	220,700	418,500	11,000	2,500
of which executive corporate managing officers						
Yves Guillemot – Chairman and CEO	N/A	N/A	N/A	N/A	N/A	N/A
Claude Guillemot – EVP	N/A	4,836 (2)	N/A	N/A	N/A	N/A
Michel Guillemot – EVP	N/A	4,836 (2)	N/A	N/A	N/A	N/A
Gérard Guillemot – EVP	N/A	4,836 (2)	N/A	N/A	N/A	N/A
Christian Guillemot – EVP	N/A	4,836 (2)	N/A	N/A	N/A	N/A
Opening date	06/23/17 05/2020 (1) (2)	12/14/17 05/2020 (1) (2)	03/30/18	06/27/18	09/22/18	12/12/18
Expiry date	06/22/21	12/13/21	03/29/22	06/26/22	09/21/22	12/11/22
Subscription or purchase price (without discount)	€33,015	€31,955	France €37 World €39.03	France €50.02 World €51.80	€57.26	€64.63
Terms and conditions of exercise	25% per year from 06/23/17 05/2020 (1) (2)	25% per year from 12/14/17 05/2020 (1) (2)	25% per year from 03/30/18	25% per year from 06/27/18	25% per year from 09/22/18	25% per year from 12/12/18
Number of options exercised between allocation and 03/31/21	466,569	10,000	133,275	186,375	0	0
Number of options canceled or void since allocation	68,364	0	10,500	41,750	3,000	2,500
Number of options outstanding at 03/31/21	223,877	19,344	76,925	190,375	8,000	0

(1) For the members of the Executive Committee (Plan 32: one beneficiary) and executive corporate managing officers (Plan 33): the performance conditions being assessed over the four years ending March 31st, the options became exercisable only after the approval of the financial statements for the 4th financial year

(2) Plan 32 (one member of the Executive Committee)/Plan 33 (four executive corporate managing officers): Internal performance condition: achievement of an average Group EBIT assessed on the cumulative basis of four financial years:

- *if average non-IFRS Group EBIT < 70% of the target average non-IFRS Group EBIT: acquisition of SOP canceled*
- *if average non-IFRS Group EBIT ≥ 70% and < 100% of the target average non-IFRS Group EBIT: acquisition of SOP proportional to the% achieved*
- *if average non-IFRS Group EBIT ≥ 100% of the target average non-IFRS Group EBIT: acquisition of 100% of the SOP confirmed*

(3) For the members of the Executive Committee (Plan 40: one beneficiary/Plan 42 and 46: two beneficiaries) and executive corporate managing officers (Plans 41, 43 and 47: five beneficiaries, the options only become exercisable from the fourth year of the plan

(4) Plan 40 (one member of the Executive Committee)/Plans 41 and 43 (five executive corporate managing officers)/Plan 42 (two members of the Executive Committee):

- *50% of the acquisition contingent upon the achievement of average non-IFRS Group EBIT assessed over three financial years, with an acquisition by tier as follows:*
  - *< 80% of the average Group EBIT → 0% of the allocation for this Indicator*
  - *≥ 80% and < 90% of the average Group EBIT → 30% of the allocation for this Indicator*
  - *≥ 90% and < 100% of the average Group EBIT → 50% of the allocation for this Indicator*
  - *≥ 100% → 100% of the allocation for this Indicator*
- *50% of the acquisition contingent on the positioning of the Ubisoft TSR compared to the TSR of the NASDAQ Composite Index assessed over three years, with an acquisition by tier as follows:*
  - *< 50th percentile → 0% of the allocation for this Indicator*
  - *≥ 50th and ≤ 60th percentile → 50% of the allocation for this Indicator*
  - *> 60th percentile → 100% of the allocation for this Indicator*

Plan 38	Plan 39	Plan 40	Plan 41	Plan 42	Plan 43	Plan 44	Plan 45	Plan 46	Plan 47
09/23/15	09/23/15	06/27/18	06/27/18	06/27/18	06/27/18	06/27/18	06/27/18	07/02/20	07/02/20
04/13/18	06/27/18	06/27/18	12/17/18	07/02/19	12/12/19	02/13/20	07/01/20	07/02/20	12/08/20
2	4	56	5	62	5	4	62	2	6
11,500	19,579	188,454	56,031	330,678	67,743	21,515	271,629	60,821	55,673
N/A	N/A	N/A	41,607 (4)	N/A	50,683 (4)	N/A	N/A	N/A	36,716 (6)
N/A	N/A	N/A	3,606(4)	N/A	4,265(4)	N/A	N/A	N/A	3,097(6)
N/A	N/A	N/A	3,606(4)	N/A	4,265(4)	N/A	N/A	N/A	3,097(6)
N/A	N/A	N/A	3,606(4)	N/A	4,265(4)	N/A	N/A	N/A	3,097(6)
N/A	N/A	N/A	3,606 (4)	N/A	4,265(4)	N/A	N/A	N/A	3,097(6)
04/13/19	06/27/19	06/27/19 06/27/22 (3) (4)	12/17/22 (3) (4)	07/02/20 07/02/23 (3) (4)	12/12/23 (3) (4)	02/13/21	07/01/21	07/02/24 (3) (5)	12/08/21 12/08/24 (3) (6)
04/12/23	06/26/23	06/26/23	12/16/23	07/01/24	12/11/23	02/12/25	06/30/25	07/01/25	12/07/25
€73.86	€94.58	€94.58	€68.59	France €69.55 World €69.70	€54.30	€73.80	France €68.45 World €73.40	France €68.59 World €76.50	€77.76
25% per year from 04/13/19	25% per year from 06/27/19	25% per year from 06/27/19 06/27/22 (3) (4)	12/17/22 (3) (4)	25% per year from 07/02/20 07/02/23 (3) (4)	12/12/23 (3) (4)	25% per year from 02/13/21	25% per year from 07/01/21	07/02/24 (3) (5)	25% per year from 08/12/21 12/08/24 (3) (6)
0	0	0	0	11,010	0	0	0	0	0
1,500	4,659	22,607	0	44,110	0	14,855	18,246	0	0
10,000	14,920	165,847	56,031	275,558	67,743	6,660	253,383	60,821	55,673

(5) Plan 46 (two members of the Executive Committee), 100% of the vesting conditional on:
- *the positioning of the TSR Ubisoft compared to the TSR of the companies in the NASDAQ Composite Index assessed over three years*
- *growth in MAU assessed over three financial years*
- *increase in the gender diversity of teams (CSR) assessed over three financial years*

(6) Plan 47 (five executive corporate managing officers) (see 4.2.2), the vesting is conditional:
- *for 60%, on the positioning of the Ubisoft TSR compared to the TSR of the NASDAQ Composite Index, assessed over three years, with tiered vesting as follows:*
  - *< 50th percentile → 0% of the allocation for this Indicator*
  - *≥ 50th and ≤ 60th percentile → 50% of the allocation for this Indicator*
  - *> 60th percentile → 100% of the allocation for this Indicator*
- *for 20%, on the basis of the growth in MAU assessed over three financial years, with vesting by tiers as follows:*
  - *< 80% of the target 0% of the allocation for this Indicator*
  - *≥ 80% and < 90% of the target → 30% of the allocation for this Indicator*
  - *≥ 90% and < 100% of the target → 50% of the allocation for this Indicator*
  - *≥ 100% of the target → 100% of the allocation for this Indicator*
- *for 20%, on the increase in the gender diversity of teams (CSR) over three financial years, with vesting by tiers as follows:*
  - *< 23% women in the teams → 0% of the allocation for this Indicator*
  - *≥ 23% and < 24% women in the teams → 50% of the allocation for this Indicator*
  - *≥ 24% women in the teams → 100% of the allocation for this Indicator*

5 Corporate social responsibility

5.1 Methodology note on employee-related, environmental and societal reporting

5.1.1 INDICATOR FRAMEWORK

Ubisoft has defined its framework with a view to tracking performance relating to the Group's main environmental, employee-related and societal issues, based on:

- the regulatory requirements of articles L. 225-102-1 and R. 225-105-2 imposing the obligation to produce a statement of non-financial performance (hereinafter the "DPEF") following the transposition of European Directive 2014/95/EU on the disclosure of non- financial information (Order No. 2017-1180 of July 19, 2017 and Decree No. 2017-1265 of August 9, 2017);
- the G4 guidelines of the Global Reporting Initiative (GRI), a multiparty organization, which prepares a framework of sustainable-development reporting indicators that are internationally recognized and whose purpose is to develop globally applicable directives for reporting on companies' economic, environmental and social performance.

All the information required in the DPEF can be found in the relevant cross-reference tables at the end of this Universal Registration Document.

5.1.2 REPORTING PERIOD

Reporting periods differ depending on CSR themes. These break down as follows:

CSR data	Reporting periods 04/01/20 – 03/31/21 (12 months)	Reporting periods 01/01/20 – 12/31/20 (12 months)
Employee-related	✔	
Societal	✔	
Environmental		✔

5.1.3 SCOPE OF REPORTING

The scope used for CSR reporting is the Group, which is defined as all fully consolidated companies.

However, some indicators are only available for a limited scope. Where this is the case, and in the interests of consistency, the reporting scope is defined as follows:

- ***Employee-related indicators*** (1): companies outside France ≥ 20 employees and French companies (2);
- ***Environmental indicators*** (3): sites outside France ≥ 20 employees and French sites (2).

Where appropriate, the scope covered is always indicated, giving the companies/sites concerned and/or their representativeness as a percentage of the Group's headcount.

5.1.4 CHANGE IN METHOD/CONDITIONS COMPARED WITH THE PREVIOUS FINANCIAL YEAR

- ***Change in the scope of reporting*** linked to employee-related indicators for which information is only available for a limited scope:

This year, social reporting includes:

- the Canadian subsidiary "Hybride Technologies Inc." not previously included in the Group's human resources reporting scope, due to the fact that it did not use the human resources information system used by all of the Group's other subsidiaries, notably to enable the automated collection of employee-related data;
- the German subsidiary "Kolibri Games", which was acquired in January 2020 and which has been integrated into the HR system for this fiscal year.

As the headcount of these subsidiaries represents approximately 0.01% of the Group's headcount, the impact of comparability of the CSR data with those communicated during the previous financial year is not significant.

- ***Changes in the method used to calculate environmental indicators:***

The environmental reporting presents a complete calculation of the GHG emissions based on the new method recommended by ADEME in 2020 and this year includes an assessment of the carbon impact of working from home. The data for 2019 have been restated to take into account methodological changes and to be comparable with the data for 2020.

(1) The scope defined in this way covered 99.5% of the Group workforce at the end of March 2021
(2) Scope defined on the basis of the Group workforce at the end of September 2020
(3) The scope defined in this way covered 99.2% of the Group workforce at the end of March 2021

5.1.5 INDICATORS DEEMED IRRELEVANT BY THE GROUP AND NOT SUBJECT TO A SPECIFIC DEVELOPMENT IN THE DPEF

Themes covered by the DPEF	Ubisoft comments
♦ Actions to prevent food waste	The Ubisoft group is committed to the fight against food waste. However, given the nature of its business and since there is no company cafeteria at many of its sites, it only handles a small quantity of food waste.
♦ Ways to combat food insecurity and promote a responsible, fair and sustainable food system	Not applicable to our business
♦ Respect for animal welfare	Not applicable to our business

5.1.6 REPORTING PRINCIPLE

The Corporate Social Responsibility Department (CSR) is in charge of leading and coordinating the CSR reporting. To this end, it has drawn up this reporting protocol specifying:

- the list of CSR indicators illustrating their correlation with the GRI framework;
- indicator definitions to ensure that they are uniform for the whole Group and leave no room for interpretation;
- the scope used;
- the processes to be followed for the collection of information and the calculation of indicators;
- the information sources and supporting documentation to be provided (this list is not exhaustive. They are provided as examples and may be added to where necessary);
- the format in which data/information is to be recorded;
- the list of published indicators and the relevant paragraph numbers of the Group's Registration Document for period N-1.

This protocol serves as a reference for the collection and consolidation of data. To this end, the CSR Department must:

- tell its local representatives or contacts what information they need to collect;
- ensure that the information collected is available, uniform and documented;
- verify the completeness, consistency and accuracy of the data *(see section 6.2)*;
- ensure that:
  - any absence of information has been justified and explained,
  - any variation of more or less than 15% in quantitative data against the previous period is explained;
- formally validate the data collected.

Once the collected data has been validated, the CSR Department also works to:

- consolidate the data;
- prepare the consolidated statement of non-financial performance;
- verify the accuracy of the CSR information presented in the consolidated statement of non-financial performance to be published in the Ubisoft group Universal Registration Document.

Specifications on the internal controls carried out on collected and consolidated data

To ensure the reliability of the published information, the collected and consolidated data are subject to formal controls including:

- an analytical review of the data (comparison with the n/n-1 data);
- analysis and calculation of ratios;
- consistency checks;
- sample documentation checks.

Specifications on the methods for collecting data

- Regarding **employee-related indicators**, these are collected:
  - either directly, using the MicroStrategy reporting tool, which makes it possible to exploit data from the human resources management software program (HRTB) used by all the Group's subsidiaries,
  - either via the reporting tool Act21 which enables the recording of employee-related information not tracked in HRTB.

It should be noted that for all employee-related indicators, the members of staff taken into account are those defined in the total headcount unless stated otherwise.

- With regard to the **environmental and societal indicators**, these are collected:
  - for each site through a qualitative and quantitative questionnaire managed using the reporting tool Act21, prepared in accordance with the reporting protocol,
  - from cross-functional departments for the collection of global data at Group level.

Consolidation and verification

The subsidiaries submit their employee-related, environmental and societal data to the CSR Department in charge of collecting and ensuring the consistency of the data.

On the basis of all the consolidated data, the Administration Department conducts various controls (analytical data review, consistency checks, spot checks on documentation, etc.) to improve the reliability of the information published.

5.1.7 METHODOLOGICAL CLARIFICATION OF INDICATORS

Regarding employee-related data

- Staff are defined as all employees registered at the end of the period, regardless of the type of employment (full- or part-time), with an open-ended or fixed-term contract. Casual workers, seasonal workers, freelancers, the self-employed, interns, sub-contractors and temporary workers are not included.
- A hire is defined as any individual who joins the workforce during the period in question. Fixed-term contract renewals are not included in new hires.
- The gender pay gap, based on the overall workforce, is calculated by country, area of employment, level of responsibility and business line within each subsidiary for which men and women are represented. For each set of comparisons, the difference is calculated between the average compensation of the gender with the highest compensation and that of the gender with the lowest compensation. In this way, when the average compensation of men is higher than that of women, the difference is a positive number. Conversely, the figure is negative when it reflects a difference in compensation in favor of women. These differences are then aggregated by applying a weighting by the sum of men or women, whichever is lower.
- To determine the number of training hours, only training activities undertaken face-to-face or virtual training by an internal or external trainer and attendance at specialist conferences are included in the training plan. E-learning courses and team meetings are therefore excluded. Furthermore, only training hours relating to sessions undertaken and completed during the financial year are taken into account, irrespective of their duration. Logged training hours also include training given to employees present during the period but who had left the Group as of the reporting date.
- In order to determine the number of employees trained, an employee who takes part in several training programs is only counted once. The number of employees that have undertaken e-learning training is also presented in a separate indicator.
- A manager is defined as someone who is hierarchically responsible for at least one person (also including interns not counted as staff).
- A top manager is defined as a member of the Executive Committee or a Director reporting directly to the Executive Committee.

Regarding environmental data

- The reporting includes data on the environmental impact of consumables used by the Group's main suppliers to manufacture games and tie-in products.
- To determine its CO_2 emissions, the Group uses the following procedures [(1)]:

Purchases [(1) (2)]	Breakdown of purchases into eight categories (excluding external hosting services reallocated to data centers) and application of ADEME monetary emission factors.
Buildings (office energy) [(3)]	Local recording of energy consumption for 2020. Application of ADEME emission factors based on the use of renewable energy.
Buildings (energy from working from home)	Estimated electricity consumption in the office and at home when working from home [(4)]. These issues are included in scope 2 of the GHG emissions.
Buildings (air conditioned)	Estimation of the amounts of substances based on the information provided by an external expert in 2015. Application of ADEME emission factors.
Buildings (fixed assets)	Local recording of the number of m2 in the buildings and number of parking spaces. Application of ADEME emission factors.
Data centers (energy)	Local recording of energy consumption for 2020. Application of ADEME emission factors based on the use of renewable energies.
Data centers (servers)	Application of emission factors to the number of servers over their useful lives.
Data centers (fixed assets)	Local collection of data on the number of m2 of buildings. Application of ADEME emission factors.
Data centers (hosting services)	Application of ADEME monetary emission factors.
IT equipment [(5)]	Inventories of IT equipment with the exception of servers in data centers based on the People Soft ERP. Application of ADEME emission factors over the useful lives.
Freight	Collection of t.km according to the means of transport and application of ADEME emission factors.
Manufacturing	Recording or estimation of the composition and quantities of products. Application of ADEME emission factors to quantities of various materials.
Employee commuting [(6)]	Local recording of means of transport used. Calculation according to the region of implementation and the number of working days and in person.
Visitors	Application of an emissions factor provided by an external expert in 2015, in proportion to the number of in-person days.
Business trips	Local recording of flights booked for the entity's staff and guests in 2020. Application of ADEME emission factors (update of 2020 only taking into account GHGs, therefore excluding immaterial items).

(1) A major update of the emission factors for purchases was carried out by ADEME, which enables more rigorous and exhaustive data. Purchases of services, however, refer to a very wide range of services and the monetary emission factors – used here – are less precise than the physical emission factors – used for other emission categories

(2) Estimated on the basis of a relevant activity indicator according to each source of emissions, such as the amount spent on Purchases and the number of employees for commuting and visitors

(3) Energy consumption inseparable from the expenses of certain sites is excluded

(4) The scope of the indicator for calculating the carbon impact of working from home covers 83% of the workforce of French companies and companies outside France with 20 or more employees as of September 30, 2020 (sites that did not submit data are excluded from the calculation)

(5) The scope of reporting covers all sites in France and outside France, with the exception of Berlin Kolibri, Pasadena and Mexico

(6) Estimated on the basis of a relevant activity indicator according to each source of emissions, such as the amount spent on Purchases and the number of employees for commuting and visitors

5.1.8 METHODOLOGICAL LIMITS OF THE INDICATORS

The indicators may present methodological limits due to:

- a lack of standardization in national/international definitions and legislation;
- the representativeness of the measurements and estimates made;
- the practical methods of collecting and entering information.

(1) Does not include food for employees, hotel nights, other travel (excluding air travel) that is not considered sufficiently relevant to the Group's activities

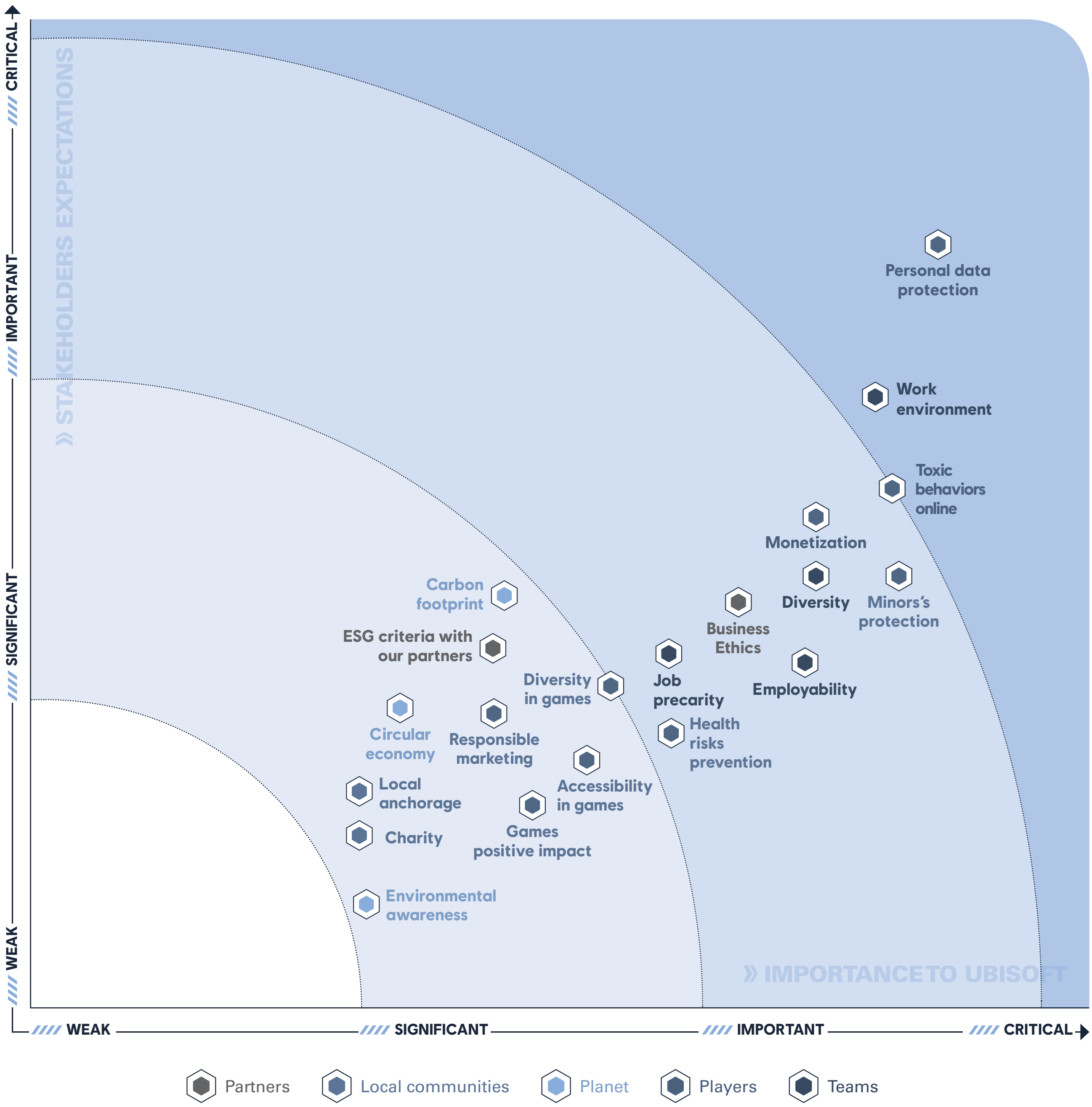
5.2 Corporate social responsibility governance

5.2.1 CORPORATE SOCIAL RESPONSIBILITY STRATEGY

Ubisoft is committed to developing a positive and long-lasting impact for all its stakeholders, both internal and external. The corporate social responsibility strategy is broken down by stakeholder type: players, teams, local communities, business partners, and the planet.

The materiality matrix produced in December 2019 has enabled the Company to supplement the social responsibility issues identified internally with the expectations of its stakeholder ecosystem. Among the most critical issues, the protection of players was strengthened during the financial year with new features available for the fight against toxicity in online communities and for the protection of minors. Quality of life at work was a key focus of the year to ensure a respectful working environment for all team members. The public allegations of the summer of 2020 led to the creation of a dedicated unit to implement the appropriate corrective actions (*see 5.8 Duty of Care Plan*). Finally, the Group is committed to contributing to global carbon neutrality by implementing a decarbonization plan for its operations, combined with the financing of carbon "offset" projects.

MATERIALITY MATRIX



This report therefore reflects all of the initiatives implemented to respond to these material societal issues for Ubisoft.

MATERIAL SOCIETAL ISSUES FOR UBISOFT AND ASSOCIATED RISKS

	Issues	Ubisoft commitments	Associated risks
As a game publisher	**Offering a customized gaming experience that enriches players' lives beyond pure entertainment**	♦ Learning ♦ Cognitive development ♦ Social interaction ♦ Diversity ♦ Accessibility ♦ Combatting toxicity ♦ Protection of minors ♦ Data protection	**Risks associated with game use**
As an employer	**Acting as a responsible employer**	♦ Employability ♦ Well-being at work ♦ Diversity and inclusion ♦ Non-discrimination	**Risks associated with recruiting and retaining talents** **Risks related to health and well-being at work**
As a corporate citizen	**Developing our local roots anchorage** **Developing enduring relations with our business partners** **Optimizing our environmental impact**	♦ Local jobs ♦ Charitable initiatives and partnerships ♦ Festive and cultural events within communities ♦ Social and environmental criteria ♦ Duty of Care ♦ Digitalization ♦ Carbon footprint	**Risks associated with Ubisoft's integration in the local socio-economic landscape** **Risks associated with our relations with our business partners** **Environment-related risks**

5.2.2 ORGANIZATION

The Corporate Social Responsibility Department comprises a dedicated team that develops, coordinates and/or leads projects designed to address the material societal issues identified.

The Corporate Social Responsibility (CSR) Committee was set up by the Board of directors in October 2018. It is tasked with examining the strategy and action plan with respect to the Group's CSR and putting forward any recommendations it may have in this regard. It also audits the CSR information to be included in the Universal Registration Document and submitted to the Board of directors in accordance with applicable legal and regulatory requirements.

For the 2020-2021 financial year, the CSR Committee notably proposed non-financial "CSR" performance indicators in relation to the annual variable compensation of the Chairman and Chief Executive Officer and the multi-annual variable compensation (employee share ownership plans) of all executive corporate managing officers for 2021-2022, indexed to the achievement of CSR targets defined as priorities for the Group [1].

The criteria proposed for the past three years are summarized in the table below. The priority issues are thus covered and continue to be monitored over time.

(1) See section 4.2 *Compensation of corporate officers*

CSR criterion in the compensation of the CEO	Sub-indicators	Target	Target assessment year	Reference for details
Player protection	GDPR	Ensuring the protection of players' personal data by reinforcing the means of control offered to players over the use of their data beyond the scope of application of GDPR.	March 31st, 2020	DPEF F20 – *4.2 Compensation of corporate officers* DPEF F21 – *5.3.2 Offering our players a safe gaming environment for a positive experience*
	Reputation sanction score	Set up the reputation-sanction service to limit online toxicity.	March 31st, 2020	DPEF F20 – *4.2 Compensation of corporate officers* DPEF F21 – *5.3.2 Offering our players a safe gaming environment for a positive experience*
	Protection of young players on PC	Global implementation of a protection program for young players for free games (FTP) with a rating below ESRB M/PEGI 16.	March 31st, 2021	DPEF F21 – *4.2 Compensation of corporate officers* DPEF F21 – *5.3.2 Offering our players a safe gaming environment for a positive experience*
	Protection of young players on Mobile	Implementation of an "age gate" on new mobile games for which the target audience is minors, with the aim of protecting them by deactivating certain functionalities by default.	March 31st, 2021	DPEF F21 – *4.2 Compensation of corporate officers* DPEF F21 – *5.3.2 Offering our players a safe gaming environment for a positive experience*
Acting as a responsible employer	Respect and quality of life at work	Action plan consisting of three major areas: listening to teams, training managers and team members in "respect at work" and assessing team members on the exemplarity of their behavior.	March 31st, 2022	DPEF F21 – *4.2 Compensation of corporate officers* DPEF F21 – *5.4.3. Guaranteeing a respectful and safe working environment for all*
	Increase gender diversity	Reach 24% women in the teams.	March 31st, 2023	DPEF F21 – *4.2 Compensation of corporate officers* DPEF F21 – *5.4.2.1. Reinforcing diversity and inclusion within our teams*
Optimizing the environmental impact	Reducing the carbon intensity	Reducing the carbon intensity per employee by 8.8% in three years.	March 31st, 2024	DPEF F21 – *4.2 Compensation of corporate officers* DPEF F21 – *5.7.2. Ubisoft's commitment to carbon neutrality*

5.2.3 CODE OF CONDUCT

The Group has worked with numerous experts to develop an internal code of conduct that gives team members guidelines and key contacts to help deal with sensitive situations they may face during their day-to-day working lives. Broken down by stakeholder type, this code covers gifts and invitations as well as confidential data, corruption and inappropriate behaviors. This code of conduct is shared with all of the teams and updated in line with sectoral and organizational changes to which the Group is subjected. As of March 31st, 2021, the code had been signed by 90.5% of the teams.

In the financial year 2020-2021, the CSR team carried out a complete overhaul of the Group's code of conduct. This exercise led more than 60 in-house experts to review and strengthen the provisions of the code of conduct, taking into account not only the applicable legal changes, but also the progress made by Ubisoft on the various subjects addressed. This overhaul has given rise to a more comprehensive document for a more inclusive and respectful working environment (*see section 5.4.3.1, focus on the code of conduct*). In particular, it provides more detail about the commitments made by Ubisoft to conduct business ethically and responsibly.

This new code of conduct, hosted on an internal website redesigned to be more interactive, will be made available to all teams in the first half of 2021. It will be translated into 17 languages in order to be accessible to everyone in an inclusive manner and supplemented by links to the main policies associated with the topics covered. Its launch will result in a signature campaign for all team members.

The code of conduct constitutes a key basis for raising awareness of our duty of care and combatting corruption. It is also a cornerstone for ensuring a respectful working environment for everyone.

The initiatives rolled out during the year to boost compliance with the law on transparency, combatting corruption and modernization of the economy, known as the "Sapin 2 law," are presented in the chapter of this report dedicated to risk management and internal control.

5.2.4 PREVENTING TAX EVASION

As part of the fight against tax evasion, the Group provides the French administration with detailed country-by-country reporting on its various locations: sales, pre-tax profit, taxes paid and due, headcount, etc. It is clear from this that its choice of location is not guided by tax considerations.

5.2.5 RELATIONS WITH STAKEHOLDERS

The Group considers all people and organizations directly or indirectly affected by the Company's business activities to be stakeholders.

Ubisoft maintains a constant dialog with its stakeholders and establishes lasting relationships that respect the interests of everyone. The main methods of dialog with these stakeholders are presented below:

Stakeholders	Methods of dialog
Customers	♦ Online communication (for online games)
	♦ Consumer get-togethers (focus groups)
	♦ Publication of information about our products
	♦ Networking events during promotional tours or industry events (E3, Gamescom, etc.)
	♦ E-sport tournaments (R6 invitational), *Just Dance* world championships
	♦ Ubisoft club, star players program
Suppliers	♦ Buyer/supplier meetings
	♦ Supplier selection process
Shareholders and investors	♦ Conferences for the presentation of results, meetings and plenary meetings
Employees	♦ Biannual team member satisfaction surveys
	♦ Group and local satisfaction surveys on well-being at work
	♦ Dialog with employee representation bodies (if applicable under local regulations)
	♦ Organization of Sharetimes and other teamworking initiatives
Research centers	♦ Collaborative approach, creation of and participation in R&D programs, university chairs, open innovation events
Communities, NGOs	♦ Partnerships with NGOs and/or local associations
Local businesses	♦ Partnerships with local businesses (local retailers, etc.)
State, public organizations, etc.	♦ Participation in working groups on the challenges facing our industry
	♦ Local meetings with town councils or local government entities

5.3 Offering a customized gaming experience that enriches players' lives beyond pure entertainment

5.3.1 DEVELOPING THE POSITIVE IMPACT OF OUR GAMES BEYOND PURE ENTERTAINMENT

As a publisher of video games, offering a positive gaming experience is a key challenge that forms part of our vision for society. Ubisoft strives to offer increasingly inclusive games that enable players to acquire knowledge and skills beyond pure entertainment.

APPROACH

To address this challenge, workshops and presentations are organized throughout the year to raise awareness among development teams and enable them to integrate more and more knowledge (social interactions, diversity, inclusion, accessibility, etc.) and to develop mechanisms for learning through play. However, this integration decision belongs to each production team and has to be smooth and consistent with the world selected by the team.

The process is long-term and hence, progressive. Over the past few years, the projects developed have helped make progress in the following areas:

ACQUISITION OF KNOWLEDGE AND SKILLS

In addition to providing fun and emotions, games are great ways to discover history (ancient Egypt in *Assassin's Creed Origins*®, ancient Greece in *Odyssey*, etc.) and the Vikings in *Valhalla* in 2020. Games also promote learning (learning to play the guitar with *Rocksmith*, programming with *Rabbids Coding!*), socialization and leadership development (online team games such as *Rainbow Six Siege*) or physical activity (*Just Dance*).

Ubisoft also creates technological experiences that facilitate learning and openness to culture. Gaming can also be a source of inspiration for teachers who create fun modules and lessons. For the general public, in January 2020 we offered contactless interactive experiences highlighting historical and cultural heritage, such as an augmented reality escape game at the Hôtel des Invalides in Paris or virtual reality tours of the Cinémathèque and Notre-Dame de Paris Cathedral (the latter was notably used during the Heritage Days in September 2020 in partnership with Unesco).

OVERCOMING STEREOTYPES BY DEVELOPING RICH AND COMPLEX CHARACTERS CONSISTENT WITH OUR UNIVERSES, WHICH TEND TO REFLECT THE DIVERSITY OF THE WORLD AROUND US

The production teams increasingly strive to develop characters that reflect the world's diversity. Thus, a choice first started with *Assassin's Creed Odyssey*® (selecting the gender of the main character) is now also found in *Valhalla*, released in 2020 (possibility of deciding if Eivor is a man or a woman), and the new *Immortals Fenyx Rising*™ franchise stars a heroine. The same goes for the *Watch Dogs*® franchise which, after representing a diversity of protagonists in the context of Silicon Valley with its characters Marcus Holloway (African American) or Josh Sauchak (on the autism spectrum), in the latest *Watch Dogs Legion*®, released at the end of 2020, features a very wide variety of everyday characters (workers, nurses, artists, etc.) with its "play as anyone" game system. More than five years after its launch, *Rainbow Six Siege* continues to offer players a wide variety of operators (more than 50 playable characters) of various ethnic origins, nearly half of whom are female avatars.

DEVELOPING GAME ACCESSIBILITY FOR PEOPLE WITH DISABILITIES

Ubisoft has strengthened its commitment to accessibility in order to offer a lasting, positive gaming experience for all, irrespective of their physical or mental condition. The project on the accessibility of video games for people with disabilities was launched in 2017 and has enabled us, for the first achievement threshold, to quickly achieve compliance with the US law applicable from January 1, 2019 (Communication and Video Accessibility Act) aimed at increasing the accessibility of communication services in video games (written chat, voice chat, video) to people with disabilities.

This commitment has been strengthened and is now an integral part of the development and validation process of our games (integration of accessibility in the process of validating the content of our games to ensure that it is taken into account upstream of all our productions); our production teams are accordingly assisted by internal and external consultants who are experts in accessibility. An Accessibility team was officially created in 2020 to provide cross-functional support to all teams in order to make the user experience accessible from end to end (from press and marketing communications such as the Ubisoft Forward online conference to the official website in France, via the online store and, of course, games).

In-depth work is also underway with the engine (Anvil, Snowdrop) and tools (Harbor Chat, Phoenix, Oasis) teams to achieve efficiency gains directly in our tools to facilitate the work of all our production teams, whatever their size and level of advancement.

Note that the accessibility of our games is assessed using an internal framework inspired by assessment systems put in place by groups of players with disabilities. This framework helps to assess the accessibility level of games, from "basic" (ability to play the game, even without access to all of its functionalities, for a player with disabilities) to "exceptional" (ability to play it fully like any other player), via "intermediate" and "advanced" depending on the type of disability (motor, cognitive, visual, auditory).

Our last three AAA games released in 2020, namely *Assassin's Creed Valhalla®*, *Watch Dogs Legion®* and *Immortals Fenyx Rising™*, have reached the "intermediate" level and were rewarded in various categories during the "Can I Play That Accessibility Awards" in late 2020. Two of them were also nominated in the "Innovation in Accessibility" category of the 2020 "Game Awards".

Furthermore, several of our studios are working with associations for players with disabilities (CapGame in France, AbleGamers in the United States, Special Effect in the United Kingdom, Funbikator in Sweden) in order to raise teams' awareness of their needs and work together with them on the design of upcoming games by inviting them to take part in user tests.

Finally, in order to inform the communities concerned, a page dedicated to the accessibility features of our games is available on the Customer Support website and on Ubisoft News. This information allows players to find out whether it will be possible for them to play the game before buying it.

PROMOTING SOCIAL INTERACTIONS BETWEEN PLAYERS BEYOND GAMEPLAY AND SUPPORTING OUR PROFESSIONAL PLAYERS

Community developers organize player communities, learn more about their needs and ensure a link with the development teams in order to improve the gaming experience. The organization of competitions and tournaments, now mainly online due to the global pandemic, brings together players and fans and promotes social interaction. Even outside the competitive environment, our online multi-player games allow players to continue to interact with others and keep in touch with their loved ones despite the Covid crisis. Ubisoft has also contributed to the "Play apart together" awareness program with other major players in the video game industry, an initiative supported by the World Health Organization.

In e-sports, Ubisoft continues to develop its international scene with the organization of regular competitions such as the "Six Invitationals" and the "Majors" for *Rainbow Six Siege*, as well as international tournaments for *Brawlhalla* and a world championship for *Trackmania*.

Certain players have become professional e-sport players and set up clubs with a coach and gaming analysts, a role that requires high levels of dedication and strong day-to-day discipline. Thus, in *Rainbow Six Siege*, we support our best players around the world through their clubs and continue to develop the e-sport gaming ecosystem to contribute to their professionalization.

5.3.2 OFFERING OUR PLAYERS A SAFE GAMING ENVIRONMENT FOR A POSITIVE GAMING EXPERIENCE

As a publisher of video games, we take the well-being of our players very seriously and we want to ensure they have the most positive gaming experience possible. We listen to our communities and work with our main unions and numerous stakeholders to identify potential risks associated with the gaming environment and to come up with responses that are shared with the video game industry.

APPROACH

PREVENT TOXIC BEHAVIOR IN ONLINE COMMUNITIES

Ubisoft has a responsibility to provide its players with the best gaming experience possible. With this in mind, particular attention is given to problems of toxicity in online communities. Any form of harassment, racism, discrimination, threatening behavior, fraud or cheating within the games or the communities will not be tolerated.

All of Ubisoft's multi-player games and forums are covered by codes of conduct, which set out the types of behavior that are forbidden, the safety regulations and possible sanctions. These codes of conduct are available on the game websites, on forums, and on the Customer Support site. A new code of conduct was also developed during the year and posted online in December 2020 on the official Ubisoft website in the Social Impact section. It is integrated in *Rainbow Six Siege* and the Customer Support site to become the benchmark for the Ubisoft group.

A dedicated professional team is tasked with moderating the forums and the content created by gamers. A sanction system has been introduced; each alert is investigated and may give rise to sanctions, depending on the seriousness of the misconduct. Sanctions can range from a simple warning to a temporary or permanent ban from a game. This system of moderation and sanctions is constantly being updated and improved to effectively combat inappropriate behavior and recent developments, with players having the opportunity to appeal the decision taken against them.

Our "Consumer Relationship Centers" in Europe, North America and Asia also encourage players who witness inappropriate behaviors to report them immediately so that appropriate action can be taken (warnings, bans, etc.).

In addition, "automatic filter" systems make it possible to mask in real time any language or comments that may be deemed abusive or discriminatory in the chats (instant messaging used in online games) and the associated lists are regularly updated.

It should also be noted that in addition to the system entitled "reverse friendly fire" integrated in 2019 in the competitive team game *Rainbow Six Siege* to combat "teamkill" behaviors consisting in deliberately eliminating one or more team-mates during the game, Ubisoft has continued to intensify its efforts in 2020 to further strengthen its efforts to combat cheating (*see Focus*).

Ubisoft is also a partner of the "Raising Good Gamers" initiative and is now part of the "Fair Play Alliance" alongside other players in the video game industry.

FOCUS: COMBATING CHEATING IN *RAINBOW SIX SIEGE*

In 2020, anti-cheating efforts in the *Rainbow Six Siege* game focused on three main objectives: improving detection, improving protection against cheaters and new cheat systems, and reducing their impact on the gaming experience of all our players. New detection models were therefore developed and gradually improved during the year to increase their reliability.

In addition, account security has been strengthened (two-factor authentication for the ranked mode locking system) and the waves of sanctions and bans have been extended. These new models have made it possible to detect more players who have cheated and to apply the appropriate sanctions to them.

PROTECTING AND INFORMING YOUNG PLAYERS AND THEIR FAMILIES

Ubisoft is committed to protecting young players to offer them an age-appropriate gaming experience. This commitment, considered strategic, has been integrated into the compensation [(1)] of the Chairman and Chief Executive Officer at March 31st, 2021.

As a result, in 2020, Ubisoft set up a young player account for the free-to-play multi-player game *Hyper Scape*, which was released in the summer of 2020. This account's default setting has no targeted advertising or data sharing and is associated with sending automatic notifications to parents (related to in-game spending) and activity reports (playing time, friends added, etc.). An age gate has also been rolled out globally on mobile games designed for young players in order to automatically deactivate targeted advertising, data sharing and promotional offers targeted at underage players.

In addition, in order to strengthen communication with families, a "Family & Gaming" page is available on the Ubisoft main website. It aims to answer the main questions parents have about playing video games: choosing a suitable game for their child, developing skills through games, supporting their child in their playing. This page has been prepared in partnership with associations including PédaGojeux, the AskAboutGames initiative, a psychologist specializing in digital technologies and by speaking directly to families about their main concerns.

Moreover, throughout the whole life cycle of a game, the production and distribution teams work directly with the ratings agencies and consumer protection bodies to ensure that all content developed is compliant with age classifications. The main bodies are PEGI (Pan European Game Information) for Europe, ESRB (Entertainment Software Rating Board) for the United States, OFLC (Office of Film and Literature Classification) or COB for Australia, USK (*Unterhaltungssoftware Selbstkontrolle* – in English: Entertainment Software Self-regulation Body) for Germany and CERO (Computer Entertainment Rating Organization) for Japan.

These organizations help consumers learn about the nature of the products and their recommended ages based on classification systems designed to guarantee the clear and transparent labeling of video games.

PREVENTING RISKS LINKED TO INTENSIVE VIDEO GAME PLAYING

Ubisoft remains committed to offering its consumers a protected environment by working directly with the professional trade associations of the video game industry, such as SELL in France [(2)], the ISFE in Europe [(3)]and the ESA [(4)] in the United States.

The Group has been working with psychologists and external experts since 2018 and studies and trials are regularly carried out to allow the best understanding of issues encountered by healthcare professionals and in particular, the risk factors associated with intensive video game playing, for instance in the context of e-sports.

(1) See section 4.2 *Compensation of corporate officers*

(2) SELL: Syndicat des éditeurs de logiciels de loisirs (French union of entertainment software publishers)

(3) Interactive Software Federation of Europe

(4) ESA: Entertainment Software Association

PROTECTING PERSONAL DATA [1]

Ubisoft is fully committed to implementing the General Data Protection Regulation (GDPR) and other regulations governing the processing of personal data such as the California Consumer Privacy Act (CCPA) in California. By establishing this regulation and its requirements as a standard applied as widely as possible to all of its markets, the Group sees the GDPR as an opportunity to strengthen the relationship of trust that it has developed with its players, as well as with all of its teams around the world.

The Group has worked to enhance transparency and the methods offered to players to enable them to better control the use of their personal data. This data notably helps us to improve the games and the user experience.

The Group undertakes to only collect information that is useful for the experiences offered to players and not to transfer it to third parties without prior information and without offering them the opportunity to oppose or to consent to this transmission. Ubisoft also allows people to exercise their rights under the GDPR, such as their right to access, amend or delete such information.

Significant resources are therefore implemented to ensure the compliance of internal and external processes; confidentiality policies have been updated, training has been provided to all teams, notably via awareness-raising modules featuring the Raving Rabbids. A dedicated data protection team works with all operational teams and company experts to ensure Group compliance at all levels.

For players with a Ubisoft account, the space where they manage their personal data, directly accessible online, allows them to also make an automatic request to extract their data without having to go through customer services, to define their own privacy and sharing settings as well as to activate the two-factor authentication system to strengthen the security of their account.

Finally, it should be noted that since financial year 2018-2019, Ubisoft has been awarded the Governance label by the *Commission Nationale de l'Informatique et des Libertés* (CNIL) in France.

5.3.3 MAIN RISKS ASSOCIATED WITH GAME USE

PERSONAL DATA PROTECTION

Guaranteeing the collection and use of personal data in a responsible and transparent manner is at the very heart of Ubisoft's projects aimed at providing a safe gaming environment for all. Ubisoft ensures that it complies with applicable regulations in terms of collecting, using, storing and transferring personal data relating to players, its partners and its employees.

The Group includes the same rules relating to security and control in all agreements with its partners. Ubisoft is also very vigilant when it comes to collecting personal data from young players.

Despite all of these measures and a strong determination to protect players, its partners and its employees, there are still risks inherent in the collection and processing of personal data. Risks of fraud, piracy and flaws in IT system security in particular could result in the loss and/or theft of confidential data and legal action being taken by those involved.

TOXICITY IN ONLINE COMMUNITIES AND PROBLEMATIC USE OF VIDEO GAMES

Offering a safe gaming environment is a strategic priority for the Group, which runs various initiatives to educate, safeguard and support vulnerable players. The measures taken include preventing inappropriate behavior in online communities, safeguarding minors and their families, mitigating the risks around problematic use of video games and protecting personal data.

Despite these measures and the precautions taken, the risk of harm to consumers may still exist. This could damage Ubisoft's reputation and cause the Group to lose customers.

(1) See Duty of Care Plan, *Risks linked to the use by the Group of player and employee personal data*

5.4 Acting as a responsible employer

Ubisoft brings together diverse talents to develop original games in a stimulating and fulfilling environment.

Attracting, developing and retaining the finest talent in the industry is one of the key factors determining Ubisoft's success. The Group is committed to offering its teams a creative and secure working environment that allows every individual to learn and grow alongside others who are passionate about their field of work. The Group is now strengthening its processes to ensure this commitment as part of the strong growth of its teams over the past two years. Ubisoft firmly believes that the diversity of its teams is essential to the continuous development of creativity and to remain at the cutting edge of innovation.

The Group's largely organic growth enables Ubisoft to bring in-house the skills and expertise that are vital to developing the best games for the future. With over 17,000 employees in game creation and production, Ubisoft is a leading figure in the video game industry and wins numerous awards every year for its teams' creative abilities.

FOCUS: RECRUITMENT OF A NEW CHIEF PEOPLE OFFICER, MEMBER OF THE EXECUTIVE COMMITTEE

The recruitment of Anika Grant as the new Chief People Officer and a member of the Ubisoft Executive Committee, was completed in 2020, with her arrival on April 8, 2021. Reporting directly to Ubisoft co-founder and Chairman and CEO Yves Guillemot, Anika Grant will implement innovative and successful strategies to develop talents within Ubisoft. Her responsibilities will cover recruitment, talent management, leadership development, as well as compensation and benefits. Anika Grant will also contribute to improving Ubisoft's organizational performance. She will be supported by a strong international corporate culture and will ensure that well-being and respect at work prevail, in order to allow each team member to continue to learn, develop and thrive.

5.4.1 OFFERING A STIMULATING WORKING ENVIRONMENT TO ALL

5.4.1.1 Ensuring sustained organic growth

At the end of March 2021, Ubisoft had 20,324 employees compared with 18,045 at the end of March 2020. In the 2021 financial year, the headcount therefore increased by 2,279 employees, *i.e.* up 12.6%.

This change is mainly due to the need to recruit the skills and teams essential to the growth of the Group's business in existing studios.

Staff	03/31/21	03/31/20
Total headcount	20,324	18,045

Ubisoft continues to grow and has managed a high volume of recruitment, predominantly in production jobs (85% at end-March 2021). Hiring fell by 5% over the financial year.

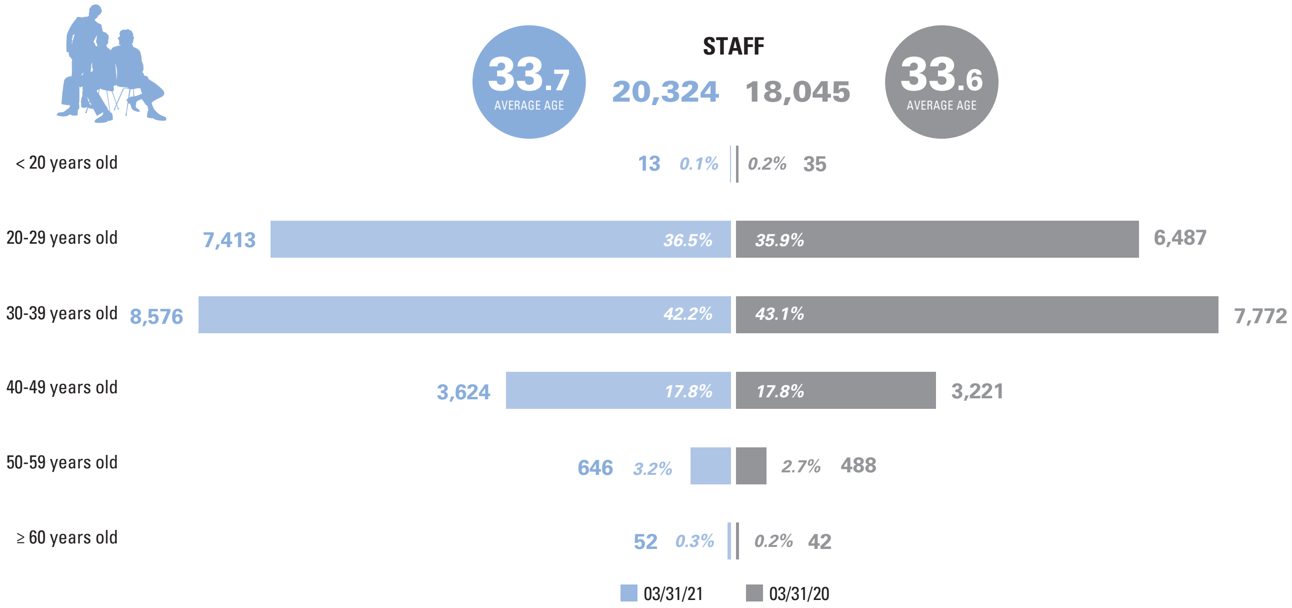
	03/31/21	03/31/20
Total number of hires	4,578	4,803
Redundancies/dismissals	150	268

The breakdown of staff by business line and employment type remained relatively unchanged over the period.

Breakdown of staff by business line	03/31/21	%	03/31/20	%
Production	17,449	85.9%	15,560	86.2%
Business	2,875	14.1%	2,485	13.8%

The rate of full-time employment was 99.2% over the period and remains stable compared with the previous financial year.

The average age at the Group is 33.7 years. This is similar to the previous financial year, dominated by the 20-39 age group (79%) following extensive recruitment of candidates in their 20s. The video game industry is a young industry, the development of which comprises the most innovative technologies and the most up-to-date skills on the market (digital marketing, data analytics, streaming, etc.). Staff have been with the Company for an average of five years, similar to the previous financial year.



5.4.1.2 Supporting the development of each team member

Ubisoft provides an environment that allows every team member to develop their skills, advance their careers and fulfill their potential in their roles, their teams, and in the Company. Managers have a key role in developing dynamic teams that collaborate constructively and promote respect and inclusion in the work environment. The associated performance management system as well as the compensation system make it possible to optimize the contribution and performance of each employee.

APPROACH

PLACING EVERY TEAM MEMBER AT THE HEART OF COLLECTIVE PERFORMANCE

The performance philosophy in place at Ubisoft focuses on the optimum understanding of the impact of every individual's work on Ubisoft's overall strategy. As such, it is not only the achievement of targets that is measured, but also the way in which they are achieved.

Tools have also been developed to ensure the teams have the ability to become masters of their own performance and progression, through clear and ambitious targets and transparent and ongoing feedback.

OFFERING CAREER ADVANCEMENT OPPORTUNITIES ADAPTED TO EACH PERSON

The performance management ecosystem provides for regular meetings between team members and their manager throughout the year, to discuss performance, commitment and satisfaction at work. The annual meeting, however, remains an important moment in the year for each employee. During this meeting, team members discuss their annual performance review with their manager, and talk about their job priorities for the future. These discussions enable the managers to assess the satisfaction, commitment and aspirations of each member of their team.

RECOGNIZING THE PERFORMANCE OF EACH INDIVIDUAL THROUGH A LONG-TERM COMPENSATION POLICY

Ubisoft's compensation policy aims to encourage performance, recognize skills and retain talent. Annual salary increases are individual and depend on Ubisoft's performance, the level of individual performance achieved, expertise in the role and the positioning of the job on the market, while ensuring equal treatment, particularly between women and men.

Employee share ownership is another excellent way for Ubisoft to include employees in the Company's success. Share ownership initiatives reserved for employees take place regularly.

FOCUS: SHARE OWNERSHIP INITIATIVES RESERVED FOR EMPLOYEES

At the end of March 2021, total shares held by employees via a Group savings plan amounted to 4.2% of the share capital.

Following the success of the first issues, in 2020 Ubisoft proposed a new international leveraged employee share ownership scheme allowing team members in 16 countries to invest in Ubisoft's share capital. This plan offers the teams a safe and profitable investment option. The aim of this share ownership plan is to reinforce team commitment by offering staff the opportunity to participate in the Company's growth.

Over half of all Ubisoft teams are involved in an employee share ownership plan including the Group savings plan and leveraged share ownership initiatives. Year after year, participation is at record levels compared to those observed in the market, testifying to the confidence of the teams and their commitment to the Group's long-term strategy. The participation rate for the 2020 edition was more than 50% in all the countries involved.

Medium-term compensation is also awarded to the best performing team members. This takes the form of free share and stock option grants. At the end of March 2021, and all plans combined, 12.8% of Group team members had joined these schemes.

Lastly, the Group ensures that its salaries, contracts and working conditions enable all team members to have a decent standard of living. A study has been carried out on this topic. It is currently being analyzed and updated.

Details of payroll taxes can be found in Note 13 of the financial statements.

5.4.1.3 Developing the employability and skills of our teams

Ubisoft recruits talented and passionate individuals, equipped with the latest technological skills and expertise which are vital to the specific nature of the video game industry. The Group fosters a collaborative environment that is conducive to the professional growth of its teams, and is actively committed to the development of competent teams that are fully equipped to handle the creative and technological challenges of tomorrow.

APPROACH

ATTRACTING AND TRAINING FUTURE TALENTS

Particular attention is paid to the recruitment and support of young talents. In a context of strong growth, Ubisoft offers them the opportunity to quickly contribute to gaming projects and thus provides real learning opportunities.

Over the course of the financial year, 1,196 interns and apprentices benefited from an enriching and empowering professional experience at a Ubisoft company, compared with 1,056 during the previous financial year. These internships are instructive and act as a springboard for joining the Group. More than 300 of these people were offered a job at the end of their internship or apprenticeship.

In addition to efforts to retain people completing internships, Ubisoft applies an active policy of seeking and attracting the most promising young talents. This approach is illustrated by the employer brand campaign entitled "Create the Unknown", launched in 2019, which celebrates the talents, diverse brands and unique culture that define Ubisoft. It offers a unique insight into what awaits talented people attracted by a career with the Group: an environment in which the creative and technological limits of video games and entertainment are constantly being pushed back. In addition, job advertisements in French now incorporate inclusive writing and, more generally, Ubisoft's commitment to be more inclusive. Thus, the criteria required in the advertisements, such as schools or seniority, are gradually replaced by skills or expected results so as not to create self-censorship and to encourage a greater diversity of profiles to apply.

Ubisoft and its subsidiaries are also developing a number of programs that encourage the rapid acquisition of key skills which are vital to their professional development:

- the Graduate Program, which seeks to integrate talented young people into fast-growing professions within two years, one year of which is spent working at a studio abroad, welcomed its seventh class of students this financial year, with more than 20 studios worldwide taking part. In total, 97 people, more than 25% of whom are women, have been recruited into key jobs for the Group;
- the Ubisoft Coding Campus, which offers programming students the opportunity to improve their skills through a seven-month mentoring program, has just launched its new term; nine participants were recruited at Ubisoft during the financial year.

These opportunities are further complemented by local programs. These programs enable Ubisoft to identify individuals with promising talent and to promote the acquisition of rare skills in high demand on the job market, by making the expertise of the Group's teams more widely available.

- Ubisoft is continuing its "Ubisoft Education" program, which focuses on promoting STEM (Science, Technology, Engineering and Mathematics) among young people and continues to train them in the essential skills of tomorrow's world such as creativity, problem-solving, computational thinking, etc. This year, the 11th edition of the Ubisoft Education university competition brings together 165 students in a competition to create prototypes on the theme of "separate/together". Eight prizes and $22,000 in scholarships will be awarded on this occasion.
- The English studios financed the three-year computer science courses of two students of African origin. They also offered mentoring and coaching by studio developers and hosted these students for a three-month internship.

OFFERING A TRAINING PROGRAM ADAPTED TO THE CHALLENGES OF THE SECTOR

Training (1)	03/31/21	03/31/20
Total on-site training hours	147,054.6	191,704.5
% of average headcount trained	63.1%	61.6%
Average duration of training (in hours) per employee trained	12.0	18.2

(1) Does not include virtual training, which forms an integral part of the Group's training options

Over the 2021 financial year, 63.1% of team members benefited from at least one in-person training session (excluding e-learning). The total number of hours was 147,054.6 (compared to 191,704.5 for the previous year). This decrease is due to the adaptation of training to an online format, often synonymous with shorter sessions. A special effort was made to roll out anti-harassment training following the crisis in summer 2020.

This year was marked by a major turning point in access to training. The face-to-face sessions have been adapted to be delivered in the form of virtual classes and not penalize the development paths of teams. This format offers great opportunities to expand access to sharing and training, which are often limited and costly when conducted face-to-face. Virtual sessions are easier to organize. The Group supported the implementation of and training in tools that facilitate remote training and communication, such as Teams (Microsoft), Klaxoon, Miro, etc. These are all tools that facilitate online workshops.

E-learning	03/31/21	03/31/20
Number of e-learning modules accessible to all employees	748	681
Number of people trained via e-learning	14,618	8,311

At March 31st, 2021, 14,618 people had accessed at least one e-learning module. This significant increase is the result of the Group's efforts to continue to raise all team members' awareness of the risk of corruption as part of ensuring compliance with the law on transparency, combating corruption and the modernization of the economy (Sapin 2 law).

By its very nature, the video game industry concentrates rare skills which are in high demand on the job market (production, online, testing, e-sports, community management, digital marketing, data science, artificial intelligence, cloud computing, UX, etc.) as well as leadership, communication and collaboration skills which are inherent in the Group's business and essential to enable everyone to develop their agility and ability to adapt in a constantly changing market.

The Group carefully follows emerging societal and technological trends and adapts its training offering accordingly so as to ensure that the teams' skills remain consistent with the latest market developments. The training aims to cover all levels of expertise, from the most junior to the most senior, and all types of learners.

To this end, a multitude of learning opportunities are offered to the teams, including opportunities to share and compare practices and improve knowledge, as well as more traditional training to further develop specific expertise. The most common are:

- on-site training and virtual classrooms;
- digital training courses that combine e-learning modules with selected content from the online training catalogs;
- resources in a variety of formats, accessible to all, to satisfy the expectations of all learners: Q&A, surveys, market analyses, benchmarks, videos;
- internal and external conferences with experts, researchers and/or professors and international meetings to exchange ideas about specific skills and expertise;
- online discussion forums are available to the teams to exchange ideas on various topics.

Development also involves access to resources produced by all teams and their reuse. To do this, dedicated teams identify relevant content, arrange it and ensure that it is distributed to the right people via all the communication and collaboration tools available internally. Furthermore, expertise, internal experts and best practices are promoted throughout the year through sharing sessions, organized at all sites, and by producing dedicated articles or videos.

5.4.1.4 Adapting the work organization to the health crisis

Ubisoft strives to develop a fulfilling environment in all of its subsidiaries, with a range of workspaces adapted to the needs of each individual (meeting rooms, relaxation areas, cafeterias). 2020 was marked by the global pandemic linked to Covid-19. Working from home has become the norm at all Group sites.

A weekly survey was set up to ensure the comfort and psychological health of all Ubisoft employees. This made it possible to identify the most important problems and resolve them quickly.

Support measures were offered to team members ranging from flexible working hours for parents to the provision of psychological hotlines. Salaries were maintained at 100% in all countries and benefits extended to cover all teams.

In addition, the Group has made sure that the equipment necessary for the productivity of team members at home is available to them. Some sites preferred to make the office equipment available at home, while others offered an amount of money to each one so that they could equip themselves according to their needs.

In response to canceled face-to-face events, Ubisoft organized virtual events such as "Ubisoft Forward". Internal meetings were also held remotely and best practices in the organization of this type of event were shared to facilitate the transition.

The return to the office was organized gradually on a voluntary basis and in compliance with the public authority guidelines in each country. Priority was given to jobs that could not be conducted totally from home due to the nature of their activities and to people who did not need to use public transport to come to the office. The maximum authorized density was limited to 50% in order to respect social distancing. Sanitary kits have been made available. The cleaning of the offices was intensified and markings were placed on the floor and in the meeting rooms to indicate the $4m^2$ required per person. Strict instructions have been communicated at all sites to ensure compliance with health measures.

5.4.2 DEVELOPING TALENTS AS DIVERSE AS THE WORLD AROUND US

At Ubisoft, we are of the belief that an environment in which individual differences are celebrated can boost creativity and a spirit of open-mindedness, resulting in the creation of increasingly surprising and innovative gaming experiences. We offer an inclusive working environment and strive to reflect the diversity of the world around us. Cultural diversity, gender diversity, and all other forms of diversity strengthen the Group, helping it to better respond to future challenges facing the industry and to remain at the cutting-edge of innovation and up-to-date with the latest consumer expectations.

5.4.2.1 Reinforcing diversity and inclusion within our teams

Ubisoft is keen to increase all forms of diversity, with a particular focus on gender diversity. Diversity within the teams is a key societal issue in the video game industry, where the percentage of females remains below the percentage of female players around the world (nearly 50%). Beyond this first focus, the Group prioritizes an inclusive approach designed to attract and promote all types of diversity.

The commitment to gender diversity is regarded as a strategic issue. As such, it is one of the criteria applied to the multi-annual variable compensation [(1)] of the Chairman and Chief Executive Officer, with a target percentage of 24% women for the financial year ending March 31st, 2023.

FOCUS: APPOINTMENT OF RAASHI SIKKA TO THE POSITION OF VICE-PRESIDENT DIVERSITY & INCLUSION

With a versatile and cross-functional role, one of Raashi Sikka's key missions will be to coordinate and oversee the strategic planning for the design and implementation of programs to promote diversity and equity within the community of Ubisoft employees around the world. Reporting directly to Ubisoft co-founder and Chairman and CEO Yves Guillemot, Raashi Sikka will design and implement a global diversity and inclusion roadmap to support and enrich the corporate culture at all levels.

GENDER DIVERSITY INCREASING OVER TIME

At the end of March 2021, the Group comprised 23.5% women and 76.5% men, representing an improvement of 1.5 points compared to March 2020. The increase in the percentage of women within the teams is the result of work undertaken by all of our subsidiaries, notably reinforcing awareness raising actions and the visibility of job vacancies among females. Efforts have also been made by training schools specializing in video gaming, where students are 80% male, to include more women in their new intakes.

(1) This indicator is presented in section 4.2 *Compensation of corporate officers*

Keen to respect the identity of each individual, for more than a year the Group has given non-binary employees the option to be registered as neither male nor female in the Group's human resources monitoring tools.

PERCENTAGE OF WOMEN AT UBISOFT

23.50% at March 03/31/21

22.00% at March 03/31/20

	03/31/21			03/31/20		
	Women	Men	Other	Women	Men	Other
TOTAL	**23.50%**	**76.50%**		**22.00%**	**78.00%**	
Production	21.56%	78.43%	0.01%	19.90%	80.09%	0.01%
Business	35.01%	64.99%		34.82%	61.18%	

This financial year, 24.1% of the Group's managers were women and women represent 27.0% of top management. Furthermore, there are currently as many women as there are men in senior management roles reporting directly to the Chairman and Chief Executive Officer.

Particular attention was paid this year to the appointments of top managers in order to strive for better representation of women at the highest levels of the organization.

Women in management	03/31/21	03/31/20
% female top managers (1) (3)	27.0%	22.1%
% women managers (2) (3)	24.1%	23.6%

(1) A top manager is defined as a member of the Executive Committee or a Director reporting directly to the Executive Committee, or a director of a subsidiary reporting indirectly to the Executive Committee

(2) A manager is defined as someone who is hierarchically responsible for at least one person (also including interns not counted as staff)

(3) Number of women in (top) management in relation to the total number of employees in (top) management

SIGNIFICANT CULTURAL DIVERSITY

Ubisoft is present in 31 countries across all continents. The Group thus has employees of 111 different nationalities. This diversity constitutes a real asset in terms of understanding our gamers and successfully adapting our games to a variety of cultural contexts. This ethnic and cultural wealth is regularly celebrated in the studios, with themed days and events.

Geographic region	03/31/21	%	03/31/20	%
Americas	6,609	32.5%	6,252	34.6%
Asia	3,208	15.8%	2,755	15.3%
EMEA	10,507	51.7%	9,038	50.1%
TOTAL	**20,324**		**18,045**	
Number of countries	31		30	

SUPPORT FOR THE PROFESSIONAL INTEGRATION OF PEOPLE WITH DISABILITIES

The Group is attentive to the development of an inclusive work environment for persons with disabilities. This notably involves better accessibility of the premises. During the financial year, 73.5% of employees worked in a building accessible to mobility-impaired persons. Whenever a site relocates, the Group is careful to include accessibility in the selection criteria for the buildings concerned.

In France, the Boost! initiative, which is celebrating its fourth year of existence, offers personalized support to all team members with disabilities. This initiative enables these employees to benefit from dedicated arrangements (ergonomic workstations, equipment, working time flexibility, etc.) and obtain help in all of the required administrative procedures to get their disabled employee status recognized. This mission on disability also provides for the training of human resources teams to better support these team members and awareness-raising initiatives for the teams (introduction to sign language, neurodiversity conference). During the financial year, around 10 workstations were adapted specifically to address disabilities. Over the last three financial years, around 80 people have been trained on the subject of disability at work. Training was stopped as a result of the health situation in 2020 and will resume as soon as possible. Finally, the Boost! initiative is also designed to break down prejudices around disability, and was thus highlighted during initiatives on this subject, during the third edition of the France Diversity Week in November 2020.

This financial year, the French entities took part for the second time in Duoday, an initiative set up by the French government and the European Union to promote the employment of people with disabilities by informing them of potential career opportunities in partner businesses. In total, 18 duos were created with volunteer team members who received training in this area prior to the event.

Lastly, several Group sites maintain partnerships to promote the employment and professional integration of people with disabilities: firstly, in the recruitment process to identify job applications from people with disabilities and, secondly, by calling on companies from the protected and adapted work sector for office supply contracts and recycling initiatives.

APPROACH

Ubisoft is continuing its strategy to increase the diversity of its teams and improve gender diversity in particular. This strategy is broken down into several areas of focus:

POSITIONING ITSELF AS A PRO-DIVERSITY EMPLOYER

Ubisoft is continuing its efforts to assert itself as an employer that places diversity at the heart of its strategic priorities. The "Ubisoft Future Women in Games" program, renamed WomXn, thus offered a new program this year, enabling the recruitment of seven interns. Launched in 2019, with two pilot studios (Paris and Toronto), this program aims to increase the proportion of women in fields in which they are currently under-represented, programming and game design, through a challenge open exclusively to people identifying as female. The graduates benefited from mentoring from studio volunteers, as well as internships.

Ubisoft also wishes to take advantage of major industry events to reiterate its diversity commitments. Thus, in 2020, two digital events "Ubisoft Forward", celebrating Ubisoft games, were organized. In order to be more inclusive, they have been localized into 15 different languages including sign language. The facilitators reflected gender parity and cultural diversity. In parallel, four different panels were organized by the ERG "Black Game Pros Mixer": one for the British market, one for the African diaspora, one for the global market and one for the Canadian market.

Lastly, Ubisoft also continues to support the LGBTQ+ communities. Several studios and subsidiaries (Montreal, San Francisco, Newcastle, Malmö, etc.) take part in their local pride parades.

RAISING TEAMS' AWARENESS OF INCLUSION

Becoming more inclusive is at the heart of Ubisoft's strategy to welcome more diverse profiles. The Group continued its approach to raising teams' awareness of the importance of adopting professional behavior that is mindful of others and their individual differences. The arrival of the new VP D&I should significantly accelerate the impact of the efforts made.

In addition, multiple subsidiaries this year focused on dialog and sharing experiences with respect to diversity within the workplace. For example:

- for the third edition of Diversity Week, French entities organized conferences and workshops promoting diversity and inclusion. The themes of the year covered "humor at work", neurodiversity or how to "be an ally in everyday life";
- a number of "Employee Resource Groups", discussion circles with a focus on encounters between people from under-represented demographic groups within the company, have been set up in recent years so as to produce awareness-raising actions and ideas to help all employees improve inclusion and value diversity. For example, in France, the French Queer Bureau enables people and allies to come together and find support and resources if they need it;
- the Reflections studio in England is involved with the "Women in Games" association and supports the "British Esport Association" in the development of their code of conduct for players.

SUPPORTING THE FEMINIZATION OF TECHNOLOGICAL JOBS

- The Group also continued the efforts launched during previous financial years to encourage more women into the industry. The monthly "Women of Ubisoft" series is still ongoing, and the majority of the Group's entities also prepare a series of local portraits which are shared on their social media, to highlight the roles and accomplishments of women in the subsidiary.
- The Group's main European subsidiaries are partners of the association Women in Games and all North American subsidiaries engage with a national or local association to help introduce women of all ages to technological jobs.
- The studio in Winnipeg, Canada, has set up a partnership with WICS (Women In Computer Science) university to promote women in STEM professions. A "Women's Advisory Board" has also been set up at the studio with bimonthly meetings.

5.4.2.2 Guaranteeing equal opportunities for men and women

In terms of equal opportunities, the human resources policy is designed to ensure equal access to employment, learning and development opportunities, as well as fair pay for equal skills and performance. To that end, indicators are defined at Group level to identify the areas in which action is needed to promote gender equality.

Employment	03/31/21	03/31/20
Female hire rate (1)	28.7%	24.1%

(1) Number of external hires of women compared to the total number of external hires

The female hire rate rose significantly over the course of the financial year, thanks to the efforts in recent years by the recruitment teams in the production studios to target and attract more diverse profiles, in a context of growth. These efforts notably included:

- the representation of women (photos, testimonies…) in the employment opportunities shared on social media;
- the organization of diversity-themed and women in industry conferences and events within priority schools in terms of recruitment;
- the organization of an open house event in France, a meeting for women looking for a job in the video game industry, in order to increase the number of women applying for jobs that are predominantly male;
- emphasizing the importance of gender diversity at Ubisoft on professional networks.

In terms of training and skills development, people of all genders at Ubisoft benefit from the same accessibility rate insofar as the training is open to all. At the end of March 2021, the training rate was as follows:

	03/31/21			03/31/20		
Training	Women	Men	Other	Women	Men	Other
Training rate by gender (1)	66.6%	62.1%	100%	65.4%	60.5%	100%

(1) Number of women (men) trained as a percentage of the average female (male) headcount

Fully committed to gender pay equity, Ubisoft has been publishing its Group ratio for almost eight years with the aim of ensuring transparency towards its stakeholders. This topic, which is central to Ubisoft's diversity policy, has also been the subject of an annual process since 2019 to correct any discrepancies noted.

At March 31st, 2021, the gender pay gap, calculated on the basis of the overall workforce excluding expatriates, work-study students and professional training contracts, stood at 1.7% in favor of men.

Compensation	03/31/21	03/31/20 (2)
Male-female pay ratio (1)	101.7%	102.2%

(1) The gender pay ratio includes all comparisons made by country, area of employment, level of responsibility and business line within each subsidiary. For each set of comparisons, the difference is calculated between the average compensation of the gender with the highest compensation and that of the gender with the lowest compensation. In this way, when the average compensation of men is higher than that of women, the ratio is above 100%. Conversely, the figure is below 100% when it reflects a difference in compensation in favor of women. Average compensation is determined on the basis of comparable full-time equivalent compensation to which a weighting by the sum of men or women, whichever is lower, is applied

(2) For comparison purposes, the calculation method used for the financial year has been transposed to the financial year ended March 31st, 2020. The figure published at March 2020 was 103.2%, using the previous less precise methodology

On the recommendation of the CNRG, the method used to calculate the gender pay gap is changing and incorporates a refined concept of occupation to best reflect the different areas of expertise in which women and men can be represented in different ways.

5.4.3 GUARANTEEING A RESPECTFUL AND SAFE WORKING ENVIRONMENT FOR ALL

Ubisoft is a group that places the well-being of its teams at the heart of its strategy. The Group is strongly committed to developing a business culture that promotes the fulfillment of every individual. It also focuses on the health and safety of its teams and strive to establish an open and respectful working environment. Lastly, Ubisoft remains attentive to its teams by maintaining constructive employee-related relations and by regularly assessing the level of commitment of its team members.

5.4.3.1 Developing an open and respectful working environment

Ubisoft is committed to carrying out an in-depth transformation of its existing policies, procedures and systems to ensure that the Group can better prevent, detect and sanction any inappropriate behavior. Ubisoft's goal is to foster a creative and inclusive workplace, rooted in safety and respect, of which its employees, partners and communities can be proud.

APPROACH

Ubisoft organized a survey of all its teams to assess the quality of life at work following public allegations of inappropriate behavior in the summer of 2020 and take appropriate measures.

A confidential online whistleblowing platform enabling employees, as well as external parties, to report any form of harassment, discrimination and other inappropriate behavior was made available. To ensure confidentiality and anonymity, this platform is managed by a third party, and complaints filed on it are examined by a committee of HR specialists and legal experts.

A training course on combating harassment and discrimination was rolled out in 2020 and will be supplemented by a mandatory online module for all team members in the course of 2021.

Other initiatives will be implemented by Ubisoft in 2021, in order to strengthen the Group's international corporate culture, ensuring that all teams can thrive in an environment that promotes respect, diversity, inclusion and collective well-being.

FOCUS: REVISED GROUP CODE OF CONDUCT

The CSR (Corporate Social Responsibility) teams carried out an in-depth overhaul of the code of conduct at Ubisoft, in close collaboration with all internal stakeholders. At the same time, the Group's Human Resources teams have established new global policies to combat discrimination, harassment and violence, protect whistleblowers, and clarify the disciplinary procedures that apply throughout the Group. These new comprehensive policies strengthen the new code of conduct.

In addition, a set of "Principles" intended to clarify the standards of interpersonal interactions expected at Ubisoft are referenced in the new code of conduct. The objective of this new version of the code of conduct is to create a clearer and more practical document that can guide everyday behavior in the working environment.

The actions planned to improve respect and quality of life at work are considered strategic and are included as a CSR criterion in the variable compensation of the Chairman and Chief Executive Officer for the financial year ending March 31st, 2022. The indicator [1] retained will be used to assess the implementation of this action plan, which consists of three key areas: listening to teams, training managers and team members in "respect at work" and assessing team members on a criterion covering the exemplary nature of their behavior.

(1) This indicator is presented in section 4.2 *Compensation of corporate officers*

5.4.3.2 Protecting the health of our team members

MONITORING ABSENTEEISM

Number of days of employee absence [1]	03/31/21	03/31/20
Illness (all reasons)	68,229	81,491
Occupational accidents [2]	282	642
TOTAL	**68,511**	**82,133**
Group absenteeism rate linked to occupational accidents and illnesses [3]	1.43	1.93
Average number of days' sickness per employee	3.5	4.8

(1) Days of absence are defined in working days

(2) Occupational accident = fatal and non-fatal accidents occurring during or due to work, according to local practices. Occupational accidents are only recognized if they have been reported to the relevant authorities and are being dealt with by said authorities

(3) Calculation method = total number of days of absence over the scope used/sum of theoretical number by company of days worked without these absences

At the end of March 2021, the rate of absenteeism due to occupational accidents and illnesses had fallen. The average number of days of sickness remains low at 3.5 days (*versus* 4.8 the previous financial year). The widespread use of working from home and the strict application of barrier gestures are the main reasons identified for this decrease.

MONITORING OCCUPATIONAL ACCIDENTS

At the end of March 2021, the changes in indicators relating to health and safety in the workplace broke down as follows:

Health and safety in the workplace [1]	03/31/21	03/31/20
Number of occupational accidents with time off [2]	29	43
Number of fatal accidents	0	0
Frequency rate of occupational accidents with time off [3]	0.829	1.411
Severity rate of occupational accidents with time off [4]	0.008	0.021
Number of occupational illnesses [5]	0	0

(1) For this indicator, occupational accidents and illnesses are only recognized if they have been reported to and are being dealt with by the relevant authorities

(2) Occupational accident = fatal and non-fatal accidents occurring during or due to work, according to local practices

*(3) Number of occupational accidents with time off/total per company (average annual headcount * theoretical number of annual hours worked per employee) x 1,000,000*

*(4) Number of days lost per occupational accident/total per company (average annual headcount * theoretical number of annual hours worked per employee) x 1,000*

(5) Occupational illness recognized according to applicable local legislation

At the end of March 2021, the number of occupational accidents was down (29 cases compared to 43 in the previous financial year). Logically, the frequency rate and severity rate are also lower. These reductions are directly linked to working from home, which means fewer commuting trips and therefore fewer commuting accidents.

A number of initiatives have been put in place by the subsidiaries to prevent all health risks to which the teams may be exposed.

APPROACH

RESPECTING BARRIERS GESTURES IN OUR PREMISES

Whenever possible, Ubisoft supported the return of teams to the offices and implemented the necessary measures to comply with barrier gestures. Masks, hydroalcoholic solution and wipes were made available to employees. In order to ensure the health of the teams, the workspaces and catering areas have been adapted and guidelines have been sent to team members to encourage compliance with health rules.

PROMOTING ACCESS TO HEALTHCARE PROFESSIONALS

Free, low-cost and/or refundable medical consultations are available at the Group's largest sites (Montreal, Toronto, Shanghai, Bucharest). These services are available not only to employees but to their families as well. The majority of Group subsidiaries also arrange for healthcare professionals and/or experts in physical and mental well-being to visit and talk to the employees about these issues.

ENCOURAGING A HEALTHY AND WELL-BALANCED LIFESTYLE

In order to better support the teams with stress management and motivation at work, the subsidiaries have rolled out a number of initiatives during the financial year to highlight the importance of mental and emotional balance.

- As part of its "Wellness" program, Ubisoft Toronto offered its employees the opportunity to be reimbursed for an annual subscription to a meditation application. The aim is to encourage teams to integrate the concept of well-being into their daily lives. The subsidiary also organized workshops to help employees manage their personal finances.
- Despite lockdowns, many subsidiaries have organized remote events to protect the mental health of team members. This is the case for Ubisoft San Francisco, which has organized support groups led by an association specializing in the subject. A virtual "Tell me something Good" board was also created for teams to share good news.

In line with the actions taken in previous years, accessibility to gyms and sports classes is a key part of Ubisoft's well-being policy. Many subsidiaries also offer courses in meditation or yoga, focusing on relaxation activities. Despite working from home, these activities have often been maintained via online courses. Massages and relaxation programs are also available at several sites. Stopped during periods of confinement, they resumed as soon as possible and in compliance with health rules.

When the buildings were accessible to the teams, baskets of fresh fruit continued to be made available, contributing to the health of the teams. Awareness-raising and support for employees on the issue of nutrition is important for the company and initiatives carried out in previous years, such as access to nutritional consultations or the possibility of having fresh produce delivered locally, will resume as soon as the health situation allows this.

5.4.3.3 Maintaining constructive employee relations

Management-employee dialog is based on exchange and collaboration as part of a close relationship with staff. It is led by employee representatives in countries where this is a legal requirement.

In France, the teams are represented by Social and Economic Committees (CSE) in all companies for which regulations require their establishment. Within this framework, team member representatives and management meet regularly to discuss the operation, development and strategy of the French companies.

Finally, collective agreements negotiated with team member representatives are still in place, in a bid to involve staff in the performance of the business (incentives/profit-sharing).

	03/31/21	03/31/20
Number of collective agreements (1)	2	2
Breakdown by subject:		
Compensations	2	2
Other subjects	0	0

(1) The scope of this indicator is worldwide, but as the concept of the collective agreement comes from French legislation, it is hard to emulate on an international level, which is why foreign subsidiaries are not represented for this indicator

The Group promotes dialog through its company social network, which enables interactions at all levels of the Company. This widely used platform is accessible to all employees. It encourages the exchange of information and provides a forum for commenting on a variety of issues, such as new developments in the video game industry or sharing best practice.

Furthermore, for the last 20 years, Ubisoft has conducted a worldwide opinion poll of all its team members every two years. The poll serves a dual purpose: to gauge support for and understanding of the Group's strategy, and to canvass the opinion of staff on key issues such as employee wellness, career management, teamwork and communication. The results are published within the Group via the internal social network as a way to engage in a direct discussion with team members and draw up targeted action plans. This opinion poll is complemented at numerous sites by "Pulse Surveys", short surveys sent out quarterly to enable the managers to stay up-to-date with the needs of their teams and to identify actions to be implemented, where appropriate. Some entities use additional tools to complete the team member commitment assessment ecosystem.

5.4.4 RISKS ASSOCIATED WITH RECRUITING AND RETAINING TALENTS

Shortage of talent in a competitive environment

The Group's success largely depends on the talent and skills of its production and marketing teams in a highly competitive international market. If the Group is no longer able to attract new talent, or to retain and motivate its key team members, the company's growth prospects and financial position could be affected.

All the programs put in place by human resources at the local and international levels are primarily designed to attract, retain and motivate team members (*e.g.* partnerships with schools, personal development plans, etc.).

In the context of 2020, the Group has put in place a transformation plan to better prevent, detect and sanction any inappropriate behavior. Ubisoft's goal is to foster a creative and inclusive workplace rooted in safety and respect. A culture that promotes collaboration and well-being at work builds loyalty among current teams and is an attractive point in a highly competitive market. Keen to bolster commitment and motivation, Ubisoft is also mindful of the human diversity of its teams and the need to ensure equal treatment of its team members.

Skills obsolescence

Ubisoft offers training programs and talks that enable everyone to be at the forefront of their field of knowledge. The skills required by the industry are among the most recent and innovative. Because this expertise is continually evolving, these courses prevent any skills obsolescence that could be detrimental to the quality of the games produced.

In spite of these measures, the risk of events occurring that could have an impact on internal organization or the motivation or retention of team members cannot be ruled out. Such circumstances could do significant and long-lasting damage to the operational and financial performance of the Group.

5.5 Developing our local anchorage

Ubisoft is promoting local economic development and is committed to the creation of sustainable links with the community. The Group is active via:

- contributions to the development of employment and the local economy;
- commitments to promote social causes related to its business.

In 2020, 51 subsidiaries of the Group took part in at least one economic, academic, or cultural initiative for the benefit of local communities. Ubisoft has adapted its digital initiatives to continue offering festive initiatives in favor of causes related to its business. In addition, the Group is focusing its efforts on providing local and global assistance to the situation related to the global health crisis.

5.5.1 SUPPORTING LOCAL ECONOMIC GROWTH

Strengthened by uninterrupted growth in sales and headcount, Ubisoft contributes to local economic development by creating direct jobs, supporting local employment, and giving preference to local companies for local services for team members.

The Group, remaining loyal to its entrepreneurial roots, is committed to assisting local start-ups and innovative initiatives in the digital and entertainment sectors, and is participating in the emergence of new regional centers of expertise in various state-of-the-art sectors (programming, artificial intelligence, etc.).

APPROACH

UBISOFT SUPPORTS LOCAL COMMUNITIES DURING THE COVID-19 PANDEMIC

In line with the actions undertaken in March 2020, the Group has contributed to several initiatives to encourage solidarity at a local level and the provision of games in support of the health messages of the World Health Organization.

FOCUS: UBISOFT PARTNERS WITH THE WHO AND MULTIPLIES GAMING DONATIONS

The Group took part in the #PlayApartTogether campaign, initiated by the WHO and the video game industry. The aim of the campaign was to promote social distancing and encourage people to stay at home during the first lockdown from March to May 2020.

This support took the form of a campaign called "Play Your Part, Play At Home", to keep people active and to have fun. For a month, Ubisoft put in place a series of offers and discounts. *Rayman Legends*, *Child of Light* and *Assassin's Creed II* were available for free download on the free.ubisoft.com portal.

Lastly, nearly 100,000 *Starlink* toys from the video game of the same name were donated to the "*Dons Solidaires*" association, which was able to create Christmas packs for disadvantaged families throughout France.

In order to contribute to the lockdown effort for schoolchildren and the many people working from home, the Group reduced the bandwidth of its Ubisoft Connect platform on PC. Since the beginning of the health crisis, the Group has been working closely with its partner Akamai to raise awareness among players about consumption issues and to offer them the right tools to make timely changes that do not hinder their gaming experience in any way. Today, the size of game updates has been reduced and the Group continues to optimize its tools to reduce the size of game patches for download.

At the local level, in order to support businesses and populations in the regions in which the Group operates, numerous initiatives have been launched by the subsidiaries and studios to deal with this exceptional situation. Some examples are described below:

- the Malmö studio supported the Namu restaurant, which provides food parcels to caregivers. For each donation of SEK 50 (€5) or more, the studio agreed to donate the equivalent amount. In addition, the studio also supports two initiatives of Fryshuset, an association that works for young people in Malmö: BEM has helped to distribute food to single mothers in difficult situations and Varmestugan helps homeless young people by finding them a place to sleep and eat. Fryshuset hired young people to cook as part of these two initiatives, enabling them to find work in a difficult economic context;
- the studio in the Philippines made a financial donation to Medical City, the hospital near the studio, to support the construction of a new wing dedicated to Covid-19. This structure, which opened on May 11th, 2020, will take care of patients suffering from Covid-19 and those tested. The structure also includes dedicated spaces for healthcare staff and telemedicine equipment that will allow remote processing and monitoring of patient data;
- the Sofia studio donated €10,000 to the "For the Good" campaign organized by the Bcause Foundation. The money raised was used to equip Bulgarian hospitals with artificial ventilators. The studio also contributed €2,000 to the purchase of an air disinfection device for the "St Sofia" university hospital specializing in lung diseases.

FOCUS: UBISOFT MONTREAL LAUNCHES "(RE)UNITED FOR THE NEIGHBORHOOD", AN INITIATIVE IN SUPPORT OF MILE-END SHOPS

Launched in June 2020, this initiative aims to help and support the shops in Mile-End, one of the busiest neighborhoods in Montreal, whose business volume was significantly affected during the lockdown period.

As a major player in the Mile-End, the Group is committed to contributing to the revival of the district's economic vitality in three stages:

- refunding the direct or online purchases made by employees for a total amount of $100,000;
- celebrating the gradual return of employees by using neighborhood products and services in the fall;
- raising awareness and encouraging the 4,000 employees to make local purchasing a long-term practice.

The Studio has also launched an appeal to other neighborhood employers to multiply the impact of this effort.

UBISOFT CONTRIBUTES TO LOCAL ECONOMIC DEVELOPMENT BY CREATING JOBS IN THE DISTRICTS AND CITIES WHERE THE GROUP HAS CHOSEN TO SET UP PREMISES

Ubisoft, which pays close attention to its impact on the local job market, is careful to locate itself in cities that have a strong reservoir of talent and to select local service providers for the services supplied to its employees. This policy has been in place for several years and is designed to be sustainable, which is why the Group measures the economic footprint of its main subsidiaries on a regular basis in order to customize the measures taken. The Montreal International study indicates that Ubisoft's activities in Quebec generated 4,765 direct jobs in 2020 and an average of around 2,175 indirect jobs per year.

The hiring and development of local talent is essential to support the growth of the Group. At the end of March 2021, local team members accounted for 80.9% of the Group's workforce, stable overall with the figure for the previous financial year.

In line with its diversity policy, the Ubisoft group also encourages multiculturalism within its subsidiaries by local recruitment of different nationalities and by sending employees on international secondments. This only happens in the case of rare skills not available locally.

UBISOFT RECOGNIZED FOR ITS WORK ON THE INTEGRATION OF YOUNG GENERATIONS

With 1st place in the 2020 Happy Trainee ranking, Ubisoft France won a place on the podium for the 5th year running. This ranking, based on submissions from Ubisoft's interns and work placement trainees, highlights the particular care and attention paid to the on-boarding and needs of young future employees in the job market.

UBISOFT GIVES PREFERENCE TO LOCAL BUSINESSES AND SUPPLIERS

Ubisoft also contributes to local economic development by calling on local companies to provide a wide variety of services to ensure its team members' occupational well-being.

A number of subsidiaries accordingly give preference to local suppliers who take account of social and/or environmental criteria in their services, thereby increasing the sustainability of the local economic fabric.

The use of local products is a practice which is widespread across the various sites. In addition, the largest sites offer their employees the opportunity to receive baskets of fruit and vegetables from local growers.

UBISOFT SUPPORTS LOCAL START-UPS AND INNOVATIVE INITIATIVES IN THE TECHNOLOGY AND ENTERTAINMENT SECTORS

Supporting the growth of local stakeholders in the digital sector is at the very heart of Ubisoft's local measures. Moreover, the Group is committed to sharing its expertise and know-how, connecting creative minds, and cultivating opportunities and the tomorrow's leaders who will be molding the future of the entertainment sector.

FOCUS: UBISOFT SUPPORTS 13 INDEPENDENT GAMING STUDIOS AT GAMESCOM'S INDIE ARENA BOOTH

In July 2020, Ubisoft Entrepreneurs collaborated with "*La Guilde du Jeu Vidéo*", Québec EPIX, the Chamber of Commerce of Metropolitan Montreal and the Government of Quebec for the third edition of "La Caravane", an initiative to support independent video game studios in Quebec. Ten Quebec-based studios were selected to present their work at the Ubisoft Entrepreneurs space at Indie Arena Booth 2020. In addition, for this virtual edition, the winners of the Ubisoft Indie Series in Ontario in 2019 and 2020, and in the "Best Start-Up" category of the 2019 Newcomer Award in Germany, also had the opportunity to present their work.

5.5.2 SUPPORTING CAUSES RELATED TO OUR BUSINESS

Every year, Ubisoft engages with local communities by offering innovative pathways to enable the development of digital education, and put the power of play at the service of the most disadvantaged populations. This commitment enables it:

- to make young people curious about the video game industry and the various career paths on offer;
- to use gaming or gaming-related skills to be involved in "living better together" in more sustainable communities.

APPROACH

UBISOFT CREATES FUN OPPORTUNITIES TO GET TOGETHER AND PROMOTE SOCIETAL CAUSES

As a leader in the entertainment sector, Ubisoft uses the power of gaming and strengthens its links to the local community by creating fun situations that promote action in favor of societal issues. To this end, the subsidiaries of the Group propose festive, artistic, or charitable events that are accessible to all. In this year of global pandemic, physical events have been replaced by 100% digital.

- Ubisoft sponsored the 2020 edition of "Friendly Fire", the largest charity stream linked to video games. After 13 hours of play on *Assassin's Creed Valhalla*, €1.6 million had been collected for eight German charities.
- The German Blue Byte studio organized a virtual "Game Jam" which brought together nearly 80 participants. On this occasion, the studio made a financial contribution to the "Give Something Back to Berlin" initiative, which connects migrants, refugees and residents to build an open and inclusive society.
- For Women History Month, *Assassin's Creed* teams from around the world came together in an *Assassin's Creed Valhalla* live stream to raise funds for breast cancer research.

THE GAME TO AWAKE AWARENESS ON THE PROTECTION OF MENTAL HEALTH

While the Covid 19 pandemic has significantly changed the way we live on a daily basis, 2020 was a decisive year for raising awareness on mental health issues.

- In Australia, Ubisoft partnered with LIVIN, a charity dedicated to protecting mental health, to promote its message of well-being during the *Rainbow Six Siege* Oceanic Nationals e-sports competition. Ubisoft has enabled LIVIN to raise awareness about mental health by integrating messages throughout the season.
- Following the death of one of the influential members of the *Rainbow Six Siege* community, Ubisoft made a donation of $20,000 to the association Take This, which will enable the association to develop videos on mental health prevention for content creators and players.

FOR SEVERAL YEARS, UBISOFT HAS BEEN COMMITTED TO SHARING CULTURAL AND HISTORICAL WEALTH THROUGH ITS GAMES AND ITS PARTNERSHIPS WITH EXHIBITIONS OPEN TO THE GENERAL PUBLIC

Ubisoft took part in the national "Micro-Folies" initiative (a digital museum run by the French Ministry of Culture), which successfully launched in the Paris suburbs before preparing to launch the program nationwide in France. The pilot allowed us to make our two episodes of *Assassin's Creed Discovery Tour* available (in addition to *Rabbids Coding!*). The roll-out of the initiative will continue nationally, with the aim of reaching 1,000 museums by 2023.

In addition, Ubisoft collaborated with the Grand Palais in 2020 on the immersive exhibition "Pompeii reborn from its ashes" via an unprecedented virtual reality experience. Produced with Gédéon, the exhibition offers a journey that is both geographical and temporal and allows visitors to explore the remains of the famous Roman city, as it was still visible in AD79, before the eruption of Vesuvius. The Ubisoft teams have optimized and improved the models provided to bring it to life and increase the immersion in the daily life of Pompeii.

MANY SUBSIDIARIES OF THE GROUP PARTICIPATED IN A FESTIVE WAY IN SOCIAL CAUSES TO COMBAT DISCRIMINATION

In June 2020, following the death of Georges Floyd in the United States, the Group donated $100,000 to the NAACP to affirm its support for the fight against racism and the Black Lives Matter movement.

Several of our studios participated in events during Pride Month, showing their solidarity with the LGBTQ+ cause [1]. Ubisoft Halifax took part in a puck-throwing tournament to raise funds for the Youth Project, which helps young LGBTQ+ people in Nova Scotia. Ubisoft Montreal renewed its donation to "Ensemble", an organization that works with more than 25,000 young people in elementary schools and colleges in Quebec and Canada to prevent all forms of intolerance, including homophobia.

In 2019, together with the Toronto studio, Ubisoft Paris launched Ubisoft Future Women in Games. The program continued in 2020, and is still dedicated to students and young graduates, allowing them to benefit from the expertise of the studio's experts in programming and game design.

(1) Lesbian, Gay, Bi, Trans, Queer, +

Joined by Ubisoft Annecy, Kiev and Odessa, the program has been renamed "WomXn Develop at Ubisoft" because it is open to women and non-binary people.

On the occasion of Women History Month, Ubisoft Sofia is organizing a Mar[ch]athon to collect donations for the Bulgarian Fund for Women. Teams are encouraged to run the equivalent of a marathon, track their progress through apps or other trackers, and submit their progress throughout the month of March. For every kilometer traveled, the team will donate one Bulgarian lev to the fund, which was created to advance women's rights, eliminate gender stereotypes and combat gender-based violence and discrimination.

UBISOFT ENCOURAGES YOUNG PEOPLE TO BECOME INTERESTED IN THE VIDEO GAMING SECTOR AND IN NEW TECHNOLOGIES BY OFFERING INNOVATIVE TRAINING PROGRAMS

The Group organized the third edition of "Keys to Learn" in digital format. As in the two previous editions (held in London and New York), Ubisoft highlighted the positive and educational power that video games can bring. This year, faced with the challenge of home schooling, Ubisoft showed how video games can help to fill the gaps created by virtual lessons while offering students a space to explore and socialize. Furthermore, journalists, educators, and students were invited to understand, discuss, and discover Ubisoft's latest developments in terms of digital learning, such as *Rabbids Coding!* and the *Assassin's Creed Odyssey Discovery Tour*.

The Group's largest subsidiaries are all active in schools, universities, and associations in order to develop educational programs aimed at reinforcing the acquisition of digital skills.

FOCUS: UBISOFT SUPPORTING STUDENTS THROUGH TWO DIVERSITY SCHOLARSHIP PROJECTS

This year, Ubisoft Paris partnered with "*Loisirs Numériques*" via the Video Game Grant, an operation designed to help video game students finance their tuition fees and connect them with industry professionals. Of the six students benefiting from the grant, two are supervised by mentors from the Paris and Malmö studios. A donation of €15,000 was made to the association for this project.

Another grant initiative was launched by Ubisoft Newcastle for three years. This will support two students of African origin at Newcastle University's School of Computing from 2021 to the tune of £11,250, in addition to mentoring provided by Ubisoft team members.

In April 2020, Ubisoft volunteer employees committed to delivering their own online programming courses using the *Rabbids Coding!* game as an innovative way to help people during the health crisis. The game is regularly used for innovative educational initiatives in media libraries and schools around the world. The Group is preparing to launch a competition to create levels that are complementary to the game in order to reinforce its learning mechanics and stimulate communities of student coders around the world.

The Group's other key initiatives continued or grew in 2020:

- in line with the partnership with the Quebec organization "*Fusion Jeunesse*" launched in 2019, the initiative continues, remotely, with the Quebec studios and teams in Bordeaux and Paris. The objective is still to apply the concepts learned in class and to strengthen the motivation of the most vulnerable young people. In France, more than 200 young people took part in the experiment between 2019 and 2020 and more than 1,100 in Quebec;
- the studios in the Philippines continue to support the training of 10 young people from disadvantaged families through the "*Passerelles Numériques*" association. In Cebu, in partnership with the association, Ubisoft is now enabling these students to obtain technical and professional training in the digital sector. In addition to the financial contribution made, Ubisoft Philippines trained two trainers from "*Passerelles Numérique*" in video game development. This year, due to Covid-19, the studio paid its financial subsidy earlier than expected, in August 2020 instead of in early 2021.

UBISOFT USES THE POWER OF GAMING TO TAKE ACTION ALONGSIDE LOCAL ASSOCIATIONS

Playing is a fantastic way of alleviating suffering, promoting social ties, and encouraging self-development. The Group's "Play for Good" philanthropy program, launched in late 2017, brings gaming and its benefits to disadvantaged people.

To enable team members to become more involved in their communities, Ubisoft continues to make these tools available:

- volunteering days: the Group allows team members to use up to three paid workdays per year for their community activities. This has allowed several subsidiaries to organize charitable team-building days, with team members working to help a local cause (repainting a house, sorting and distributing food packages, etc.);
- the Good Game initiative: each team members has the opportunity to gift Ubisoft games for PCs to the associations or public bodies of their choice. In this way, the Group has made donations to the association "*Bibliothèques Sans Frontières*" (Libraries without Borders) in order to provide access to cultural and knowledge resources to those most in need (*e.g.* in refugee camps, disadvantaged neighborhoods, etc.) or to the Necker Children's Hospital in Paris.

A large number of initiatives have been launched by subsidiaries in order:

- **To improve daily life for children in hospital**

In this context, Ubisoft continued to roll out its Playrooms program in partnership with the "*Petits Princes*" association, *i.e.* gaming areas installed in hospitals with consoles and video games donated to them, for young patients. Today, Ubisoft has created 23 Playrooms spread across hospitals in the Paris region, Annecy, Montpellier, Rennes, Bordeaux and Lyon, enabling team members to be involved as volunteers.

- **To create connections with socially isolated or vulnerable individuals**

The Group is moreover continuing to use gaming to support societal causes. For example, gaming acts as a fund-raising tool to help populations in vulnerable situations, or to raise awareness among gaming communities of societal issues.

- In 2019, Ubisoft entered into a partnership with "*Le Refuge*", a French foundation that fights to prevent the isolation and suicide of young LGBTQ+ people. Despite the crisis of management and individual behavior that the association has encountered, the partnership is continuing, with the proviso that drastic measures are taken to improve the situation. It first took the form of a donation of around 100 video games for regional initiatives. The scheme was quickly supplemented with the installation of a Playroom in locations in Paris and Bordeaux: TV stand, television, console, video games but also a library, books, comics and mangas and board games. The support is also financial with an annual donation of €10,000 which was renewed in 2021 for Pride Month.
- This year, Ubisoft France extended the installation of Playrooms to other associations working to protect vulnerable people, such as Emmaüs, as well as:
  - "Timmy": welcomes, guides, defends and supports exiled minors and young adults on a day-to-day basis,
  - "Silvergeek": aims to improve the health and well-being of seniors, to develop social and intergenerational bonds, while reducing the digital divide,
  - "Marion Main Tendue": fight against school bullying.

Subsidiaries are also active at a local level, building up links with associations around them and that request help.

On the occasion of the Day of the Child, the Chengdu studio donated toys, books and clothes for vulnerable children in the Sichuan region. Nearly five boxes of toys and 11kg of clothing were sent.

FOCUS: *RAINBOW SIX SIEGE* AND ITS CHARITABLE INITIATIVES THROUGH VIDEO GAMES

In 2020, the *Rainbow Six* franchise ushered in the launch of the Sixth Guardian program, an in-game sponsorship initiative that allows players to donate to charity. For this first edition, Ubisoft has partnered with AbleGamers, an American organization that aims to support players with disabilities by allowing them to fully enjoy their gaming experience through customized controllers and tools, and to fight against social isolation. More than $140,000 was raised through this initiative. Every three months, the program will support a different association, for more donations to come.

In addition, €50,000 was donated to "*Médecins Sans Frontières*" thanks to the Open Clash tournament in May 2020, where players competed in the game for the charitable cause.

5.6 Developing long-term relations with our business partners

5.6.1 INTEGRATING SOCIAL AND ENVIRONMENTAL CRITERIA OVER THE LONG TERM

Ubisoft is committed to developing long-term relationships with its business partners. The social and environmental impact of these partners is therefore assessed throughout the duration of the business relationship, both for direct (service providers and suppliers) and indirect (supply chain) partners.

APPROACH

Ubisoft's Purchasing Department pays close attention to the establishment of long-lasting relations with its various service providers. It therefore regularly identifies areas for improvement and puts in place joint progress plans which promote a "win-win" relationship between Ubisoft and its partners. The assessment and monitoring of a supplier's performance therefore include the monitoring of the sustainability criteria defined upon signature of a contract (respect for fundamental human rights, employment rights, personal health and safety, respect for the environment, detection of corruption).

The application of the Sapin 2 and Duty of Care Laws have enabled selection criteria to be strengthened, allowing contractual relations with high-risk service providers and suppliers to be limited. However, Ubisoft also intends to favor service providers and suppliers who have taken genuine steps to ensure that they have a positive impact in social, societal, and environmental terms. Accordingly, at several subsidiaries, a number of purchasing items (IT, real estate, goodies, etc.) now include social and environmental criteria: choice of maintenance and cleaning service providers who use environmentally-friendly cleaning products, selection of sheltered work companies such as ESATs in France (which help disabled people find employment), and the manufacturing of certain tie-in products using recycled materials.

Ubisoft's policy in relation to sustainable purchasing is therefore based on the following strategies:

(1) carrying out due diligence on the CSR policies of those suppliers and service providers short-listed to sign subcontracting agreements with Ubisoft;

(2) signing contracts that include specific clauses related to compliance with the national and international standards applicable in relation to personal health and safety, human rights, the environment, and corruption;

(3) showing preference for those suppliers and subcontractors that have put in place pro-active CSR measures with a positive impact;

(4) ensuring a complaints and reporting procedure that is as open and accessible as possible, to guarantee optimal compliance at all times with the CSR standards and procedures put in place.

All of the technical provisions and procedures put in place for these actions are detailed in section 5.8 *Duty of Care Plan*.

5.6.2 A CODE OF ETHICS FOR A SUSTAINABLE RELATIONSHIP WITH SUBCONTRACTING

Ubisoft has introduced a Code of Ethics specific to purchasing and subcontracting activities. This Code of Ethics is shared with all of the Group's purchasing teams and sets out the following principles as guidelines:

- fairness: treat all current and potential business partners fairly and equally;
- impartiality: demonstrate impartiality and professional independence in our relations with business partners;
- integrity: avoid all conflicts of interest and any appearance of a conflict of interest;
- legality: act in accordance with the law, rules, and the Group's principles;
- loyalty: keep confidential all information to which we may have had access, whether in relation to Ubisoft, our customers, partners, or suppliers;
- honesty: take an honest position under all circumstances, and have the same demands with regard to our partners.

5.6.3 LIMITED USE OF SUBCONTRACTING

As part of its video game production, publishing and distribution business, Ubisoft may outsource services, in particular pertaining to IT support, external/freelance development and related activities.

The use of subcontracting increased in the 2020 calendar year compared to 2019, representing 24% of Group external purchasing and expenses.

5.6.4 RISKS ASSOCIATED WITH OUR RELATIONS WITH OUR BUSINESS PARTNERS

Ubisoft has set up sustainable relationships with its partners and subcontractors. The Group takes particular care to develop relationships only with those partners who have made a commitment to remaining compliant with international law and the applicable domestic law. The Group is also reasonably vigilant regarding its subcontractors, and includes specific clauses in all contracts signed with our partners.

Nevertheless, any serious breach in terms of individual health and safety, of human rights or in relation to the environment, potentially perpetrated by a partner or subcontractor of the Group could have adverse consequences for our links with such partner as well as repercussions regarding the reputation of the Group and its future capacity to create links with strategic partners. The risks which have been identified in relation to subcontracting are detailed in the Duty of Care Plan in this report.

5.7 Optimizing our environmental impact

5.7.1 INTRODUCTION

UBISOFT'S VISION

At the Climate Action Summit in September 2019, Ubisoft committed to doing its part to fight climate change and joined the "Playing for the Planet" alliance as a founding member. The Group has published its commitments to raise awareness of the climate emergency: using gaming to inspire its players to take action to protect the environment and continue to optimize its carbon footprint through greater use of renewable energies, and an ever more careful selection of suppliers and technological devices.

In 2020, the Group continued its efforts in this direction and continues to be committed to meeting the challenges of the climate crisis. This means reducing emissions throughout its value chain (from its suppliers to its customers) and adapting to the impacts of climate change (increasing its resilience in the face of heatwaves, rising sea levels, etc.). Priority was therefore given to:

- reducing the footprint: make every ton of CO_2 count to minimize the environmental impact;
- influencing positively: the Group continued its work to raise awareness among its stakeholders (business partners, employees, players) and encourage action for the climate and the environment.

The Group has also set itself the goal of contributing to carbon neutrality while taking action to reduce greenhouse gas emissions beyond any offsetting action. The carbon reduction objective described in paragraph 5.7.2 has been included in the calculation of the medium-term compensation [(1)] of the Chairman and Chief Executive Officer for the financial year ending March 31st, 2024.

OPTIMIZING ITS CARBON FOOTPRINT

Since 2015, Ubisoft has been reporting on its environmental impact in the interests of transparency and accountability to its stakeholders. In 2020, the Group is committed to contributing to global carbon neutrality by implementing a decarbonization plan for its operations, combined with the financing of carbon "offset" projects. The Group's commitment to carbon neutrality is a long-term approach that is also reflected in specific actions to raise awareness among its main stakeholders, in particular its team members and players.

To comply with this new commitment, a complete update of the Group's carbon footprint was carried out for scopes 1, 2 and 3 upstream, for a total of 141.7 kilotons of CO_2eq. The Group has also financed greenhouse gas avoidance and sequestration projects outside its value chain, up to the amount of its emissions in 2020.

(1) This indicator is presented in section 4.2 *Compensation of corporate officers*

Among the sources of emissions identified, purchases (mainly services) are the primary source of emissions. The production and promotion of new games are the main categories of these purchases and the continued growth of the activity in 2020 explains their increase.

The Group also acts on the energy consumption of its buildings and data centers. The consumption of electricity from renewable energies has been identified as a key action to reduce GHG emissions related to this category.

5.7.2 UBISOFT'S COMMITMENT TO CARBON NEUTRALITY

The Group's CSR Department and various stakeholders have been studying the environmental impact of video games and supporting initiatives in this area for several years. For example, Ubisoft's impact on the planet has been measured since 2015, and its main sources of emissions are shared every year in this dedicated section of the annual report. In addition, many teams and studios are working on local actions and employee green committees are mobilizing in various Ubisoft studios and offices around the world, to participate in making work environments more sustainable. All these initiatives and projects were a good start. The Group now wants to accelerate its transformation and go further in terms of positive impact and change.

From May to June 2020, the CSR Department organized working groups and launched surveys with operational managers at around 40 sites. The Group's operations with the highest emissions of CO_2 were analyzed in light of four different levers:

- three decarbonization levers (electrification, restraint and efficiency) to reduce Ubisoft's own emissions (direct or indirect);
- one carbon "offset" lever to reduce or capture emissions outside the Ubisoft value chain.

The conclusion of this study validated the Group's commitment to contribute to global carbon neutrality by:

- reducing its footprint;
  - accelerate the reduction of emissions from the Group's direct operations (scopes 1, 2 and 3 upstream) with a reduction target of -8.8% per employee by December 2023 (*i.e.* the financial year ending March 31st, 2024), compared to the baseline emissions of 5.7 tCO_2eq per employee (baseline year and methodology 2019). This objective, identified as strategic, is included in the calculation of the medium-term compensation of the Chairman and CEO,
  - contribute financially to the development of greenhouse gas avoidance and sequestration projects for any residual emissions (scopes 1, 2 and 3 upstream). The objective is an annual participation, corresponding to 100% of the Group's emissions that cannot be reduced in the short term,
  - contribute to raising the awareness of all stakeholders in the industry (suppliers, gaming platform manufacturers, etc.) and forging partnerships with them to actively reduce emissions downstream on the value chain (scope 3 downstream);
- influencing positively;
  - increase the awareness of team members and players. As a media and entertainment company, Ubisoft has access to a large audience that it can inspire through its games and content. For this reason, the Group confirms its commitment to create games that will encourage players to take action on environmental issues and to adopt more sustainable behaviors.

The implementation of this commitment is based:

- mainly on cross-functional and collective leadership (in particular with the CSR, Purchasing, IT, Real Estate and Travel Departments) to transform these commitments into tangible results and to include sustainable development criteria more broadly in operational decision-making;
- in addition, on collaboration with other industry partners committed to the subject (suppliers, business partners, institutional players, customers);
- lastly, on the growing determination of all team members to support this long-term approach.

5.7.3 UBISOFT'S ENVIRONMENTAL IMPACT IN 2020

2020 GREENHOUSE GAS EMISSIONS REPORT (GHG EMISSIONS)

Methodology and scope

Ubisoft follows the greenhouse gas emissions accounting guidelines provided by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), *i.e.* the "GHG Protocol". This protocol provides the most widely used greenhouse gas accounting standards in the world, designed to provide a framework for companies, governments and other entities to measure and report their greenhouse gas emissions in order to support their missions and mitigation targets. In 2016, 92% of Fortune 500 companies that responded to the Carbon Disclosure Project (CDP) used a program based directly or indirectly on the GHG Protocol. In addition, Ubisoft commissioned an expert consulting firm in 2015 to adapt the protocol to its business for the first carbon footprint assessment.

Since 2015, Ubisoft has therefore been measuring the changes in the main categories of in its greenhouse gas emissions report annually, and conducts a complete update of its GHG emissions every three years, which is reported to the ADEME (*Agence de la transition écologique*, under the oversight of the French Ministries in charge of Research and Innovation, Ecological and Inclusive Transition, and Higher Education).

The scope of the measurement covers Ubisoft's direct operations, *i.e.* all direct and indirect emissions necessary for the operation of the business, from upstream emissions of suppliers to downstream emissions of the logistics activity distributing products to retailers or digital distribution platforms:

- Scope 1 concerns direct emissions, mainly derived from fuel in data centers and fugitive emissions from refrigerant gases leaks;
- Scope 2 concerns indirect emissions, from electricity consumption, in offices and data centers;
- Scope 3 - upstream concerns all other indirect emissions from Ubisoft's activities, including product distribution, whether in physical or digital format.

2020 Update

For 2020, the GHG emissions associated with Ubisoft's activity in the above-mentioned scope were 141.7 kilotons of CO_2eq, *i.e.* 7.5 tCO_2eq per FTE.

In 2020, the methodological updates significantly impacted Ubisoft's carbon footprint and in order to obtain comparable results, the data for 2019 have been restated according to the 2020 methodology. [(1)]. Ubisoft's GHG emissions are estimated at 139.8 kilotons CO_2eq in 2019. This represents 8.4 tCO_2eq per FTE, *i.e.* a decrease of 10% between 2019 and 2020.

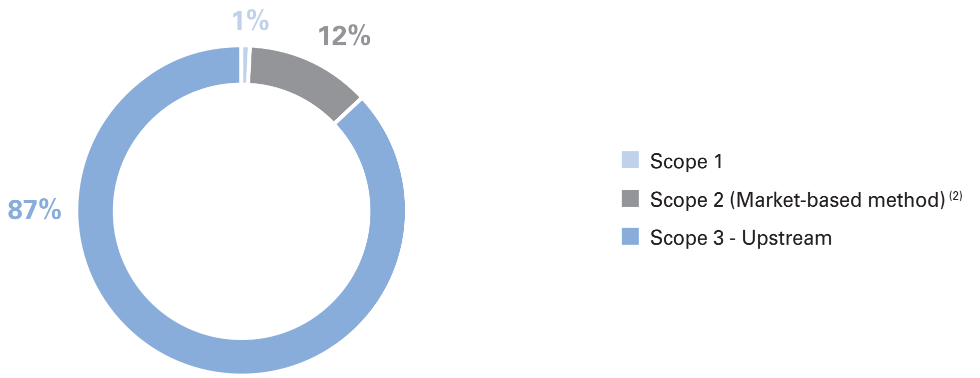
The Company's intrinsic growth (headcount, volume of activity) leads to an increase in its overall carbon footprint but also to an optimization of its intensity per employee (tCO_2eq/FTE) thanks to economies of scale and the digitalization of its products. There was also an exceptional decrease linked to the Covid-19 pandemic (mainly impacting travels).

At this stage, to assess the Group's additional efforts in terms of decarbonization, the use of carbon intensity per employee (tCO_2eq/FTE) is recommended, as the workforce is the main driver of its carbon footprint.

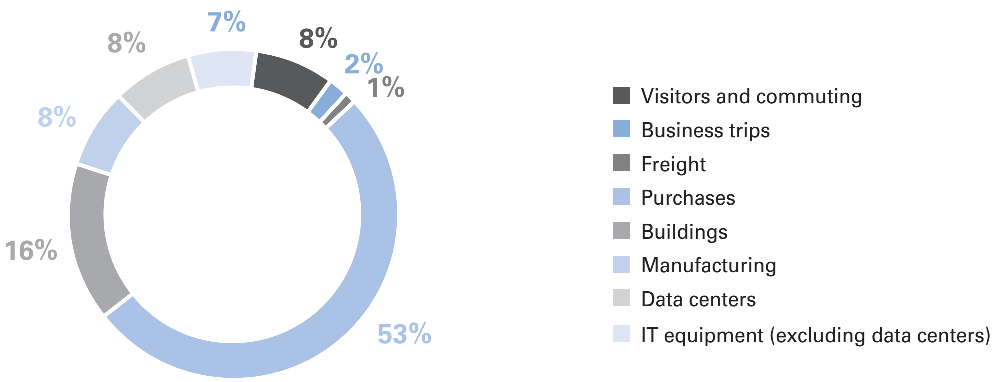
The main sources of greenhouse gas emissions are:

- purchases (mainly services);
- buildings (energy consumption, fixed assets and air conditioning systems);
- the manufacture of boxes, video game supports and tie-in products, as well as their transport to storage and distribution locations;
- data centers (including external hosting services and energy consumption);
- IT equipment.

CARBON FOOTPRINT BT SCOPE



CARBON FOOTPRINT BT CATEGORY



(1) For reference, using the 2019 methodology, the GHG emissions associated with Ubisoft's activity are estimated at 82.8 $ktCO_2$eq in 2020. This represents 4.4 tCO_2eq per FTE in 2020, compared to an estimate of 5.7 tCO_2eq in 2019

(2) For reference, using the location-based approach of the GHG Protocol, Scope 2 represented 29,499 tCO_2eq in 2020

OTHER ENVIRONMENTAL IMPACT

Waste electronic and electrical equipment (WEEE)

When disposing of out-of-service or obsolete IT equipment, it is essential to ensure a responsible end-of-life for this waste. In 2020, 61 sites [(1)] recycle, reuse or treat WEEE in accordance with current local standards. For data security reasons, hard drives and SDDs are destroyed.

Work environment

The Group is continuing to reorient its purchasing policy towards more environmentally friendly supplies, products and services, in particular for cleaning services provided by owners. In addition, there are initiatives to raise awareness and educate employees on more environmentally-friendly behaviors inside and outside the workplace.

5.7.4 REDUCE ITS FOOTPRINT

DECARBONIZATION OF DIRECT OPERATIONS (SCOPES 1, 2, 3 UPSTREAM)

As a multinational Group with nearly 20,000 employees in more than 80 sites worldwide, a comprehensive and structured decarbonization plan is essential to accelerate and achieve significant emission reductions. In 2019, Ubisoft therefore commissioned a consulting firm to identify the main levers for reducing its emissions and set preliminary targets. The main results of the study were tested during an internal feasibility study in 2020. The results of this study gave rise to the Group's commitment to actively contribute to global carbon neutrality by launching both a decarbonization plan for its direct operations and a carbon offset strategy.

Business trips

	2020	2019
Total (thousands of kilometers traveled)	26,924	130,404
Kilometers traveled/person	1,428	7,791

GHG emissions (tCO_2eq)	Comments	2020	2019
Reported data		2,355	29,080
Restatement of data	*Update of emission factors **		(17,672)
Total – On a comparable data basis		**2,355**	**11,408**
TCO_2eq/person		0.125	0.682

* *Air transport emission factors updated by ADEME in 2020*

In 2020, business travel accounted for only 2% of Ubisoft's carbon footprint compared to 25% in 2017. Covid-19 and the closure of borders in many countries have brought all travel almost to a halt since March 2020. As a result, the CO_2 emissions from these trips decreased by 79.4% between 2019 and 2020. However, this decrease is linked to an exceptional situation and does not reflect the reality of a situation outside the pandemic.

Following an agreement between Ubisoft and Air France signed in 2019, the Group offset its business travel-related CO_2 emissions from April to December 2019 on the airlines Air France and KLM. In the 2020 annual report, it was specified that the amount of CO_2 offset via this system would be communicated over the next financial year. Through this sustainable development project supported by these companies, 1,063 tCO_2eq were offset.

In 2020, the Group accelerated the roll-out of remote collaboration solutions such as Microsoft Teams (messaging, video conferencing), Citrix (desktop virtualization), Parsec (event streaming) and Miro (brainstorming, electronic whiteboard). The objective was to encourage team members to replace their business trips with digital solutions for collaboration with their colleagues or customers, while maintaining a high level of productivity and conviviality.

This was particularly successful for the Group's events, which managed to move to virtual formats, including the flagship conference for the general public, "Ubisoft Forward", which broke all concurrent viewership records for previous Ubisoft events at E3 – Electronic Entertainment Expo.

(1) Representing 81% of the Group workforce at March 31st, 2021, compared with 62 sites in 2020, representing 88% of the Group workforce at March 31st, 2020

Buildings

	2020	2019
Consumption of sites in MWh (excluding work from home)	52,268	51,287
Estimated consumption at home of team members in MWh (work from home)	20,940	
Consumption per person in kWh (excluding work from home)	2,772	3,064
Consumption per person in kWh (total)	3,882	
GHG emissions related to electricity consumption (tCO_2eq) [(1)]		
Location-based approach	21,041 [(2)]	14,325
Market-based approach	16,083 [(2)]	9,501 [(3)]
TCO_2eq/person	0.853	0.568

(1) GHG emissions expressed according to the GHG Protocol's location-based and market-based approaches
(2) Including 6,018 tCO_2eq related to working from home
(3) Corrected 2019 data

Over 90% [(1)] of the emissions related to the energy consumption of our buildings comes from their electricity consumption. In 2020, the average electricity consumption per person at Ubisoft sites [(2)] decreased by 9.6% compared to 2019. This decrease is mainly due to working from home, which is estimated at 53% of working days in 2020, based on our annual data collection. It is partly offset by the electricity consumption of the premises that continue to house some team members and that of certain IT equipment that must remain on in order to be controlled remotely. An estimate of the electricity consumed at home by team members and contributing to Ubisoft's business completes this total.

The Group encourages its sites to switch to renewable electricity supplies wherever possible. Thus, in the year 2020, 61.8% of the electricity consumed at the Group's sites came from renewable sources [(3)]. In particular, all the Canadian studios in the Quebec City region are supplied by the energy supplier Hydro-Québec, of which 99% of the electricity is produced by hydroelectric dams.

The Group continues to improve the efficiency and energy restraint of its workspaces, in particular through refurbishment or renovation projects, through continuous improvement of maintenance, heating and air conditioning systems (including through the implementation of smart office automation and zoning solutions) and through the modernization of lighting (LED, low consumption).

FOCUS: CONSTRUCTION OF A NEW BUILDING, LE FLORESCO, FOR THE REGISTERED OFFICE

In Saint-Mandé, the environmental impact of Ubisoft's new registered office was taken into account from the design stage. At the start of the project in 2018, workshops were organized to consult team members' opinions and ideas (sorting, reusable dishes, bulk consumption, etc.). For the Company restaurant, the origin and quality of the products were the main selection criteria for the service provider.

The building was designed according to high environmental standards, which enabled it to obtain BREEAM and HQE environmental certifications (level excellent for each) during its construction phase. The glazed façades, covering nearly 80% of the building complex, make it possible to maximize the use of natural light and limit the use of artificial lighting.

(1) In addition to electricity consumption, some sites use other energy sources for heating, which represent < 1% of the Group's total carbon footprint
(2) Excluding data center consumption
(3) Only sites with a contract specifying a% electricity from the supplier's own renewable energy have been taken into account (methodology respecting technical criteria of RE100 initiative)

IT equipment (excluding data centers)

GHG emissions (tCO_2eq)	Comments	2020	2019
Reported data		10,257	18,884
Restatement of data	*Update of emission factors and lifespan*		(9,351)
Total – On a comparable data basis		**10,257**	**9,533**
TCO_2eq/person		0.544	0.570

In 2020, our IT equipment accounted for 7% of Ubisoft's carbon footprint. On a comparable basis and methodology, emissions in this category amounted to 10,257 tCO_2eq compared with 9,533 for the previous financial year. In addition to the growth in our workforce, this increase of 7.6% is also explained by the Covid-19 pandemic, which forced Ubisoft team members to work remotely, which in particular required the purchase of additional IT equipment. However, this increase is below the rise in our headcount.

FOCUS: UBISOFT'S GREEN IT APPROACH

Aware of the growing environmental footprint of IT (carbon emissions, mining), the Group's IT Department launched a more holistic Green IT approach in 2020 to better understand and reduce its footprint. It began with the participation of key team members of the IT & Purchasing Departments in the Digital Collage workshop and Ubisoft's membership of "Alliance Green IT", the leading professional association on the subject in France and Quebec.

Data centers

	Comments	2020	2019
Total consumption in MWh		27,955	24,755
GHG emissions related to electricity consumption (tCO_2eq) (1)	Market-based approach	1,072	1,360
	Location-based approach	7,953	7,264
Restatement of data	Accuracy of scope (2)	10,203	8,688
Total – On a comparable data basis	**Market-based**	**11,275**	**10,048**

(1) GHG emissions expressed according to the GHG Protocol's location-based and market-based approaches

(2) Addition of fuel consumption, clarification of the i3D.net scope, more accurate server inventory, addition of buildings and reallocation of hosting service purchases to the "Data center" category

In 2020, emissions related to the purchase of hosting services were reallocated to the "Data center" category.

Data centers therefore represented 8% of Ubisoft's carbon footprint in 2020. The 12.2% increase in CO_2 emissions compared to 2019 is related to a 10.9% increase in the use of external hosting services and is partially offset by the increase in the percentage of electricity from renewable energy sources.

Average PUE (1) of the data centers owned by the Ubisoft group remained stable between 2019 and 2020, at around 1.43.

Despite 95.5% (2) of electricity consumed being of renewable origin, the carbon footprint of data centers is significant and their use by team members and players is expected to increase. The Group's business is increasingly based on live services, hence online hosting, and on significant computing power. It is therefore important to anticipate and implement strategies capable of generating efficiency gains in our own data centers, as well as with external hosting and cloud partners. In this respect, several of the Group's partners have made sustainable development commitments and joined collective initiatives such as the Data Center Climate Neutral Pact.

(1) *Power Usage Effectiveness*: ratio between the energy used by the facilities and the energy supplied to the servers. It thus measures the efficiency with which a data center uses energy (lower PUE is preferable)

(2) Only sites with a contract specifying a% electricity from the supplier's own renewable energy have been taken into account (methodology respecting technical criteria of RE100 initiative)

Manufacturing and freight

GHG emissions from manufacturing (tCO_2eq)	2020	2019
Standard and non-standard products	11,626	9,184

In 2020, the manufacture of standard products (physical video games) and non-standard products (tie-in products) accounted for 8% of Ubisoft's carbon footprint. Using a comparable methodology and scope, CO_2 emissions amounted to 11,626 tCO_2eq in 2020 compared to 9,184 in 2019. This increase of 26.6% is due to higher activity in 2020 compared to 2019.

The CO_2 emissions linked to the delivery of these products to points of sale amounted to 1,354 tCO_2eq in 2020.

The increasing digitization of the Group's products makes it possible to mitigate the carbon impact of the growth in sales volumes. In financial year 2019, it is estimated that 48% of games were downloaded digitally, based on the units sold on the Xbox One (Microsoft), PlayStation 4 (Sony) and Switch (Nintendo). In financial year 2021, this share gained more than 15 points compared to financial year 2019.

Purchases

GHG emissions (tCO_2eq)	Comments	2020	2019
Reported data		75,566	0
Unpublished data		0	19,407
Restatement of data	*Update of emission factors and scope* *	0	50,418
Total – On a comparable data basis		**75,666**	**69,825**
TCO_2eq/person		4.01	4.17

* *Update of purchasing categories and emission factors by ADEME (significantly underestimated before 2020). From 2020: allocation of the purchasing category Hosting Services to data center emissions*

In 2020, purchases of services represented 53% of the Group's carbon footprint. CO_2 emissions amounted to 75,666 tCO_2eq compared with 69,825 in 2019, at comparable methodology and scope. Most of these services are purchased from subcontractors or are marketing costs. Purchases of services increased in 2020 due to higher activity than in 2019. The increase in advertising around the release of our games in 2020 was partially offset by the cancelation of events such as E3.

Commuting and visitors

The CO_2 emissions from commuting and visitors are directly linked to the growth in headcount. At comparable scope and methodology, commuting and visitor emissions amounted to 7,117 tCO_2eq compared with an estimate of 13,356 tCO_2eq in 2019. In 2020, this category represented 5% of Ubisoft's carbon footprint. The modes of transport have changed little since 2015, which explains the consistency of emissions per employee since then. Despite the increase in the workforce, these emissions have decreased by 46.7% due to working from home, linked to the Covid-19 pandemic.

DECARBONIZATION OF THE VALUE CHAIN (SCOPE 3)

In 2019, the Group commissioned a life cycle analysis to assess the environmental impacts associated with all stages of the life cycle of its commercial products and services. This theoretical exercise required a complete inventory of the energy and materials required for our value chain: extraction of raw materials, processing, manufacturing of products, distribution, use, recycling and final disposal of materials. Ultimately, it is estimated that the Group's direct operations (scopes 1, 2 and 3 upstream) account for 5% to 10% of total greenhouse gas emissions. The remainder (90% to 95%) comes from scope 3 downstream: emissions beyond Ubisoft's scope, mainly related to the manufacture and use of networks and terminals to access and play games.

Scope 3 – upstream

The Group's objective is to encourage its suppliers to take greater account of sustainable development and decarbonization issues in their product and service offerings (in particular by disclosing their emissions in a transparent manner and by committing to relevant targets for reducing their footprint).

Scope 3 – downstream

Although Ubisoft does not have direct control over this majority of emissions related to its value chain, the Group strives to address them as part of its commitment to contribute to global carbon neutrality. Ubisoft is therefore an active contributor to the "Playing for The Planet" alliance and in particular concerning the joint effort to mobilize the industry around the reduction of its carbon footprint, so that it has tools at its disposal to measure and reduce its emissions. The commitments and initiatives of our main partners in the alliance contribute to the collective effort in which we also participate.

VOLUNTARY CARBON "OFFSET"

In addition to its decarbonization efforts, in 2020 the Group financed projects to avoid and capture greenhouse gases outside its value chain, covering the level of its emissions in 2020 (scopes 1, 2 and 3 upstream). This is a necessary, albeit inadequate, step towards global carbon neutrality as it helps projects around the world to develop carbon sinks or reduce third-party emissions; projects that could not be implemented without the revenue from the sale of carbon credits.

These projects also have several co-benefits for local communities and the environment that reflect the Sustainable Development Goals set by the UN in 2015: job creation, improvement of the health of populations, improvement of access to education, protection of biodiversity, access to drinking water, etc.

For Ubisoft, this means going beyond the recognition of its environmental impact for 2020 and committing to immediate and concrete actions. The financing of these projects is in no way a substitute for emission reduction targets because it is not a physical and effective offset of emissions calculated by the Group in previous years. This is a voluntary and complementary effort by Ubisoft group to contribute to the trajectory of global carbon neutrality.

These voluntary purchases of carbon credits were re-invoiced to the Group's main subsidiaries in order to raise their awareness of their footprint, to make them more responsible and to encourage them to integrate carbon issues into their decision-making and ultimately reduce their own emissions.

As a result, we can consider that the carbon "offset" projects were financed by an internal levy on the carbon emissions of the main subsidiaries.

The Group has joined forces with two partners specializing in the voluntary carbon market to access a large catalog of "offset" projects:

- carbon capture projects (reforestation), capturing emissions already present in the atmosphere;
- greenhouse gas avoidance projects (energy, forest conservation, waste management, etc.), preventing additional emissions from entering the atmosphere.

In the interests of transparency and awareness, the Group invited all of its team members to vote for their favorite projects in January and February 2021. More than 1,900 people (~10% of the total workforce) voted and the most popular projects were supported by Ubisoft:

- reforestation and protection of existing forests and peatlands in Nicaragua, Kenya, Peru, Indonesia and Germany;
- photovoltaic solar power park in the Dominican Republic;
- hydropower plants in China and Indonesia;
- biogas development programs in China and Vietnam;
- plastic recycling in Romania;
- sustainable development projects in the Quebec region of Canada.

FOCUS: THE NET ZERO INITIATIVE

The Net Zero Initiative is an initiative led by a recognized consulting firm and supported by a dozen pioneering multinationals, as well as by a high-level scientific committee. The initiative publishes recommendations that enable organizations to contribute to global carbon neutrality and to manage their climate action in a sincere, transparent and constructive way.

Ubisoft's approach is in line with the guidelines of the Net Zero initiative, which stipulate in particular that the voluntary purchase of carbon credits complements a decarbonization strategy and that gross greenhouse gas emissions should be reported separately from voluntary purchases of carbon credits.

The Group has ensured that all the projects supported comply with the requirements of internationally recognized standards (Gold Standard, VCS, Plan Vivo, etc.) and therefore meet the necessary quality criteria (projects that are actual, measurable, additional, permanent, monitored, verified, and provide the best social and environmental guarantees).

5.7.5 INSPIRE POSITIVELY

TEAM MEMBERS

The Group's carbon footprint shows that several sources of emissions are linked to the daily activities of the teams. Ubisoft accordingly strives to raise awareness among its teams about their environmental impact (information campaigns, organization of group activities, introduction of recycling, donations, reuse of key resources) and included a section dedicated to environmental protection in its new code of conduct for employees. Ubisoft expects its teams to actively participate in the Group's environmental commitment, through their professional activity and their use of the workspaces and resources made available to them.

Awareness-raising and training actions are carried out both at Group level and at local level, at the initiative of each site. These awareness-raising actions can cover various topics: issues related to sustainable development in a broad sense, or related to more specific issues such as plastic waste management or energy savings related to the use of computers and screens.

These various initiatives have contributed to the emergence of a dozen green committees in numerous Ubisoft subsidiaries around the world. These committees participate in the awareness-raising work of their colleagues by sharing simple and smart advice to reduce environmental impacts at work or at home. At the sites concerned, many team members participate directly or indirectly in these committees and their projects.

FOCUS: "GREEN DAYS" IN FRANCE

In October 2020, Ubisoft sites in France took part in the Ubisoft Green Days, an adaptation of the European Sustainable Development Week. A series of workshops and conferences were held to help employees better understand the impact of their daily lives on the environment and the actions they could take to reduce it. The organization of these Green Days is a collective effort, on the initiative of the France green committee (around 400 members), which aims to raise awareness and promote a healthier relationship with our environment.

Recycling rules are not always clear to everyone: many items can be recycled, others not, and recyclable items must be sorted correctly. In addition, the arrival of new recycling bins changed the rules, and the France green committee anticipated that it would be difficult to share these new rules in an engaging and memorable way. Their solution? A game that allows you to understand all this in a fun way: Trinder. The game, which has been designed on the basis of the new instructions, pits players against each other on their ability to correctly and quickly sort the items that appear on the screen.

The talks on the Green Days program (mostly remote) were viewed more than 2,000 times by Ubisoft employees. Topics such as reducing the carbon footprint and protecting the oceans were discussed. The event ended with a conference by a specialist in collective intelligence and deep ecology, who provided the keys to creating a more sustainable and positive future.

Participation in the workshops was enthusiastic, with places quickly filled by team members keen to learn more. The Climate Collage workshop, which takes the form of an interactive card game, asks participants to highlight the links between various elements of our world and our environment and how they are affected by actions and seemingly inconsequential choices. The workshop was led by eight Ubisoft team members, members of the France green committee, who had previously received training in order to be able to spread this positive awareness-raising message themselves.

INDUSTRY PARTNERS WITHIN THE "PLAYING FOR THE PLANET" ALLIANCE

In 2020, Future Games of London, a Ubisoft studio, took part in the Green Game Jam and a decarbonization plan was put in place within the Group.

For 2021, Ubisoft also commits to:

- accelerating its efforts towards carbon neutrality;
- actively participating in the joint effort to improve the calculation of the industry's carbon footprint;
- encouraging its teams to participate in the 2021 Green Game Jam.

FOCUS: THE "PLAYING FOR THE PLANET" ALLIANCE

The "Playing for the Planet" alliance is a group of 29 organizations, members of the private video game sector, which have made voluntary, ambitious, specific and time-bound commitments for people and the planet. Some of the biggest names in the gaming industry (including Sony Interactive Entertainment, Microsoft, Google Stadia, Rovio, Supercell and Ubisoft) have formally committed to harnessing the power of their platforms and games to help tackle the climate crisis.

Under the aegis of the United Nations Environment Program (UNEP) and with the support of GRID-Arendal and Playmob, the Alliance intends to support the video game industry and achieve four fundamental objectives:

- unite industry to reduce its carbon footprint so that it has the tools to measure, reduce and set decarbonization targets;
- inspire environmental action through "green" activations in games;
- share lessons from the initiative so that other members of the industry can follow suit;
- explore new strategies for the future around new games and approaches to storytelling.

PLAYERS

With regard to the Group's commitment to creating games that will inspire its players to act for the environment, promising initiatives are underway in various studios:

- "Steep", Ubisoft Annecy: a key element of the game's success is its fundamental desire to encourage players to develop empathy for nature. By immersing the player in the Alps, the game strives to create a special bond between the player and their natural environment, which is fragile. The hope is that the stronger the bond, the more the player will be inclined to protect an environment that will have contributed to an unforgettable gaming experience;
- "Project Oikos", developed by the Ubisoft Strategic Innovation Lab: the game is a local cooperative gaming experience that teaches players the virtues of cooperation, which is much more rewarding and effective in times of crisis. The players take charge of a small ecosystem: a pond containing four species. The four species and the overall health of the pond are all interdependent. As soon as a gaming session begins, the ecosystem begins to unbalance, and players are tasked with working together to restore and maintain the balance of the pond. Project Oikos is an ambitious attempt to design a game to raise awareness of the challenges of the 21st century. The game encourages players to cooperate to maintain a healthy and balanced environment. It is programmed to use "biomimicry" to contribute to the results of the experience. If one part of the ecosystem collapses, then everything begins to collapse; the relationships between plants and animals in the environment have a direct effect on each other, and problems affecting one species can affect others. If there are too many birds and not enough worms, for example, the birds will have nothing to eat and the environment becomes unbalanced;
- "Hungry Shark World", Future Games of London: in 2020, the studio took part in the Green Game Jam organized by the Playing for the Planet alliance and which brought together some of the biggest names in mobile gaming. The participants, who are normally competitors, came together to collaborate, share and learn from each other, while exploring how to incorporate the theme of environmental protection into their games. The initiative has identified innovative ways to educate and empower 250 million monthly active users on climate change. Thanks to its participation in the jam, the FGOL studio has developed a new update to the game called "Extinction Arctic". This update, to be released in April 2021, will raise awareness about the melting polar ice caps and show the effects of climate change.

FOCUS: THE UBISOFT GREEN DEVELOPERS INITIATIVE

In December 2020, the Ubisoft Green Developers group was created to explore how video games can contribute to a more desirable and greener future. 90 team members across the world responded to the call. The objective of the initiative is to discuss the treatment of environmental topics in games or other types of entertainment in order to help the Group's production teams address the topic in their content as successfully as possible (audience, commercial potential, positive impact on players' environmental behavior). The initiative will also encourage the participation of teams in the 2021 Green Game Jam to enable their players to change their world through games they love.

5.7.6 RISKS RELATED TO THE ENVIRONMENT

The Group's own activities do not present any significant and immediate industrial and environmental risks since the Group does not manufacture the physical supports for the video games and tie-in products it publishes and distributes. Nevertheless, the Group remains alert to regulatory changes in countries where it is present. The Group currently has no knowledge of any industrial or environmental [1] risk which could have a potential impact.

Moreover, in 2019, the Group carried out a study regarding the impact of climate change on its activities.

The three main risks identified in the long term:

- depending on their location, the operating costs of some data centers could rise due to an increase in heatwaves and failure to adapt cooling equipment. A minority of sites must be monitored to 2050;
- gaming devices could be subject to constraints due to the increasing scarcity of certain metals;
- some new gaming modes (5G, cloud gaming) could be constrained by certain energy transition scenarios.

(1) To define an environmental risk, Ubisoft uses reference G4 of the GRI: "An environmental risk refers to the possibility of incidents or accidents occurring that are caused by the activities of a company, which may have harmful and significant repercussions for the environment. Environmental risk is measured by considering the probability of occurrence of an event (risk) and the level of danger."

5.8 Duty of Care Plan

INTRODUCTION

The Duty of Care Plan has been introduced in the context of law No. 2017-399 on the duty of care incumbent upon parent companies and order giver companies (also known as the Duty of Care law). This law focuses on measures aimed at identifying and preventing the risk of serious breaches of human rights and fundamental freedoms, danger to personal health and safety or to the environment, connected with the business of the Group and of the subcontractors and suppliers with which the Group has a commercial relationship (hereinafter, "risk of a serious violation"). For a more detailed description of the measures taken to mitigate the aforementioned risks of a serious violation, please refer to the corresponding challenges listed in the previous sections of Chapter 5.

Given the nature of the Group's business, no intrinsic risk generated directly by the Group's business has been identified as constituting a risk of any serious violation of human rights or a danger to personal health and safety or to the environment. Any risks of a serious violation identified are potential indirect risks generated by the Group's subcontractors. These risks will therefore be set out in greater detail at the end of this Duty of Care Plan. The Group nevertheless details here all of the risks identified, even where these would not constitute a risk of serious violation.

STEERING AND GOVERNANCE

The deployment of the measures connected with compliance with the Duty of Care law is steered by the CSR Department. The measures taken to promote compliance with human rights, personal health and safety, and environmental rights in relation to suppliers and subcontractors are taken by the teams in charge of purchasing and the tools and methodologies used are developed jointly by and between the CSR, Purchasing, and Legal teams.

The Duty of Care Plan is integrated in the existing approaches, policies and commitments relating to CSR. The Duty of Care law offered an opportunity to set up new procedures and tools. However, it also allowed the actions already taken in this area to be reinforced, in particular, those linked to the management of suppliers.

INVOLVEMENT OF STAKEHOLDERS

In 2019, Ubisoft launched a consultation process with its internal and external stakeholders, in the form of an analysis of the materiality of the 20 challenges represented by Ubisoft's CSR strategy presented in the governance section of Chapter 5. The stakeholders contacted, comprising gamers, Ubisoft's business partners, and members of the Group's management, were asked to assess their expectations with regard to each of the challenges identified. This materiality analysis has enhanced the way in which we have mapped risks of serious violations against key priorities [(1)].

In 2020, the Group improved its processes for employees to share their concerns in order to promote a respectful working environment.

RISK MAPPING AND ACTIONS TAKEN

Risk mapping methodology

Ubisoft is committed to identifying and reducing the impact of its risks of serious violations. In order to rank these in order, the Group identifies risks in accordance of the probability of these occurring and their severity. The severity of the risks identified is measured using three criteria:

- scope qualifies the severity of the consequences for any stakeholders impacted;
- scale qualifies the number of individuals potentially impacted by the risk in question;
- ability to remedy qualifies Ubisoft's ability to remedy any violations potentially caused, or to offer compensation on a scale and level comparable with the violation.

This methodology follows the recommendations made by the OECD in relation to risk management and impacts on corporate stakeholders [(2)]. For certain specific risks, the relevant teams at Ubisoft have referred to the risk analysis methodologies and impact studies generated by the knowledge of the sector and its best practice. This is in particular the case for those risks linked to the use and retention of personal data.

(1) See 5.2.1. *Corporate social responsibility strategy*

(2) OECD (2018), OECD Due Diligence Guidance for Responsible Business Conduct, p. 46

As a reminder, none of the risks associated with the Group's direct business has been identified as constituting a risk of serious violation in terms of probability and severity, in particular thanks to the risk mitigation measures put in place and detailed below. The Group has endeavored to detail the risks identified. Moreover, particular attention has been paid to the indirect risks generated by subcontracting, detailed in the final part of this plan.

Risks linked to the use by the Group of player and employee personal data

By its nature, Ubisoft's business requires the collection of a certain amount of personal data in relation both to Group employees and to players. These data may sometimes include more sensitive personal data (data relating to an individual's identity or certain bank information relating to employees). For this reason, Ubisoft is committed to taking the appropriate measures to protect the privacy and personal data of its employees and of the third parties with which the Group does business (gamers, suppliers, partners). Ubisoft has chosen to conduct its compliance program on the basis of the tools made available by the CNIL (for example, its risk mapping exercise related to the use of personal data uses the impact scales published by the CNIL [(1)]).

This mapping has highlighted two types of potential risk:

- internal risks linked to a potential IT or behavioral error by the Group, one of its team members or partners, leading to a loss of personal data;
- external risks linked to malicious action by a third party targeting the Group with the aim of stealing or unlawfully using personal data, having a direct impact on our stakeholders.

For the optimal protection of the data in its possession, Ubisoft has adopted multiple standards and procedures defining the principles and measures to be applied and implemented when processing personal data. As Ubisoft has an extremely strong international presence, the Group has put in place strict, harmonized measures for the protection of personal data, in compliance in particular with European Union regulations (the General Data Protection Regulation or GDPR [(2)]). Ubisoft goes beyond the strict regulatory framework by gradually applying GDPR globally.

The measures put in place to manage our internal risks include:

- the development of specialist teams;
- the reinforcement of the means of control offered to players and employees concerning the use of their personal data (for players: a program of transparency and options for better control of personal data in the various universes in which Ubisoft is present, either on cell phones, PCs or consoles). The confidentiality policies are regularly updated to meet the expectations of players in terms of transparency and their full understanding of the different ways in which their data is used. The options offered to players in the Ubisoft account are also regularly updated to enable them to better control the use of their data for marketing and advertising purposes;
- the principle of Privacy by Design: the inclusion of respect for personal data from the start of the process of designing any new services or implementing new data processing methods;
- the development of data base mapping in order to have greater knowledge of and control over all supports used for the storage of personal data;
- communication and awareness-raising actions among employees;
- reinforced contractual requirements in relation to personal data with our partners (signature of data protection agreements with third parties);
- operating resources used for the secure sharing of data with third parties;
- operating and technical resources to ensure data security and confidentiality;
- the conducting of impact studies relating to privacy [(3)] (privacy impact assessments).

The measures put in place to manage our external risks linked to malicious actions include:

- the implementation of procedures by the Customer services department to check the identity of relevant individuals prior to the disclosure of personal data;
- the implementation of a security program aimed at reducing the risk of any data loss from our personal data storage systems;
- the implementation of a program for our teams aimed at raising awareness on the subject of data security;
- the Privacy By Design process cited above, which also includes security aspects.

In all cases, we report personal data breaches to the relevant data protection authorities and people concerned in accordance with applicable regulations. We have also put in place operational means to ensure responses to legal and administrative requests.

(1) CNIL, Analyse d'impact relative à la protection des données [Data protection impact analysis], February 2018

(2) In Europe, the General Data Protection Regulation ("GDPR") which came into force on May 25, 2018, has harmonized the domestic legislation of European countries in relation to data privacy. This legislation has considerably increased the legal constraints applicable to the business carried out by companies that process personal data, in particular, by imposing a new principle of accountability which requires any company processing personal data to be able at all times to demonstrate that it is GDPR-compliant

(3) Ubisoft has therefore chosen to adopt the methodology proposed by the CNIL

Risks linked to the Group's position as a responsible employer [1]

The risks identified by the Group in relation to its position as a responsible employer do not currently constitute a risk of any serious violations. Amount the risks identified:

- **psycho-social risks** connected to changes in working patterns during the development phase of our games: Ubisoft pays close attention to the work-life balance of its team members and ensures that the number of hours worked by its teams is rigorously monitored, thus being able to offer the compensatory mechanisms for the most intense periods of work. Moreover, the Group is committed to ensuring the mental and physical health of all team members through a wide range of initiatives (access to healthy food, sports facilities, etc.), thereby avoiding potential health risks. In 2019, organizational changes to the way in which our games are produced had positive consequences for the organization of the hours worked by the development teams. The periods granted for the completion phase were increased to 12 months in order to limit the crunch phenomenon (acceleration in the pace of work in preparation for the launch of a game);
- **the risk of harassment and discrimination at work**: following the allegations of inappropriate behavior published in the summer of 2020, the Group set up a dedicated crisis unit to manage all the situations encountered with the help of an external expert. A survey and dedicated sessions were held to listen to all team members. An overall audit of HR processes was conducted by an external firm. Lastly, training on harassment and non-discrimination was rolled out on all sites from late summer 2020. The results of the surveys and the audit made it possible to draw up a corrective action plan that the project team is gradually implementing at the heart of the organization;
- **risk of insecure working conditions for our teams**: Ubisoft uses temporary and seasonal employment on a limited basis and keeps a significant part of the secondary activities relating to game development (testing, translation, call centers) in-house. Those positions with working conditions generating the greatest exposure to risks of insecurity are closely monitored by our HR teams which, where possible, develop career pathways enabling employees to find long-term positions in the industry.

FOCUS: MANAGING THE COVID-19 CRISIS

A strategic and cross-functional crisis unit was activated to deal with the impacts of the Covid-19 crisis. Several initiatives have been launched at Group level and local crisis units have been set up to manage the crisis according to geographical realities.

Government measures and risks to the Group's operations were monitored on a regular basis at the height of the pandemic. The report was shared with the members of the crisis unit and the Executive Committee. Ubisoft quickly identified the areas most at risk and was able to react accordingly. Analyses were carried out to prepare for the various scenarios that the crisis could have taken and have enabled Ubisoft to quickly implement measures to limit the impact of the pandemic.

The technical solutions deployed, in particular to enable working from home, have been implemented on a permanent basis. If it is impossible to maintain activity in the offices, remote working will be facilitated for all employees, everywhere in the world.

Risks linked to the Group's environmental impact [2]

The nature of its activities means that the Group has not identified any risk of serious damage to the environment or to the ecosystems identified. The only risks identified represent a minor and structural impact, such as the carbon impact. As Ubisoft is growing rapidly, the number of employees in the Group is expected to increase; the carbon footprint linked to the activities of the Company is also likely to rise. Ubisoft has therefore set a target for reducing GHG emissions per employee by December 2023. To achieve this objective, the Group has set up a decarbonization plan for its direct operations, combined with the financing of carbon "offset" projects.

Risks connected to outsourcing – General

The use of outsourcing generates a specific set of risks:

- a risk of a serious human rights breach (such as forced labor or child labor);
- a risk of a serious personal health and safety breaches (such as non-compliance with HSE standards linked to industrial and/or manufacturing work);
- a risk of serious environmental damage (such as unlawful practices relating to the handling of waste products or hazardous substances).

Within the Group, purchasing is handled by all of the entities and may be split across various operational departments based on category.

(1) See 5.4. *Acting as a responsible employer*

(2) See 5.7 *Optimizing our environmental impact*

Risks connected to outsourcing – Risk mapping by purchasing category

To identify risks of major breaches, purchasing risks have been analyzed on a category by category basis. For each purchasing category, the risk has been analyzed using a scale ranging from "Low" to "Moderate" to "High." There are three decisive criteria:

- estimated annual expenditure;
- key known CSR risks;
- existence of due diligence procedures.

Risk level	Low	Moderate	High
Purchasing family	♦ Administration ♦ Telecoms ♦ Marketing	♦ Video gaming – standard products: discs, cartridges, game cases ♦ Building management ♦ IT services ♦ Non-creative consulting and services ♦ General and administrative expenses ♦ Software ♦ Travel	♦ Video gaming – non-standard products: limited editions, tie-in products (figurines, accessories, textiles) ♦ Outsourced production services (testing, animation, subcontracting) ♦ Post-launch gaming and certification operations (customer support) ♦ Computer hardware ♦ Work

Risks connected to the Standard products purchasing category

Standard products (hard copy video games: discs, cartridges, and their packaging: game cases) are moderate risk as this manufacturing is managed directly by the Ubisoft partner companies known as First Parties, which control the production of the games consoles on which Ubisoft games are played: Microsoft, Sony, Nintendo. These companies send Ubisoft the technical specifications which must be complied with and impose their choice of suppliers.

These technical specifications include criteria related to respect for human rights and fundamental freedoms, personal health and safety, and the environment. Most of the plants involved in the manufacturing of the products listed above have therefore received ISO 9001 certification, as a guarantor of the Safety and Quality process, or ISO 14001 certification specific to the environment. This in particular concerns the providers of Ubisoft's logistics services and those plants tasked with the manufacturing and assembly of all discs and game cases.

Risks connected to the Non-standard products purchasing category

According to the risk mapping, one of the most high-risk purchasing categories is the non-standard products category. This mostly concerns tie-in products relating to Group brands.

This category covers high volume purchases that may reach several hundred thousand items per order, with significant production manpower requirements. Part of these orders are placed in countries in which the requirements in terms of safety in the workplace, environmental protection, or labor law may be less stringent than those imposed by the international standards and agreements with which Ubisoft has made a commitment to comply, in particular in terms of human rights [(1)].

In order to minimize the risks of this purchasing category, a document called "Ubisoft Manufacturing Quality Guidelines" aims to control the risks related to fundamental human rights, health and safety at work and environmental protection. This procedure is presented and signed by all the suppliers concerned. This is a contractual document and is binding upon suppliers.

In addition, in order to identify all potential risks of serious violations and to reinforce the process used for the selection and monitoring of suppliers within this category of purchases, the department responsible for arranging supplies of non-standard products completes a risk assessment based on the type of product, the project's strategic issues and the country of manufacture. Each order is assigned a risk level ranging from 1 (low) to 3 (high). The procedure has been improved, requiring the entire supplier panel to sign a Manufacturing Agreement. Previously, only risk level 3 suppliers were concerned. This framework agreement was strengthened to include clauses relating to the Duty of Care and Sapin 2 laws. These ensure better monitoring of our suppliers and any subcontractors, as well as specific clauses to combat the risks of corruption and money laundering.

Finally, when any new risk level 3 order is signed, the relevant subcontractors may be asked to undergo corporate audits carried out on-site by independent third parties. The reference standard used is SA 8000, relating to compliance with fundamental human rights, occupational health and safety and environmental protection. As of March 31st, 2021, the three largest suppliers in terms of annual purchases had all of their production sites audited on the basis of the SA 8000 standard. Compliance with applicable local laws and regulations and the application of this standard are closely monitored throughout the relationship between Ubisoft and the partner company.

(1) In particular, the International Labor Organization (ILO) conventions Nos. 87 and 98 on Freedom of Association and Protection of the Right to Organize and Collective Bargaining Rights; ILO Conventions Nos. 138 and 182 on Child Labor; ILO Conventions Nos. 29 and 105 on Forced Labor

Following these audits and depending on their findings, corrective action plans may be sent to the subcontractors and monitored over time by the non-standard product purchasing teams to ensure that practices are improved and meet Ubisoft standards. These plans include measures such as:

- reduction in working hours;
- mandatory rest periods;
- new health and safety regulations;
- training on subjects such as health and safety in the workplace;
- improved technical fixtures (floor markings, emergency exists, illuminated signs, fire prevention equipment, etc.);
- best practices in terms of environmental protection.

Risks linked to purchasing categories other than those relating to the manufacturing of video games and tie-in products

These categories include building management, IT services, non-creative services and consulting, general and administrative items, etc.

For these categories, a risk analysis procedure covering the scope of the Duty of Care and Sapin 2 Laws (human rights and fundamental freedoms, personal health and safety, the environment, corruption) is gradually put in place. At this stage, it covers 38% of expenses related to these categories of purchases considered to be high risk. This procedure is managed and rolled out by the Group's Purchasing Department. This involves a three-stage procedure aimed at assessing the level of risk of suppliers:

- the first stage consists of a pre-analysis questionnaire completed by the purchaser using the information provided by the supplier during the sourcing process, information available in-house, and publicly-available information;
- on the basis of the results obtained, due diligence must then be carried out with a more in-depth analysis which may lead to the drafting of an action plan with the service provider;
- if the detailed analysis produces an unsatisfactory result but the process for the negotiation of a contract is to continue, the purchaser then launches an escalation procedure which leads to the case being put to a committee of internal independent experts who will issue an opinion on the supplier in question and make a decision as to whether the supplier can be retained on the basis of the CSR criteria. If the decision is made to proceed with the signature of a contract with the service provider, specific tools are then used (specific contractual clauses and work on an action plan with the service provider).

If the escalation process is triggered, the purchaser flags up the case of the short-listed supplier for signature of a contract. An initial committee is involved and is given 72 hours to reach a decision on the specific case of the supplier. This committee is comprised of the manager of the purchaser and/or a business line expert and a risk expert from the CSR Department. They determine jointly whether the risks identified during the course of the detailed analysis process are real, serious, or minor, whether they can be mitigated via an action plan, or whether they are unchangeable. They may block the signature of a contract at their level, validate it and allow the process to be continued, or, for suppliers of particular strategic importance to the Group, the experts from this first committee may choose in turn to bring the case before a second committee comprised of members of top management from the Group's CSR, Purchasing, and Legal Departments. This second committee makes a final decision on the case relating to the supplier and the purchaser which initially triggered the escalation process is then informed.

In addition to this preliminary procedure applicable prior to the signature of any contract, teams from the Purchasing Department complete regular assessments of the suppliers within their scope. These procedures for the assessment of service providers include CSR criteria. These assessments enable confirmation to be provided that the service provider is compliant with CSR criteria during the supply phase and guarantee the monitoring of the progress plan put in place, based on the risks escalated.

All purchasing units were provided with training on these new procedures in 2019.

Finally, all contracts include clauses relating to respect for human rights and fundamental freedoms, personal health and safety, and the environment. These clauses also cover compliance with anti-corruption legislation, in particular, France's Sapin 2 law.

MONITORING OF THE MEASURES

The measures set out in the Duty of Care Plan are of two types:

- measures decided and put in place directly by the game production studios or by management of the Group's subsidiaries. Certain of these measures were defined and implemented prior to the coming into force of the Duty of Care law and these have been integrated into the day-to-day processes used by the teams in charge, as from their application;
- measures decided by the CSR Department. The Department monitors these directly. The teams in charge of specific measures work on the definition of monitoring indicators that will enable analysis of changes in the rate of coverage of the actions rolled out.

Finally, all of these new procedures are integrated into the internal audit and control measures.

WHISTLEBLOWING MECHANISM

In the course of 2020, the internal whistleblowing system in place to enable teams to report potential serious breaches by suppliers and subcontractors was extended for all breaches of the Group's code of conduct, including any breaches of international or local laws. This mechanism is managed at a Group level and hosted by a platform independent from Ubisoft, which guarantees the protection of the whistleblower. The whistleblower may choose to remain anonymous, or allow the individuals tasked with investigating the alert to be informed of his or her identity. The alert is then escalated to one of the specialist committees, based on the subject matter, in order to be dealt with.

5.9 Report by one of the Statutory Auditors, appointed as an independent third party organization, on the consolidated Statement of non-financial performance

This is a free translation into English of one of the auditors, appointed independent third party, on the consolidated non-financial performance statement issued in French language and it 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 Shareholders,

As Statutory Auditors of your Company (hereafter "entity") appointed as an independent third party organization (OTI), accredited by the COFRAC under number 3-1049 (1), we hereby present our report on the consolidated Statement of non-financial performance relating to the financial year ended March 31st, 2021 (hereafter the "Statement"), presented in the entity's management report in application of the provisions of articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French commercial code.

RESPONSIBILITY OF THE ENTITY

The Board of directors is responsible for preparing a Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied in respect of these risks and the results of these policies, including key performance indicators.

The Statement was prepared by applying the entity's procedures (hereafter the "Guidelines") for which the significant items are presented in the Statement and available on request from the entity's registered office.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by the provisions of article L. 822-11-3 of the French commercial code and our professional code of ethics. Furthermore, we have set up a quality control system that includes documented policies and procedures that aim to ensure compliance with applicable laws and regulations, ethical rules and professional standards.

RESPONSIBILITY OF THE STATUTORY AUDITORS APPOINTED AS AN INDEPENDENT THIRD PARTY ORGANIZATION

Based on our work, it is our responsibility to formulate a reasoned opinion expressing a conclusion of moderate assurance on:

- the compliance of the Statement with the provisions of article R. 225-105 of the French commercial code;
- the accuracy of the information provided pursuant to 3° of I and II of article R. 225-105 of the French commercial code, *i.e.* the results of the policies, including the key performance indicators, and the actions with regard to the main risks, hereafter the "Information".

However, it is not our responsibility to express an opinion on the entity's compliance with any other applicable legal and regulatory provisions, in particular concerning the Duty of Care Plan and combatting corruption and tax evasion, nor on the compliance of the products and services with applicable regulations.

(1) Cofrac Inspection accreditation, No. 3-1049, available on the website www.cofrac.fr

NATURE AND SCOPE OF WORK

Our work described below was carried out in accordance with the provisions of articles A. 225-1 et seq. of the French commercial code, the professional doctrine of the *Compagnie Nationale des Commissaires aux Comptes* relating to this intervention, and the international standard ISAE 3000 (1) :

- we took note of the activity of all entities included in the scope of consolidation and the presentation of the main risks;
- we assessed the appropriateness of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account industry best practice where relevant;
- we verified that the Statement covers each category of social and environmental information required by III of article L. 225-102-1, as well as the information pursuant to paragraph 2 of article L. 22-10-36 with respect to human rights and the fight against corruption and tax evasion;
- we verified that the Statement presents the information required by II of article R. 225-105 when it is relevant in view of the main risks and includes, if applicable, an explanation of the reasons justifying the absence of information required by the 2nd paragraph of III of article L. 225-102-1;
- we verified that the Statement presents the business model and a description of the main risks related to the activity of all of the entities included in the scope of consolidation, including, where relevant and proportionate, the risks created by the business relations, products or services, as well as the policies, actions and results, including the key performance indicators related to the main risks;
- we consulted documentary sources and carried out interviews to:
  - assess the selection and validation process for the main risks as well as the consistency of the results, including the key performance indicators selected, in view of the main risks and policies presented,
  - substantiate the qualitative information (actions and results) that we considered to be the most significant presented in the Appendices. For certain risks (1) our work was carried out at the level of the consolidating entity, for other risks, work was carried out at the level of the consolidating entity and in a selection of entities (2);
- we verified that the Statement covers the consolidated scope, *i.e.* all entities included in the scope of consolidation in accordance with article L. 233-16;
- we took note of the internal control and risk management procedures set up by the entity and assessed the collection process that aims to ensure the completeness and accuracy of the Information;
- for the key performance indicators and the other quantitative results that we considered to be the most significant presented in the Appendices, we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of their changes,
  - detailed tests based on sampling, to check the proper application of the definitions and procedures and to reconcile the data with the supporting documents. This work was carried out for a selection and covers between 18% and 44% of the consolidated data selected for these tests;
- we assessed the consistency of the Statement as a whole compared to our knowledge of all of the entities including in the scope of consolidation. We consider that the work that we carried out by exercising our professional judgment allows us to formulate a conclusion of moderate assurance; a higher level of assurance would have required a more extensive review.

MEANS AND RESOURCES

Our work called on the expertise of five individuals and took place between January and May 2021 over a total period of three weeks.

We called upon the assistance of our experts in sustainable development and social responsibility in performing our work. We carried out around ten interviews with the people responsible for preparing the Statement.

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

(2) Risks related to relations with our business partners; Risks associated with game use

(3) **Social indicators:** Ubisoft EMEA, Ubisoft Paris, Ubisoft Srl Romania, and Ubisoft Ukraine LLC

Environmental indicators: Bucharest, Castelnau Le Lez, Kiev, Montreuil Carrel, Montreuil Lagny, Montreuil Marceau, and Toronto

CONCLUSION

Based on our work, we did not identify any material misstatements likely to call into question the fact that the consolidated Statement of non-financial performance complies with the applicable regulatory provisions and that the information, taken as a whole, is presented fairly, in accordance with the Guidelines.

Paris-La Défense, May 31, 2021

KPMG S.A.

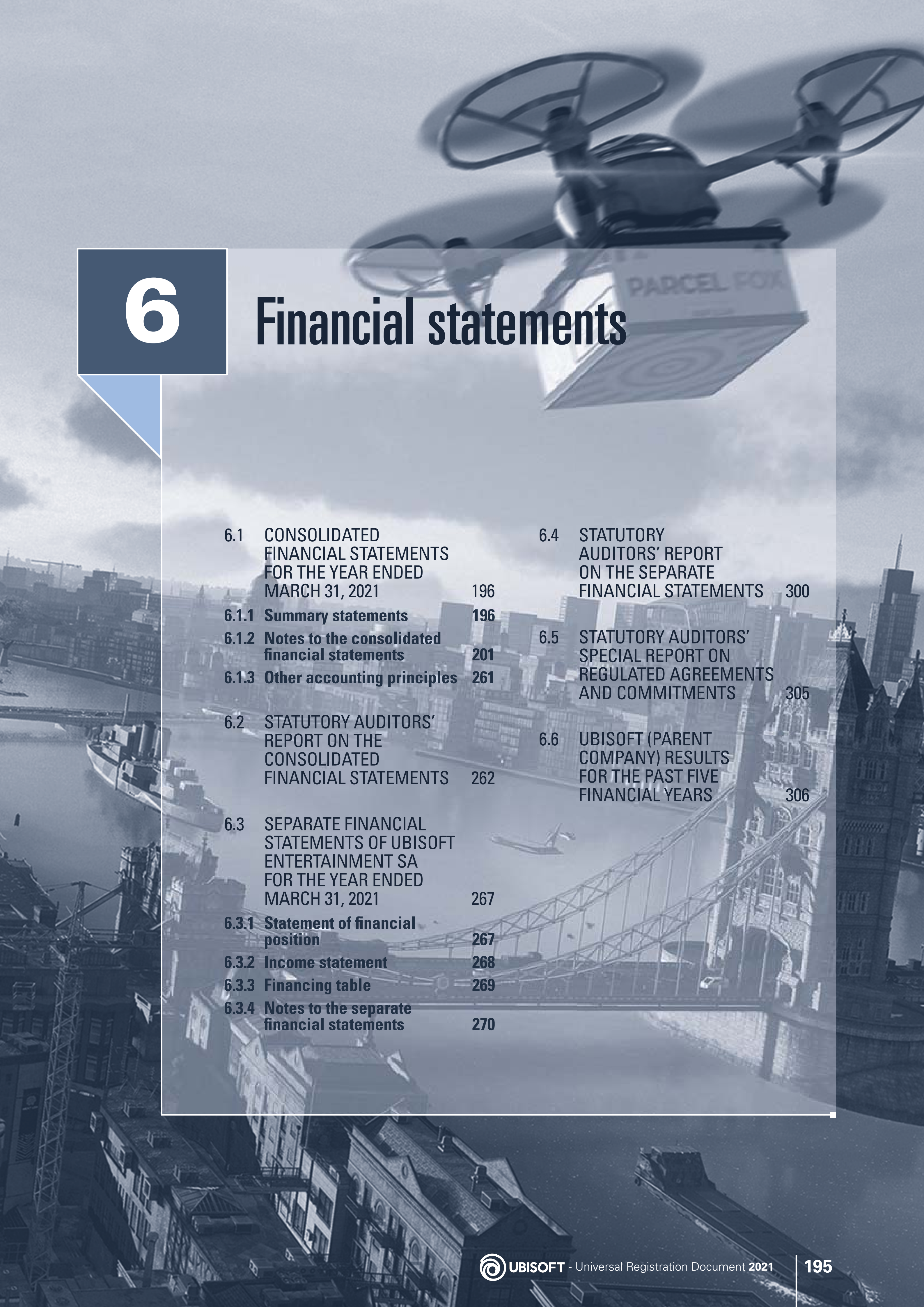
Anne GARANS
Partner
Sustainability Services

Vincent BROYÉ
Partner

APPENDICES

Qualitative information (actions and results) considered to be the most significant
Actions implemented to contribute to employee well-being
Mechanisms for attracting and retaining talent
Policies and actions implemented to promote diversity
Measures implemented to guarantee equal opportunities for men and women
Optimizing the environmental impact
Stakeholder involvement in the commitment to carbon neutrality
Mechanisms implemented for responsible purchasing and the assessment of suppliers and sub-contractors
Group CSR commitments
Measures taken in favor of product strategy, brand positioning and management
Measures taken to protect player health and safety
Actions to promote regional development
Policy and mechanisms implemented to protect personal data
Carbon intensity (CO_2 emissions, metric tons equivalent per person) & carbon "offset"
Measurement of the implementation of CSR risk analysis tools compliant with Sapin 2 and Duty of Care in the centralized purchasing scope
Measures put in place for players to ensure positive and safe use of games

Key performance Indicators and other quantitative results considered to be the most important
Total headcount at 03/31 and breakdown by age, gender and geographical area
% of average headcount trained
Number of training hours per employee trained
Occupational accident frequency rate
Occupational accident severity rate
Number of days of employee absence (occupational accidents, illness, all reasons) per employee
Percentage of women managers
Electricity consumption (excluding servers)
Percentage of electricity from renewable sources
Number of kilometers traveled by plane
Percentage of local employees registered at the end of the period



6 Financial statements

6.1 Consolidated financial statements for the year ended March 31, 2021

6.1.1 SUMMARY STATEMENTS

Statement of financial position

ASSETS

(in € millions)	Notes	Net 03/31/21	Net 03/31/20
Goodwill	17 to 20	220.7	334.6
Other intangible assets	21 to 23	1,453.2	1,115.3
Property, plant and equipment	24 to 25	199.8	174.4
Lease right-of-use assets	27 to 28	282.1	229.9
Investments in associates		-	-
Non-current financial assets	38	16.1	13.7
Deferred tax assets	31	173.1	169.3
Non current assets		**2,345.0**	**2,037.2**
Inventory	10	23.1	12.4
Trade receivables	5	342.7	307.1
Other receivables	12/32	260.6	127.5
Current financial assets	38	-	0.5
Current tax assets		45.7	41.0
Cash management financial assets	37	239.9	-
Cash and cash equivalents	37	1,627.7	1,079.2
Current assets		**2,539.8**	**1,567.6**
TOTAL ASSETS		**4,884.8**	**3,604.8**

LIABILITIES AND EQUITY

(in € millions)	Notes	03/31/21	03/31/20
Share capital	47 to 48	9.6	9.4
Premiums		556.0	475.4
Consolidated reserves	50 to 51	987.1	955.4
Consolidated earnings		103,1	(125.6)
Equity attributable to owners of the parent company		**1,655.7**	**1,314.6**
Non-controlling interests	52	9.3	7.2
Total equity		**1,665.0**	**1,321.7**
Provisions	34	5.0	3.1
Employee benefit	14	21.6	15.8
Long-term borrowings and other financial liabilities	37	1,894.9	1,176.2
Deferred tax liabilities	31	158.5	109.5
Other non-current liabilities	34	34.4	59.6
Non-current liabilities		**2,114.3**	**1,364.2**
Short-term borrowings and other financial liabilities	37	200.0	246.9
Trade payables	11/26	152.0	139.2
Other liabilities	6/34	737.8	517.7
Current tax liabilities		15.8	15.1
Current liabilities		**1,105.5**	**918.9**
TOTAL LIABILITIES		**4,884.8**	**3,604.8**

Consolidated income statement

(in € millions)	Notes	03/31/21	%	03/31/20	%
Sales	**4**	**2,223.8**	**100%**	**1,594.8**	**100%**
Cost of sales		(325.7)		(253.1)	
Gross profit		**1,898.1**	**85%**	**1,341.8**	**84%**
R&D costs	8	(827.1)		(720.8)	
Marketing costs	8	(442.8)		(386.6)	
Administrative and IT costs	8	(228.4)		(193.0)	
Profit (loss) from ordinary operating activities		**399.8**	**18%**	**41.3**	**3%**
Other non-current operating expenses	9	(110.4)		(100.8)	
Other non-current operating income		-		-	
Operating profit (loss)		**289.4**	**13%**	**(59.5)**	**-4%**
Interest expense		*(18.4)*		*(18.1)*	
Interest income on cash and cash equivalents		*1.1*		*4.2*	
Net borrowing costs		(17.4)		(13.9)	
Net foreign exchange gains/losses		(8.2)		(3.8)	
Other financial expenses		(27.0)		(1.5)	
Other financial income		1.0		0.1	
Net financial income	**36**	**(51.6)**	**-2%**	**(19.1)**	**-1%**
Share of profit of associates		-		-	
Total income tax	29 to 30	(132.6)	-6%	(45.7)	-3%
PROFIT (LOSS) FOR THE PERIOD		**105.2**	**5%**	**(124.2)**	**-8%**
Profit (loss) attributable to owners of the parent company		103.1		(125.6)	
Profit (loss) attributable to non-controlling interests	52	2.1		1.4	
Earnings per share attributable to parent company	**53**				
Basic earnings per share *(in euros)*		0.87		(1.12)	
Diluted earnings per share *(in euros)*		0.85		(1.12)	

Statement of comprehensive income

(in € millions)	03/31/21	03/31/20
Net profit (loss) for the period	**105.2**	**(124.2)**
Items reclassified subsequently under profit or loss	**23.0**	**(21.3)**
Foreign exchange gains and losses on foreign operations	23.0	(21.3)
Effective part of the change in fair value of cash flow hedges	-	-
Tax on other comprehensive income reclassified subsequently under profit or loss	-	-
Items not reclassified subsequently under profit or loss	**(1.9)**	**0.8**
Actuarial gains and losses on post-employment obligations	(2.6)	1.1
Tax on other comprehensive income not reclassified subsequently under profit or loss	0.7	(0.3)
Other profit (loss) not reclassified subsequently under profit or loss	-	-
Other comprehensive income	**21.1**	**(20.5)**
COMPREHENSIVE INCOME FOR THE PERIOD	**126.3**	**(144.7)**
Attributable to		
♦ Owners of the parent company	124.2	(146.1)
♦ Non-controlling investments	2.1	1.4

Consolidated table of change in equity

(in € millions)	Capital	Premiums	Reserves [2]	Trading on own shares [3]	Foreign exchange gains and losses	Financial year net income	Total owners of the parent	Attributable to non-controlling interests	Total equity
	Attributable to owners of the parent company								
			Consolidated reserves						
SITUATION AT 03/31/19	**8.7**	**51.3**	**1,212.6**	**(415.9)**	**(36.6)**	**100.0**	**920.0**		**920.0**
Net income						(125.6)	(125.6)	1.4	(124.2)
Other comprehensive income			0.8		(21.3)		(20.5)		(20.5)
Comprehensive income	**-**	**-**	**0.8**	**-**	**(21.3)**	**(125.6)**	**(146.1)**	**1.4**	**(144.7)**
Allocation of consolidated profit (loss) in N-1			100.0			(100.0)	-		-
Changes in scope							-	5.8	5.8
Change in the share capital of the parent company	0.7	424.2					424.9		424.9
Equity component [1]			23.1				23.1		23.1
Options on ordinary shares issued			53.8				53.8		53.8
Sales and purchases of own shares			(16.7)	109.9			93.2		93.2
Commitment to purchase minority shareholders' shares			(54.4)				(54.4)		(54.4)
SITUATION AT 03/31/20	**9.4**	**475.4**	**1,319.2**	**(306.0)**	**(57.8)**	**(125.6)**	**1,314.6**	**7.2**	**1,321.7**
Net income						103.1	103.1	2.1	105.2
Other comprehensive income			(1.9)		23.0		21.1	-	21.1
Comprehensive income	**-**	**-**	**(1.9)**	**-**	**23.0**	**103.1**	**124.2**	**2.1**	**126.3**
Allocation of consolidated profit (loss) in N-1			(125.6)			125.6	-		-
Changes in scope									
Change in the share capital of the parent company	0.2	80.5					80.7		80.7
Options on ordinary shares issued			56.8				56.8		56.8
Sales and purchases of own shares			(11.9)	43.3			31.4		31.4
Commitment to purchase minority shareholders' shares			48.0				48.0		48.0
SITUATION AT 03/31/21	**9.6**	**556.0**	**1,284.6**	**(262.7)**	**(34.8)**	**103.1**	**1,655.7**	**9.3**	**1,665.0**

(1) OCEANE bonds are a hybrid instrument composed partially of "debt" and partially of "equity capital"

(2) The amounts recognized in equity under IFRS 2 and IAS 32 ("equity" component of the OCEANE) have been reclassified from premiums to consolidated reserves for all periods presented

(3) Capital gains or losses on own shares, previously presented in the column "Transactions on own shares", have been reclassified in the column "Reserves" for all periods presented

Cash flow statement

(in € millions)	Notes	03/31/21	03/31/20
Cash flows from operating activities			
Consolidated profit (loss)		105.2	(124.2)
Share of profit of associates		-	-
Net amortization and depreciation on property, plant and equipment and intangible assets	17/21/24/27	658.7	619.4
Net provisions	5/10/14/34	(16.1)	2.3
Cost of stock-based compensation	15	56.8	53.8
Gains/losses on disposals		0.9	0.7
Other income and expenses calculated		32.6	10.6
Income tax expense	29	132.6	45.7
Cash flows from operating activities before changes in working capital		**970.7**	**608.2**
Inventory	10	10.9	20.2
Trade receivables	5	(45.7)	182.9
Other assets (excluding deferred tax assets)	32	(131.4)	58.2
Trade payables	11/26	1.2	(49.2)
Other liabilities (excluding deferred tax liabilities)	34	316.8	(51.8)
Deferred income and prepaid expenses	6/12	(81.1)	(96.5)
Change in working capital linked to operating activities		**70.6**	**63.7**
Current income tax expense		(83.4)	(71.6)
Cash generated by operating activities [(1)]		**957.9**	**600.4**
Cash flows from investing activities			
Payments for internal and external developments	22	(753.2)	(651.2)
Payments for other intangible assets	22	(18.7)	(17.8)
Payments for property, plant and equipment	25	(78.1)	(87.1)
Proceeds from the disposal of intangible assets and property, plant and equipment		0.1	0.2
Payments for the acquisition of financial assets	38	(200.4)	(215.7)
Refund of loans and other financial assets	38	198.1	210.5
Change in scope [(2)]		(16.0)	(143.7)
Cash used from investing activities		**(868.2)**	**(904.9)**
Cash flow from financing activities			
New borrowings	37	1,139.6	935.2
Refund of lease borrowings	37	(35.7)	(35.6)
Refund of borrowings	37	(506.8)	(584.9)
Funds received from shareholders in capital increases		80.7	81.5
Change in cash management financial assets	37	(239.9)	-
Sales/purchases of own shares	50	25.8	35.3
Cash generated by financing activities		**463.8**	**431.5**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**553.6**	**127.0**
Cash and cash equivalents at the beginning of the period		986.9	878.6
Foreign exchange losses/gains		24.7	(18.7)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**1,565.2**	**986.9**
(1) Including interests paid		*(10.3)*	*(9.4)*
(2) Including cash in companies acquired and disposed of		*-*	*20.2*

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The change in net cash breaks down as follows:

	03/31/21	03/31/20
Cash and cash equivalents	1,627.7	1,079.2
Bank overdrafts	(62.6)	(92.3)
CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT	**1,565.2**	**986.9**

The main changes are covered in section 2.6.3 of the annual financial report.

6.1.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONTENTS

6

6.1.2.1 Description of the business and basis of preparation of the financial statements

NOTE 1 HIGHLIGHTS AND GENERAL PRINCIPLES

Financial year highlights

September 2020: "MMO" employee share ownership plan

The Company's Board of directors decided to carry out a capital increase on December 12, 2019, reserved for employees other than members of Group savings plans. Beneficiaries were offered the option of acquiring Company shares with a 15% discount as part of a leveraged formula through a company mutual fund (FCPE) or stock appreciation rights (SAR) The latter benefited from an additional contribution equal to three times their personal contribution, capped at €300 per holder. After a five-year period, or before the end of this period in the event of early release, each beneficiary is also guaranteed to receive their initial investment in euros (comprising his/her personal contribution increased by the additional contribution) as well as a multiple of the possible average protected increase in the share price.

On September 22, 2020, Ubisoft Entertainment delivered 664,975 shares (FCPE formula) and created 1,096,600 shares (SAR formula) at a price of €60.10.

September 2020: Trading on own shares

As part of the prepaid forward contract entered into on March 20, 2018 with CACIB for 4,545,454 of its own shares, settled by delivery of securities due in 2021 or earlier, the Group:

- on the one hand, decided on September 8, 2020 to settle the contract early in the amount of 1,100,000 of its own shares, of which the delivery to CACEIS CORPORATE TRUST on September 15, 2020 was part of the buyback program authorized by the General Meeting of July 2, 2020. The shares delivered are intended to be used to cover employee share ownership plans, including in particular the 2020 employee share ownership scheme;
- on the other hand, on September 15, 2020, signed an amendment to the contract extending the original maturity of March 22, 2021 by three years, i.e. to March 22, 2024, for the 3,445,454 own shares that were not settled early.

November 2020: Bond issue

The Company's Board of directors authorized a €600 million bond issue. These bonds, with a unit par value of €100,000, were admitted to trading on the Euronext Paris regulated market on November 18, 2020. This 7-year bond has an annual coupon of 0.878%.

Effects of the Covid-19 epidemic on the Group's business and financial position

Faced with the Covid-19 pandemic, the Group has taken the necessary measures to protect its team members and ensure the continuity of its business. The Group is closely observing the development of the health situation in all countries in which it operates and is remaining extremely vigilant about the safety of its teams.

Company presenting the consolidated financial statements

Ubisoft Entertainment SA is domiciled in France at 2, rue du Chêne-Heleuc, 56910 Carentoir.

The consolidated financial statements of Ubisoft Entertainment for the year ended March 31, 2021 cover Ubisoft Entertainment SA and the entities it controls or over which it exerts significant influence (collectively referred to as "the Group").

The financial statements were approved by the Board of directors, which authorized their publication on May 11, 2021. They will be presented for approval at the General Meeting of July 1, 2021.

6.1.2.2 Basis of preparation of the financial statements as at March 31, 2021

The consolidated financial statements for the financial year ended March 31, 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable at March 31, 2021, as adopted by the European Union.

Over the periods presented, the standards and interpretations adopted by the European Union are similar to the compulsory application standards published by the IASB, with the exception of texts currently being adopted, for which Ubisoft does not anticipate their application to have a significant impact. Consequently, the Group's financial statements are prepared in accordance with IFRS standards and interpretations, as published by the IASB.

The principles retained for the preparation of the financial statements as at March 31, 2021 are the result of the application:

- of all standards approved and published in the Official Journal by the European Commission prior to March 31, 2021 and mandatory as of April 1, 2020;
- of recognition and measurement options available under IFRS:

Standard		Option used
IAS 2	Inventory	Measurement of inventories according to the weighted average unit cost
IAS 16	Property, plant and equipment	Measurement at historical amortized cost
IAS 36	Intangible assets	Measurement at historical amortized cost

The Group's consolidated financial statements are presented in millions of euros with one decimal place, unless otherwise indicated. Rounding up or down to the nearest million euros may, under certain circumstances, lead to non-significant discrepancies in the totals and sub-totals featured in the tables.

6.1.2.3 Texts for which application is not mandatory for financial years beginning after April 1, 2020 and applied early

None

6.1.2.4 Texts with mandatory application after April 1, 2020 and not applied early

- amendments to IAS 1 and IAS 8 – Change in the definition of "material";
- IFRS 3 Amendments – Definition of a business;
- amendments to IFRS 9, IAS 39, IFRS 7 – Interest rates benchmark reform – Phase 1;
- amendments to IFRS 16 on Covid-19-related rent concessions.

On July 3, 2020, the *Autorité des Normes Comptables* (ANC) published the update of its conclusions on the implementation of IFRS 16. It specifies the existence of a renewal option, the period during which the contract is enforceable, as well as the non-cancelable period of commercial leases in France. In particular, the term of a 3-6-9 lease may exceed nine years. The analysis of our leases with regard to this update had no significant impact on the term of the commercial leases initially adopted.

These amendments and interpretations have no significant impact on the consolidated financial statements for the year ended March 31, 2021.

6.1.2.5 Use of estimates

Preparation of consolidated financial statements in accordance with IFRS requires the Group's management to make estimates and assumptions that affect the application of the accounting principles and the amounts recognized in the financial statements.

These estimates and the underlying assumptions are established and reviewed continuously on the basis of past experience and other factors considered reasonable in light of the circumstances. They therefore serve as a basis for the calculation of the carrying amounts of assets and liabilities that cannot be obtained from other sources. Actual values may differ from estimates.

The Executive Management uses its judgment to define the accounting treatment of certain transactions.

Relevant note		Key sources of estimation
Note 2	Main changes in scope	The key sources of estimation are for the estimation of earn-outs and put *option* liabilities, which are usually conditional on a future level of performance over a multi-year period.
Notes 19-20-23	Key assumptions used to determine the recoverable amounts Sensitivity of recoverable amounts Trademarks	Main assumptions used to determine the recoverable value of assets with indefinite useful lives.
Note 21	Other amortization and impairment of intangible assets	Future sales projections used to calculate expected cash flows.
Note 14	Employee benefits	Discount rate, inflation, return on plan assets and wage growth.
Note 15	Compensation in shares and equivalents	Model and underlying assumptions used to determine fair values.
Note 34	Provisions	Underlying assumptions made to appraise and estimate risks.
Note 4	Sales	The assumptions used for provisions for returns and price reductions made on physical retail sales are based on expected inventory sell-off over the six to 12 months after closing and any reductions in the unit selling price granted by the Company. The Group uses estimates concerning the estimated period of service for each class of game, as detailed in note 4 *Sales*.
Note 31	Deferred tax	Assumptions used to recognize deferred tax assets and assessment of uncertain tax positions in the application of the IFRIC 23 interpretation.
Notes 24-27-28-37	Leases	Assumptions adopted to recognize the right to use a leased asset, valuation of lease liabilities, calculation of the discount rate, of the term of an agreement, the depreciation period of non-removable leasehold improvements, the accounting treatment further to modifications to contractual terms and conditions.

The accounting principles outlined below were applied:

- on a permanent basis to all periods presented in the consolidated financial statements;
- consistently by all Group entities.

6.1.2.6 Comparability of financial statements

CHANGE IN METHODS USED FOR CONSOLIDATION, MEASUREMENT, AND PRESENTATION

The accounting principles used for these financial statements are identical to those applied to the Group consolidated financial statements for the financial year ended March 31, 2020.

ADDITIONAL ESTIMATE

None

OTHER ITEMS AFFECTING COMPARABILITY

None

6.1.2.7 Main changes in scope and consolidation scope

NOTE 2 MAIN CHANGES IN SCOPE

Acquisitions of companies

None

Opening, mergers, dissolutions of subsidiaries

March 2021: Merger of SmartDC Holding BV with i3D.net BV.

The merger had no impact on the consolidated financial statements for the financial year.

NOTE 3 SCOPE OF CONSOLIDATION

As at March 31, 2021, 83 entities were consolidated (unchanged from March 31, 2020).

Only significant entities are presented in the table below. The significance of entities is assessed according to their contribution to capitalized production costs and their contribution to Group sales.

Other subsidiaries and special purpose entities whose contribution is not significant are not included in this list:

Company	Country	Percentage of control	Percentage of interest	Consolidation method	Business
Ubisoft Entertainment SA	France	Parent company	Parent company	FC	Publishing
Ubisoft Ltd	United Kingdom	100%	100%	FC	Distribution
Ubisoft Inc.	United States	100%	100%	FC	Distribution
Ubisoft GmbH	Germany	100%	100%	FC	Distribution
Ubisoft SrL	Romania	100%	100%	FC	Production
Ubisoft Divertissements Inc.	Canada	100%	100%	FC	Production/ Distribution
Ubisoft France SAS	France	100%	100%	FC	Distribution
Ubisoft EMEA SAS	France	100%	100%	FC	Distribution
Ubisoft Production Internationale SAS	France	100%	100%	FC	Production
Ubisoft Toronto Inc.	Canada	100%	100%	FC	Production
Ubisoft Paris SAS	France	100%	100%	FC	Production
Ubisoft Montpellier SAS	France	100%	100%	FC	Production
Ubisoft Entertainment Sweden AB	Sweden	100%	100%	FC	Production
Ubisoft Mobile Games SARL	France	100%	100%	FC	Distribution
Ubisoft Blue Byte GmbH	Germany	100%	100%	FC	Production
Kolibri Games GmbH	Germany	75%	75%	FC	Production/ Distribution

FC = Full Consolidation

The closing date of the annual accounting period for consolidated companies is March 31. Certain companies use December 31 as their closing date, but draw up financial statements for the period from April 1 to March 31 for the consolidated reporting.

The organization chart is presented in the part 2.4.3 of the annual report.

As at March 31, 2021, all companies of the Group are fully consolidated with the exception of Shanghai UNO Network Technology Co. Ltd consolidated with the equity method.

Non-controlling investments in the net assets of the consolidated subsidiaries are presented in a separate line of equity attributable to owners of the parent company "Non-controlling investments". Non-controlling investments include the amount of non-controlling interests as of the date of taking control and the share held by the non-controlling shareholders in any change in equity since this date. Unless otherwise stipulated by contractual agreement, any negative earnings recorded by subsidiaries are systematically split between the equity attributable to the owners of the parent company and to non-controlling investments on the basis of their respective percentage interests, even if these become negative.

6.1.2.8 Sales

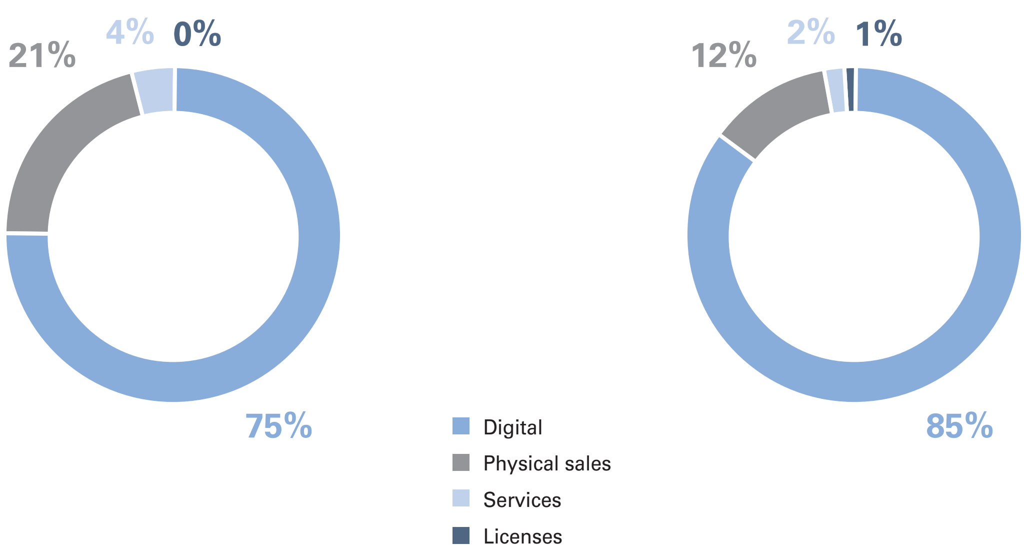
NOTE 4 SALES

Sales	03/31/21	03/31/20	Change	Change current rates	Change constant rates
Digital	1,660.4	1,349.2	311.2	23.1%	25.9%
Physical sales	468.7	196.7	271.9	138.2%	145.3%
Services	92.6	31.8	60.9	191.7%	193.8%
Licenses	2.1	17.1	(15.0)	-87.7%	-86.7%
TOTAL	**2,223.8**	**1,594.8**	**629.0**	**39.4%**	**42.7%**

Sales increased by 39.4% between 2020 and 2021 at current exchange rates and by 42.7% at constant exchange rates. Sales at constant exchange rates are calculated by applying to the data for the period under review the average exchange rates used for the same period of the previous financial year.

BREAKDOWN OF SALES AT MARCH 31, 2021

BREAKDOWN OF SALES AT MARCH 31, 2020



ACCOUNTING PRINCIPLES

Sales of video games without associated services (Digital and Physical sales)

Digital sales of video games

These correspond to the sale of games or additional content through 100% digital media (content for download: downloadable video games, DLC, etc.). Revenue from digital sales is recognized at the date the downloadable content is made available.

If applicable, deferred income is recognized to defer the recognition of sales revenue where the content sold has not been made available to customers at the closing date.

Moreover, in the context of distribution contracts that are the subject of specific compensation methods such as guaranteed minima, reference to the date of transfer of control is liable to lead to one part of the revenue being carried forward.

Physical sales of video games

Sales from the sale of boxed video games is recognized at the date of product delivery to the distributors, less rebates and a provision for returns and price reductions, if applicable.

For boxed games sold in retail but also including digital content (season pass, DLC, etc.), part of this content is isolated and reclassified in digital sales. The allocation is made on the basis of the individual sale of each element included in the offer.

Sales of video games including an online functionality such as Live Services (Digital and Physical sales)

The service identified constitutes a separate service obligation, which is spread out over the estimated lifetime of the service as of the date on which the game is marketed.

Ubisoft identifies two obligations on these types of games:

- an initial obligation associated with the digital or physical delivery of the content, where revenue associated with this initial obligation shall be recognized at the date of delivery of the content. The detailed methods used for the recognition of the revenue are identical to those described for the associated sales without services;
- a performance obligation corresponding to the provision of a set of services to the end user (the player) including in particular rights over unspecified future content (updates, corrections, improvements, maintenance and potentially any delivery of free content) and functionalities enabling online access to this content. The sale price relating to this service obligation is calculated depending on the service charge calculated by category of game. The revenue associated with this service obligation is recognized in accordance with a linear spread profile over the expected lifetime of the game for final users.

Licenses relating to video games or works of cinema

License agreements constitute:

- either an access right staggered over time;
- or a recognized right-of-use as of a given date, based on the use made of the license by the license-holder which corresponds to the date on which the licensed content is transferred to the client and which the client may benefit from without restriction.

The reference made to the date of transfer of control is liable to lead to one part of the revenue being carried forward.

Virtual currency

Virtual currency constitutes a separate performance obligation. Revenue is staggered over the estimated term of use of the credits.

Subscriptions

Revenue from subscriptions is recognized on a straight-line basis over the term of the service provided.

NOTE 5 TRADE RECEIVABLES AND RELATED ACCOUNTS

Trade and other receivables	Gross opening	First-time application of IFRS 16	Movement	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Trade receivables	309.2	-	45.7	(0.6)	-	(9.6)	344.7
TOTAL AT 03/31/21	**309.2**	**-**	**45.7**	**(0.6)**	**-**	**(9.6)**	**344.7**
TOTAL AT 03/31/20	**479.2**	**(2.9)**	**(179.9)**	**(0.3)**	**8.4**	**4.8**	**309.2**

Provisions	Opening date	Provisions	Reversals	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Trade receivables	2.1	0,5	(0.1)	(0.6)	-	-	2.0
TOTAL AT 03/31/21	**2.1**	**0.5**	**(0.1)**	**(0.6)**	**-**	**-**	**2.0**
TOTAL AT 03/31/20	**2.5**	**0.8**	**(0.8)**	**(0.3)**	**-**	**-**	**2.1**

Trade receivables are broken down by maturity in the table below:

	Total	Not past due	Past due – 1 to 30 days	Past due – 31 to 60 days	Past due – 61 to 90 days	Past due 91 days or more
Trade receivables	344.7	317.9	14.8	6.1	1.7	4.2
TOTAL AT 03/31/21	**344.7**	**317.9**	**14.8**	**6.1**	**1.7**	**4.2**
TOTAL AT 03/31/20	**309.2**	**302.1**	**2.4**	**1.2**	**(0.5)**	**4.1**

Credit risk

Ubisoft's main customers are spread out worldwide. They are structured in particular by:

- digital distributors (representing 74.7% of the total sales of the Group):

  In the digital market, there are few customers, but with worldwide distribution. The Company considers that given the quality of the counterparties, the counterparty risk on digital sales is limited;
- physical distributors (representing 21.1% of the total sales of the Group):

  In order to protect itself against the risks of non-payment, the Group has set up a global risk pooling policy that covered 83.5% of Group sales excluding digital at the end of March 2021.

Ubisoft's largest customer accounts for 21% of Group sales excluding tax, the top five accounts for 53% and the top 10 for 64%.

In accordance with IFRS 9, the Group uses the simplified model for the impairment of commercial receivables based on the analysis of expected losses over the receivable's lifetime. After analyzing the probability of default of creditors, certain commercial receivables were subject to impairment. In view of the quality of the counterparties relating to digital sales and of the credit insurance covering 83.5% of physical sales, the expected impairment loss on trade receivables is limited as regards the Group.

ACCOUNTING PRINCIPLES

Trade and other receivables linked to operating activity are recorded at amortized cost – in most cases the same as nominal value – minus any loss of value recorded in a special impairment account. As receivables are due in under a year, they are not discounted.

In accordance with IFRS 9, the Group uses the simplified model for the impairment of commercial receivables based on the analysis of expected losses over the receivable's lifetime. After analyzing the probability of default of creditors, certain commercial receivables may be subject to impairment.

According to IFRS 9, value adjustments for losses due to expected credit losses correspond either to:

- expected credit losses for the twelve months after the closing date;
- expected credit losses over the life of the financial asset.

The assessment of expected credit losses over the total lifetime of the financial asset applies if the credit risk for a financial asset at the closing date has significantly increased since its initial recognition. Otherwise, the assessment is made according to the expected credit losses for the coming twelve months.

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The difference between the carrying amount and recoverable value is recorded as operating income. Impairment may be reversed if the asset regains its value in future. Reversals are recognized in the same item as provisions. Impairment is deemed permanent when the receivable itself is considered to be permanently irrecoverable and written off.

NOTE 6 DEFERRED INCOME

	Opening date	Provisions	Reversal	Reclassifications	Foreign exchange	Changes in scope	Closing date
Deferred digital sales [1]	16.4	35.5	-	-	(0.5)	-	51.4
Deferred revenues related to IFRS 15 [2] [3]	249.2	312.1	(270.2)	-	(3.3)	-	287.9
Other deferred income	9.4	7.0	(2.4)	-	(0.3)	-	13.7
TOTAL AT 03/31/21	**275.0**	**354.7**	**(272.6)**	-	**(4.1)**	-	**352.9**
TOTAL AT 03/31/20	**381.3**	**111.7**	**(199.2)**	**(21.0)**	**2.2**	-	**275.0**

Deferred income is comprised mainly of:

(1) deferred income linked to digital game sales featuring content available for download. Deferred income is recognized if the date on which the content is available for download is after the sale of the game;

(2) deferred services linked to sales of games including Live Services type online functionality;

(3) deferred revenue relating to licensing or distribution contracts when these contracts constitute specific compensation methods such as a guaranteed minimum.

NOTE 7 SEGMENT INFORMATION

In accordance with IFRS 8, the Group produces segment information. Segment information is compiled using the data presented for the analysis of the business performance by the Board of directors, which is the Group's main operational decision-making body.

The operating segments reported correspond to the publication/production activities and to geographical areas of distribution at which operational decisions are made.

The breakdown by geographic region is given for two segments, according to the distribution of the Group's assets:

- EMEA distribution zone (corresponding to the Asia, Pacific and Europe zones);
- North America distribution zone (including North, Central and Latin America).

This sector information is consistent with the groups of CGUs identified for the impairment tests *(see 6.1.2.11)*.

Operating profit (loss) by sector

	03/31/21				03/31/20			
	Publishing/ Production	EMEA distribution zone	North America distribution zone	Group	Publishing/ Production	EMEA distribution zone	North America distribution zone	Group
Sales	**305.8**	**949.3**	**968.7**	**2,223.8**	**228.3**	**706.0**	**660.5**	**1,594.8**
Cost of sales	(52.4)	(154.6)	(118.8)	(325.7)	(34.7)	(124.1)	(94.3)	(253.1)
Gross profit	**253.5**	**794.7**	**849.9**	**1,898.1**	**193.6**	**582.0**	**566.2**	**1,341.8**
R&D costs	(784.5)	(1.4)	1.0	(784.9)	(679.5)	(1.9)	0.5	(680.9)
Marketing costs	(103.2)	(175.1)	(159.9)	(438.1)	(108.2)	(137.7)	(136.3)	(382.2)
Administrative and IT costs	(123.8)	(47.2)	(47.4)	(218.4)	(83.8)	(43.3)	(56.4)	(183.6)
Cross-segment [(1)]	1,153.0	(534.2)	(618.9)	-	680.7	(324.7)	(355.9)	-
Current operating income before stock-based compensation	**394.9**	**36.9**	**24.8**	**456.6**	**2.7**	**74.3**	**18.1**	**95.1**
Share-based compensation [(2)]	(56.8)	-	-	(56.8)	(53.8)	-	-	(53.8)
PROFIT (LOSS) FROM ORDINARY OPERATING ACTIVITIES	**338.1**	**36.9**	**24.8**	**399.8**	**(51.1)**	**74.3**	**18.1**	**41.3**

(1) The parent company invoices subsidiaries for a contribution in the form of royalties to defray development costs (amortization of commercial software and external software development, and royalties paid to third-party developers)

(2) The expense related to share-based compensation is recognized by the parent company but concerns all Group employees

Other items in the income statement, particularly other operating income and expenses, financial income and expenses and taxes are not monitored segment by segment and are considered to relate to the Group as a whole and in a general way.

Assets by segment

	03/31/21				03/31/20			
	Publishing/ Production	EMEA distribution zone	North America distribution zone	Total	Publishing/ Production	EMEA distribution zone	North America distribution zone	Total
Goodwill	198.8	-	21.9	220.7	301.5	9.6	23.5	334.6
Lease right-of-use assets	266.2	5.3	10.6	282.1	211.5	6.5	11.9	229.9
Other intangible assets and property, plant and equipment	1,623.0	13.6	16.4	1,653.0	1,265.8	8.0	15.8	1,289.7
Non-current financial assets	13.9	0.7	1.5	16.1	12.3	0.7	0.7	13.7
Deferred tax assets	123.3	23.7	26.0	173.1	114.1	29.3	26.0	169.3
Non current assets	**2,225.2**	**43.3**	**76.5**	**2,345.0**	**1,905.3**	**54.0**	**77.9**	**2,037.2**
Current assets	283.8	192.9	149.7	626.4	177.2	127.9	141.9	447.0
Current financial assets	-	-	-	-	0.5	-	-	0.5
Current tax assets	45.0	0.7	-	45.7	40.5	0.5	-	41.0
Cash and cash equivalents	1,804.2	55.4	8.0	1,867.6	1,005.0	67.3	6.9	1,079.2
Current assets	**2,133.0**	**249.0**	**157.8**	**2,539.8**	**1,223.2**	**195.7**	**148.8**	**1,567.6**
TOTAL ASSETS	**4,358.3**	**292.3**	**234.3**	**4,884.8**	**3,128.5**	**249.7**	**226.6**	**3,604.8**

As the Group's segment liabilities are not subject to regular presentations to the Management, they are not included in the segment information.

6.1.2.9 Current and non-current operating expenses

NOTE 8 OPERATING EXPENSES BY DESTINATION

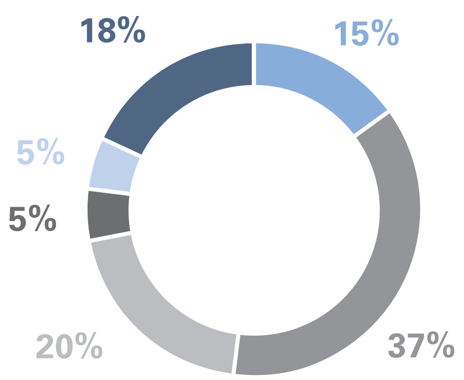
R&D expenses increased by €106.3 million to €827.1 million (37.2% of sales), compared with €720.8 million for the financial year 2019-2020 (45.2%).

The cost of sales increased by €72.7 million to reach €325.7 million (14.6% of sales), compared with €253.1 million (15.9%) the previous financial year.

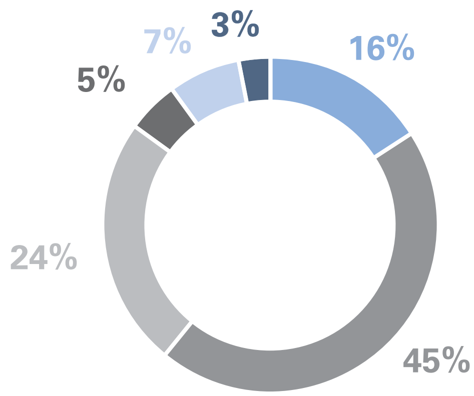
Marketing, administrative and IT costs increased by €91.6 million to reach €671.2 million (30.2% of sales), compared to €579.6 million (36.3%) the previous financial year:

- variable marketing expenses stood at €307.1 million (13.8% of sales), compared with €262.6 million (16.5%) for 2019-2020;
- overheads totaled €364.1 million (16.4% of sales) compared with €317.0 million (19.9%) in 2019-2020.

BREAKDOWN OF SALES AT MARCH 31, 2021



BREAKDOWN OF SALES AT MARCH 31, 2020



Cost of sales
R&D costs
Marketing costs
IT costs
Administrative costs
Operating profit (loss) from continuing operations

Details of provisions and reversals of provisions and depreciation and amortization by destination

	03/31/21				
Net provisions	Total	Cost of sales	R&D costs	Marketing costs	Administrative and IT costs
Amortization and impairment of intangible assets	446.5	-	437.2	4.0	5.4
Depreciation of property, plant and equipment	54.6	0.1	36.8	3.7	14.1
Depreciation of right-of-use assets relating to leases	47.2	0.3	30.6	4.5	11.8
Provisions for trade receivables	0.5	-	-	0.5	-
Provisions for risks and charges	1.7	-	1.8	(0.1)	(0.1)
Provisions for post-employment liabilities	3.3	-	2.2	0.4	0.7
TOTAL AT 03/31/21	**553.8**	**0.3**	**508.6**	**13.0**	**31.9**
TOTAL AT 03/31/20	**522.4**	**0.1**	**491.0**	**10.8**	**20.5**

ACCOUNTING PRINCIPLES

For the purpose of comparisons with other sector players, Ubisoft presents its results by function.

R&D costs

This item includes all research and development expenses incurred by the Group:

- compensation of production teams not allocated to capitalized projects (short-term benefits, post-employment benefits, stock-based compensation) as well as the indirect costs and activities less any public grants received or to be received;
- royalties paid or due on items of intellectual property belonging to third parties used as part of the Group's content production;
- amortization of commercial software from commercial launch and potential impairment based on expected future profitability of games.

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Marketing costs
This item includes all sales and marketing costs, with the exception of editorial marketing costs, which are included under research and development costs. It includes variable marketing expenses and overheads (compensation of marketing teams).

Administrative and IT costs
This item includes all the expenses of the administrative and IT teams (structural costs) as well as sub-contracting and indirect costs.

NOTE 9 OTHER NON-CURRENT OPERATING EXPENSES

	03/31/21	03/31/20
Goodwill	110.4	100.1
Brands	0.0	0.8
TOTAL	**110.4**	**100.8**

Other non-current operating expenses include impairment of goodwill and brands recognized further to impairment tests or when the market value has become lower than the carrying amount *(see details note 17)*.

As those expenses are non-recurring and relevant, they are presented as non-current expenses.

NOTE 10 INVENTORY

Inventory	Opening date	Change in inventory (result)	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Goods	41.5	(10.9)	-	-	(0.6)	30.0
TOTAL AT 03/31/21	**41.5**	**(10.9)**	**-**	**-**	**(0.6)**	**30.0**
TOTAL AT 03/31/20	**61.6**	**(20.2)**	**-**	**-**	**0.1**	**41.5**

Impairment	Opening date	Provisions/ Reversals	Changes in scope	Foreign exchange gains conversion	Closing date
Goods	29.1	(21.7)	-	(0.5)	6.9
TOTAL AT 03/31/21	**29.1**	**(21.7)**	**-**	**(0.5)**	**6.9**
TOTAL AT 03/31/20	**29.8**	**(0.7)**	**-**	**-**	**29.1**

No inventories are pledged as collateral for a liability.

ACCOUNTING PRINCIPLES

Inventory is valued using the weighted average cost method.

The net value of inventory is measured at the lower of acquisition cost and net realizable value.

The acquisition cost is the purchase price plus incidental expenses.

Net realizable value is the estimated sale price in the normal course of business minus estimated completion costs and estimated selling costs (marketing and distribution costs).

Impairment is recorded when the likely net realizable value falls below the carrying amount.

No borrowing costs are included in the cost of inventory.

NOTE 11 TRADE PAYABLES

Trade payables	Opening date Gross	First-time application of IFRS 16	Change	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date Gross
Suppliers	138.8	-	11.9	0.4	-	-	151.1
TOTAL AT 03/31/21	**138.8**	**-**	**11.9**	**0.4**	**-**	**-**	**151.1**
TOTAL AT 03/31/20	**188.1**	**(0.8)**	**(52.6)**	**0.5**	**4.2**	**(0.7)**	**138.8**

"Suppliers" includes commitments made under license agreements including the portion not yet paid.

As of March 31, 2021, these outstanding commitments amounted to €22.7 million, compared with €10.5 million the previous year.

As these debts are short-term and do not bear interest, the interest-rate risk is not significant.

ACCOUNTING PRINCIPLES

Supplier payables are recorded at amortized cost.

Trade payables with maturity over one year are discounted. More generally, as trade payables are short-term, they are recorded in the statement of financial position at their par value.

NOTE 12 PREPAID EXPENSES

	Opening date Gross	First-time application of IFRS 16	Change	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date Gross
Prepaid expenses	38.2	-	1.1	(0.1)	-	0.4	39.6
TOTAL AT 03/31/21	**38.2**	**-**	**1.1**	**(0.1)**	**-**	**0.4**	**39.6**
TOTAL AT 03/31/20	**30.0**	**(0.6)**	**9.0**	**-**	**0.3**	**(0.6)**	**38.2**

These are mainly expenses relating to software, IT maintenance and miscellaneous general expenses.

6.1.2.10 Employee benefits

NOTE 13 PERSONNEL EXPENSES

The headcount as at March 31, 2021 (total employees registered at the end of the period) breaks down as follows:

Staff by geographic region	03/31/21	03/31/20
Americas	6,609	6,252
EMEA/Pacific	13,715	11,793
TOTAL	**20,324**	**18,045**

The average headcount in 2020-2021 was 19,378.

	03/31/21	03/31/20
Salaries	984.9	808.4
Payroll taxes	227.6	189.1
Grants and tax credits	(172.4)	(150.2)
Share-based compensation *	56.8	53.8
TOTAL	**1,096.9**	**901.0**

** See detail in note 15*

The Group had total expenses of €33.8 million in respect of defined-contribution plans.

Grants and tax credits presented as a reduction in personnel expenses are as follows:

Country	Type	03/31/21	03/31/20
Canada	Grants	119.2	96.8
	Tax credits *	7.8	8.0
France	Tax credits	23.6	27.3
	Other	1.1	2.4
Singapore	Grants	10.5	5.9
United Kingdom	Tax credits	4.0	5.0
Abu Dhabi	Grants	1.6	1.6
Other		4.4	3.2
TOTAL		**172.4**	**150.2**

** The payment of certain tax credits is contingent upon the generation of taxable income*

ACCOUNTING PRINCIPLES

Some of the Group's production studios are located in countries where the legislation offers video game producers incentives, such as public grants or tax credits. Income from these provisions are presented as reductions to research and development expenses in the Group's income statement. They are recorded as reductions in the cost of sale of internal software developments in the statement of financial position, so that they are recognized as a reduction in the amortization expense over the useful life of the internal software developments to which they are attached.

Some of these provisions may include conditions that must be complied with by the Group immediately or at a later date. These conditions are analyzed by the Group before their registration as a reduction in the asset's cost of sale.

NOTE 14 EMPLOYEE BENEFITS

Provisions for post-employment benefits

	Opening date	Provisions	Change in other comprehensive income *	Reversals	Changes in scope	Foreign exchange gains conversion	Closing date
Provisions for post-employment benefits	15.8	3.7	2.5	(0.4)	-	-	21.6
TOTAL AT 03/31/21	**15.8**	**3.7**	**2.5**	**(0.4)**	**-**	**-**	**21.6**
TOTAL AT 03/31/20	**14.4**	**2.6**	**(1.1)**	**(0.1)**	**-**	**-**	**15.8**

** The change is mainly due to the change in the discount rate assumption*

Assumptions

	Japan		Italy		France		India		Bulgaria		Philippines	
	03/31/21	03/31/20	03/31/21	03/31/20	03/31/21	03/31/20	03/31/21	03/31/20	03/31/21	03/31/20	03/31/21	03/31/20
Annual wage growth	5.10%	2.45%	10%	10%	1.50% to 2%	1.50% to 2%	10% to 12%	10% to 12%	5%	5%	5.08%	N/A
Turnover rate	11.76%	3.80%	Between 3% and 7%	Between 3% and 7%	< 49 years: 5.75% ≥ 49 years: 1%	< 49 years: 5.75% ≥ 49 years: 1%	< 30 years: 24% < 40 years: 14% ≥ 40 years: between 2% and 0%	< 30 years: 24% < 40 years: 14% ≥ 40 years: between 2% and 0%	< 30 years: 16% < 40 years: 8% ≥ 40 years: between 5% and 0%	< 30 years: 16% < 40 years: 8% ≥ 40 years: between 5% and 0%	Between 9% and 13%	N/A
Retirement age	60 years	60 years	67 years	67 years	67 years	67 years	60 years	60 years	61 years and 64 years	61 years and 64 years	60 years	N/A
Discount rate	0.72%	1.42%	0.72%	1.42%	0.72%	1.42%	6.65%	6.80%	0.6%	0.6%	2.18%	N/A
Average remaining working life	16 years	16 years	27 years	27 years	32 years	32 years	33 years	33 years	25 years	25 years	33 years	N/A

Death rate assumptions are based on published statistics and tables.

The definition of and principles for the measurement and recognition of these benefit liabilities are presented below.

A change of 50 basis points in the discount rate would have an impact of 10% on the amount of the benefit liability.

ACCOUNTING PRINCIPLES

Post-employment obligations

Ubisoft contributes to pension, medical and termination benefit plans in accordance with the laws and practices of each country. These benefits can vary depending on a range of factors, including seniority, salary and payments to compulsory general plans.

These plans may be either defined contribution plans or defined benefit plans:

- with regard to ***defined contribution plans***, the pension supplement is determined by the cumulative capital due to employee and Company contributions into external funds. The expenses correspond to contributions paid during the period. The Group has no subsequent obligations to its employees. For Ubisoft, this generally involves public retirement plans and specific defined contribution plans;
- with regard to ***defined benefit plans***, the employee receives a fixed pension benefit from the Group, determined on the basis of several factors, including age, length of service and compensation level. Such plans are used by the Group in Japan, Italy, France, Bulgaria, India and the Philippines.

The employer's future obligations are measured on the basis of an actuarial calculation called the "projected unit credit method," in accordance with each plan's operating procedures and the information provided by each country. This method involves determining the value of likely discounted future benefits of each employee at the time of his/her retirement. In accordance with the revised IAS 19, actuarial gains and losses are recognized in other comprehensive income.

In Japan, Italy and France, the discount rate is determined on the basis of market rates for high-quality corporate bonds (IBBOX AA10+ rate corresponding to the average rate of the last 12 months of AA rated corporate bonds over 10 years or more).

In India, Bulgaria and the Philippines the discount rate is based on the current yield rate for the government's bond market at the closing date.

NOTE 15 COMPENSATION IN SHARES AND EQUIVALENTS

Impact on the financial statements:

EQUITY AS AT 03/31/20	**297.2**
Personnel expenses	**56.8**
Stock options	*4.5*
Free share grants	*41.1*
MMO – Massive Multishare Ownership	*11.2*
EQUITY AS AT 03/31/21	**354.0**

The impact of these stock-based compensation payments on reserves corresponds to all rights acquired by employees in respect of equity instruments issued by Ubisoft as at March 31, 2021 *(see section 6.1.1 Consolidated table of changes in equity)*.

Stock options

The fair value of share subscription or purchase options, subject to meeting presence and performance conditions, is estimated and set at the grant date. The expense is recognized over a four-year vesting period, but is not straight-line, given the vesting terms.

Subscription options

	30th plan	31st plan	32nd plan	33rd plan	34th plan		35th plan		36th plan
Total number of shares granted	328,100	37,500	758,810	29,344	220,700		418,500		11,000
Start of exercise period	09/23/16	May 2019 [1]	06/23/17 [1]	12/14/17 [1]	03/30/18		06/27/18		09/22/18
Expiry date of options	09/22/20	12/15/20	06/22/21	12/13/21	03/29/22		06/26/22		09/21/22
Maturity (in years)	5	5	5	5	5		5		5
Volatility	42%	42%	42%	35%	35%		35%		34%
Risk-free interest rate	0.13%	0.13%	0%	0%	0%		0%		0%
Estimated dividend rate	0%	0%	0%	0%	0%		0%		0%
Annual turnover rate	5%	0%	5%	0%	5%		5%		0%
Strike price of options	€17.94	€26.85	€33.015	€31.955	€37	€39.03	€50.02	€51.80	€57.26
Fair value of options *(in euros/share)*	€4.35	€8.73	€8.55 [2]	€8.72 [2] €6.74	€12.10	€8.75	€14.06	€10.11	€13.02
					France	World	France	World	
Options at April 1, 2020	71,050	12,500	400,531	24,344	129,625		305,875		8,000
Options allocated during the financial year	-	-	-	-	-		-		-
Options exercised during the financial year	60,300	12,500	173,166	5,000	50,825		94,250		-
Options canceled during the financial year	10,750	-	3,488	-	1,875		21,250		-
Options outstanding at March 31, 2021	-	-	223,877	19,344	76,925		190,375		8,000

(1) For corporate officers (Plans 31 and 33) and/or members of the Executive Committee (Plan 32: one beneficiary), as the performance conditions are assessed over the four financial years ending March 31, the options may only be exercised after the closing of the financial statements of the 4th financial year

(2) The fair value of the options granted to corporate managing officers and Members of the Executive Committee take into account assumptions related to performance conditions: achievement of an average Group EBIT assessed on the cumulative basis of four financial years

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	38th plan	39th plan		40th plan		41st plan	42nd plan		43rd plan
Total number of shares granted	11,500	19,579		188,454		56,031	330,678		67,743
Start of exercise period	04/13/19	06/27/19		06/27/19 [3]		12/17/22 [3]	07/02/20 [3]		12/12/23 [3]
Expiry date of options	04/12/23	06/26/23		06/26/23		12/16/23	07/01/24		12/12/24
Maturity (in years)	5	5		5		5	5		5
Volatility	34%	34%		34%		34%	34%		34%
Risk-free interest rate	0%	0%		0%		0%	0%		0%
Estimated dividend rate	0%	0%		0%		0%	0%		0%
Annual turnover rate	0%	0%		0%/5%		0%	0%/5%		0%
Strike price of options	€73.86	€94.58		€94.58		€68.59	€69.55	€69.70	€54.30
Fair value of options *(in euros/share)*	€14.60	€25.41	€19.69	€25.02/ €24.92 [4]	€19.10	€18.18/ €18.09 [4]	€14.99/€19.11/ €19.00 [4]	€14.93/€19.06/ €18.95 [4]	€15.42/ €15.35 [4]
		France	World	France	World		France	World	
Options at April 1, 2020	10,000	19,579		179,330		56,031	320,376		67,743
Options allocated during the financial year	-	-		-		-	-		-
Options exercised during the financial year	-	-		-		-	11,010		-
Options canceled during the financial year	-	4,659		13,483		-	33,808		-
Options outstanding at March 31, 2021	10,000	14,920		165,847		56,031	275,558		67,743

(3) For the members of the Executive Committee (Plan 40: one beneficiary/Plan 42: two beneficiaries) and the corporate officers (Plans 41 and 43), the options only become exercisable from the fourth year of the plan

(4) The fair values of the options granted to the corporate officers and the members of the Executive Committee vary according to the assumptions related to the performance conditions: achievement of an average Group EBIT assessed on the cumulative basis of three financial years and achievement of a Ubisoft TSR compared to the TSR of companies in the NASDAQ Composite Index assessed over three years

	44th plan	45th plan		46th plan		47th plan		Total
Total number of shares granted	21,515	271,629		60,821		55,673		
Start of exercise period	02/13/21	07/01/21		07/02/24 [5]		12/08/21 [5]		
Expiry date of options	02/12/25	06/30/25		07/01/25		12/07/25		
Maturity (in years)	5	5		5		5		
Volatility	34%	34%		34%		35%		
Risk-free interest rate	0%	0%		0%		0%		
Estimated dividend rate	0%	0%		0%		0%		
Annual turnover rate	0%	5%		0%		0%/5%		
Strike price of options	€73.80	€68.45	€73.40	€68.59	€76.50	€77.76		
Fair value of options *(in euros/share)*	€15.09	€17.01	€14.88	€23.50 [6]	€20.33 [6]	€21.25/ €21.00 [6]	€16.21	
		France	World	France	World	France	World	
Options at April 1, 2020	21,515	-		-		-		1,626,499
Options allocated during the financial year	-	271,629		60,821		55,673		388,123
Options exercised during the financial year	-	-		-		-		407,051
Options canceled during the financial year	14,855	18,246		-		-		122,414
Options outstanding at March 31, 2021	6,660	253,383		60,821		55,673		1,485,157

(5) For the members of the Executive Committee (Plan 46: two beneficiaries) and the corporate officers (Plans 47), the options only become exercisable from the fourth year of the plan

(6) The fair values of the options granted to the corporate officers and members of the Executive Committee vary depending on the assumptions related to the performance conditions: achievement of a Ubisoft TSR compared to the TSR of the companies in the NASDAQ Composite Index, the growth of the MAU and the improvement in gender diversity of teams over three years

The average price of options exercised during the period was €36.45.

Free share grants settled in shares

Free share grants, which are subject to presence and performance conditions, are locked in for a three or four-year period following the grant date. As the shares granted are ordinary shares in the same category as the existing shares that comprise the Company's share capital, employee shareholders receive dividends and voting rights on all their shares at the end of the vesting period.

The employee benefit expense corresponds to the value of instruments received by the beneficiary, which is equal to the value of shares being received, at the date of allocation to the beneficiaries, with the discounted value of dividends expected over the vesting period being zero.

	03/31/16	
Grant date	09/23/15	12/16/15
Maturity – Vesting period	3 years	3 years
Fair value of the instrument *(per share)*	€11.61	€15.45
Percentage of operating targets reached	100%	100%
Number of instruments allocated as at 04/01/20	136,792	43,500
Number of instruments allocated during the financial year	-	-
Number of instruments canceled during the financial year	318	-
Number of instruments created during the financial year	-	-
Number of instruments delivered during the financial year	136,474	43,500
Number of instruments as at 03/31/21	-	-

	03/31/17				
Grant date	04/19/16	06/23/16	06/23/16	12/14/16	12/14/16
Maturity – Vesting period	4 years	4 years	3 years	4 years	3 years
Fair value of the instrument *(per share)*	€27.29	€33.55	€20.10	€32	€17.63
Percentage of operating targets reached	100%	100%	100%	100%	100%
Number of instruments allocated as at 04/01/20	302,500	824,875	198,622	10,300	11,426
Number of instruments allocated during the financial year	-	-	-	-	-
Number of instruments canceled during the financial year	-	9,560	-	300	-
Number of instruments created during the financial year	302,500	815,315	-	-	-
Number of instruments delivered during the financial year	-	-	-	10,000	-
Number of instruments as at 03/31/21	-	-	198,622	-	11,426

	03/31/19					
Grant date	06/27/18		09/12/18	10/30/18	12/17/18	02/01/19
Maturity – Vesting period	4 years		4 years	4 years	4 years	4 years
	€86.07/€95 (1)	€95				
Fair value of the instrument (per share)	France	World	€95.90	€80.98	€68.88	€76.82
Percentage of operating targets reached	100%		100%	100%	100%	100%
Number of instruments allocated as at 04/01/20	563,642		7,952	3,708	69,961	31,071
Number of instruments allocated during the financial year	-		-	-	-	-
Number of instruments canceled during the financial year	56,642		1,459	1,675	6,171	1,834
Number of instruments created during the financial year	-		-	-	-	-
Number of instruments delivered during the financial year	-		-	-	-	-
Number of instruments as at 03/31/21	507,000		6,493	2,033	63,790	29,237

(1) For members of the Executive Committee (Plan of 06/27/18: three beneficiaries): one-third subject to the achievement of an average non-IFRS Group EBIT measured over three financial years, one-third subject to the achievement of a Ubisoft TSR compared to the TSR of NASDAQ Composite Index companies assessed over three years, and one-third based on individual targets assessed over four years

	03/31/20				
Grant date	05/15/19	07/02/19	09/18/19	12/12/19	02/13/20
Maturity – Vesting period	4 years	4 years	4 years	4 years	4 years
Fair value of the instrument *(per share)*	€81.60	€62.56/€69.70 (2)	€70.50	€56.00	€73.80
Percentage of operating targets reached	100%	100%	100%	100%	100%
Number of instruments allocated as at 04/01/20	40,704	848,314	5,901	2,954	31,707
Number of instruments allocated during the financial year	-	-	-	-	-
Number of instruments canceled during the financial year	-	78,762	-	-	5,787
Number of instruments created during the financial year	-	-	-	-	-
Number of instruments delivered during the financial year	-	-	-	-	-
Number of instruments as at 03/31/21	40,704	769,552	5,901	2,954	25,920

(2) For members of the Executive Committee (Plan of 07/02/19: two beneficiaries): one-third subject to the achievement of an average non-IFRS Group EBIT measured over three financial years, one-third subject to the achievement of a Ubisoft TSR compared to the TSR of NASDAQ Composite Index companies assessed over three years, and one-third based on individual targets assessed over four years

	03/31/21				Total
Grant date	07/01/20	10/29/20	12/08/20	02/10/21	
Maturity – Vesting period	4 years	4 years	4 years	4 years	
Fair value of the instrument *(per share)*	€70.90/€73.40	€78.49/€81.30 (3)	€77.76	€80.88	
Percentage of operating targets reached	100%	100%	100%	100%	
Number of instruments allocated as at 04/01/20	-	-	-	-	3,133,929
Number of instruments allocated during the financial year	966,574	4,088	59,980	1,147	1,031,789
Number of instruments canceled during the financial year	92,320	345	1,126	-	256,299
Number of instruments created during the financial year	-	-	-	-	1,117,815
Number of instruments delivered during the financial year	-	-	-	-	189,974
Number of instruments as at 03/31/21	874,254	3,743	58,854	1,147	2,601,630

(3) For members of the Executive Committee (Plan of 10/29/20: one beneficiary): one-third subject to the achievement of an average non-IFRS Group EBIT measured over three financial years, one-third subject to the achievement of a Ubisoft TSR compared to the TSR of NASDAQ Composite Index companies assessed over three years, and one-third based on individual targets assessed over four years

Group savings scheme

Group savings schemes – Massive Multishare Ownership

Ubisoft grants employee share ownership plans for the benefit of a certain number of its employees.

The financial product associated with these plans comprises a guaranteed capital portfolio, with a share in any rise in the Ubisoft share price over a five-year period.

These plans were notably financed by Ubisoft via a 15% discount on the shares allocated to the operation. This discount is calculated compared to the average of the share trading prices over the 20 trading days prior to the Board of directors' meeting that approved the capital increase.

After a holding period, or before the end of this period in the event of early release, each beneficiary is also guaranteed to receive their initial investment in euros (comprising his/her personal contribution increased by the additional contribution) as well as a multiple of the possible average protected increase in the share price.

The assumptions used to value the guaranteed capital component and optional component are based on the estimated volatility of the security concerned, a risk-free discount rate, the estimated dividend rate and the anticipated exit rate.

The compensation is recognized in income on the plan grant date.

	03/31/21	03/31/20
Grant date	09/22/20	07/04/19
Maturity – Vesting period *(in years)*	5	5
Reference price	€70.71	€80.35
Subscription price	€60.10	€68.30
Discount	15%	15%
Number of shares	1,761,575	1,549,391
Amount of subscription		
♦ Employees	€8.4M	€8.5M
♦ Additional contribution	€2.1M	€2.1M
IFRS 2 expense net of the additional contribution	€11.2M	€9.4M
Gross expense	€13.3M	€11.5M

ACCOUNTING PRINCIPLES

Stock option payment plans provide an additional incentive for team members to improve the Group's performance by allowing them to purchase a stake in the Company (stock options, free shares, Group savings scheme).

In accordance with IFRS 2, stock-based compensation is recognized as employee benefit expenses with, as counterparty:

- consolidated reserves, when they are settled by transfer of shares to the beneficiaries, valued at the fair value of the instrument assessed at the date of grant;
- a liability, when they are settled in cash, with this liability remeasured at fair value at each statement of financial position date.

This expense is spread over the vesting period, assuming presence on the vesting date and possibly performance conditions attached.

Stock option plans: compensation is recognized in income over the vesting period; however, the straight-line method is not used given the vesting terms set out in the various plan regulations; Ubisoft uses a binomial model to estimate the value of the instruments awarded. This method is based on assumptions updated on the valuation date, such as estimated volatility of the security concerned, a risk-free discount rate, the estimated dividend rate and the likelihood of staff remaining in the Group and fulfilling performance conditions until they can exercise the rights.

Group savings scheme – Massive Multishare Ownership: the accounting expense is equal to the discount granted to employees valued according to the method used to assess the guaranteed component and the optional component. This expense is recognized immediately on the plan subscription date. Ubisoft uses a Monte Carlo model to estimate the value of such instruments. This method is based on assumptions updated on the valuation date, such as the estimated historic volatility of the security concerned, a risk-free discount rate, the estimated dividend rate and the likelihood of staff remaining in the Group.

Free share allocations settled in shares: the fair value of the free allocated shares is estimated by referring to the share price on the allocation date less the discounted value of dividends expected over the vesting period (not applicable for free shares allocated at the closing date in the absence of dividends expected over the vesting period).

Free share grants settled in cash: free share grants settled in cash are recognized in income in return for a liability constituted as the vesting period progresses for the beneficiaries and based on the share price at the grant date. At each closing date, the liability is remeasured based on the share price at the closing date, and the change in fair value is recognized in income.

Free grant of preference shares settled in shares: compensation is recognized in income over the vesting period of the rights. Given the complexity of the vesting modalities attached to some of the shares, Ubisoft uses a model based on the Monte Carlo method to estimate the value of such instruments. This method is based on assumptions updated on the valuation date, such as the estimated historic volatility of the security concerned, a risk-free discount rate, the estimated dividend rate, the share price and the likelihood of staff remaining in the Group and fulfilling performance conditions until they can exercise their rights.

The dilutive effect of stock option plans and free share grants when the unwinding of the instrument involves the issue of Ubisoft shares and the vesting period is in progress, is reflected in the calculation of diluted earnings per share.

NOTE 16 COMPENSATION OF CORPORATE OFFICERS (RELATED-PARTY TRANSACTIONS)

Compensation of corporate officers of the Company and of the controlling and/or controlled companies

Messrs. Guillemot are remunerated for their positions as Chairman and Chief Executive Officer or Executive Vice-Presidents of Ubisoft Entertainment SA.

The compensation of Yves Guillemot, Chairman and Chief Executive Officer, for the financial year ended March 31, 2021, comprises the following components:

- fixed compensation amounting to €584,824 since April 1, 2019;
- annual variable compensation based on two financial and one non-financial Indicators, contingent on the approval of the General Meeting called to approve the financial statements for the past financial year;
- long-term variable compensation based on one financial and two non-financial Indicators.

The compensation of each Executive Vice-President for the financial year ended March 31, 2021 comprises the following components:

- fixed compensation of €65,621;
- long-term variable compensation based on one financial and two non-financial Indicators.

Following the proposal by the Nomination, Compensation and Governance Committee, the Board of directors approved the long-term variable compensation which, for the financial year ended March 31, 2021, represented the allocation of 36,716 share subscription options for the Chairman and Chief Executive Officer and 3,097 share subscription options for each of the Executive Vice-Presidents.

The vesting of the stock options is conditional:

(i) for 60%, on the total shareholder return on Ubisoft Shares (the "Ubisoft TSR") compared to the TSR of companies in the NASDAQ Composite Index, both TSRs being calculated between December 8, 2020 to December 8, 2023;

(ii) for 20% based on the Growth in the number of Monthly Active Users (MAU);

(iii) for 20% based on a "CSR" performance condition (Gender diversity of the teams).

Achievement of these indicators is assessed over a period of three consecutive financial years or calendar years conditioning the acquisition of the long-term compensation. The share subscription option plan will vest definitively after a vesting period of four years and will be conditional on remaining in the position of executive corporate managing officer.

The amount of the total gross compensation due/paid to corporate managing officers during the financial year by companies controlled by the Company within the meaning of IAS 24.16 and in which they exercise duties was €2,063 thousand.

Corporate managing officers are not eligible for any severance or non-compete indemnity, nor a supplementary pension scheme in respect of their function in the Company.

Valuation of compensation for the financial year, *in thousands of euros*	03/31/21	03/31/20
Short-term benefits (1)	2,063	1,735
Post-employment benefits	-	-
Other long-term benefits (2)	(142)	(109)
Compensation for termination of employment contract	-	-
Share-based compensation (3)	336	247
TOTAL	**2,257**	**1,873**

(1) Includes fixed and variable compensation, benefits in kind and directors' compensation in respect of their office recognized for the financial year
(2) Includes the fair value of long-term variable compensation, calculated according to IFRS 2
(3) Expense for the financial year in respect of stock-based compensation calculated in accordance with IFRS 2

Compensation of corporate officers

Directors receive compensation in respect of their term of office comprising a fixed component and a variable component.

Compensation paid to members of the Board of directors in the financial year 2020-2021 amounted to €595 thousand.

There are no agreements to compensate Board members if they resign or are dismissed without real cause, or if their employment is terminated due to a public offering.

Section 4.2 of this annual report contains a detailed description of the pay and benefits granted to the corporate managing officers of the Group.

No loans or advances were made to the Company's directors under Article L. 225-43 of the French commercial code.

6.1.2.11 Goodwill

NOTE 17 GOODWILL IMPAIRMENT

Goodwill impairment recorded in the expenses for the financial year ended March 31, 2021 breaks down as follows:

CGU	03/31/21	03/31/20
Production/Distribution	**110.4**	**100.1**
Future Games of London	9.9	-
Ketchapp	40.3	55.2
Growtopia	8.5	-
1492 Studio	10.5	44.8
Kolibri	41.2	-
TOTAL	**110.4**	**100.1**

As at March 31, 2021, impairments were recorded due to insufficient future cash flow prospects.

NOTE 18 GOODWILL

In accordance with IAS 36 section 72, and as part of the analyses relating to the organization of studio production (for non-mobile games), the Company identified that the studios acquired work in collaboration with the other studios in accordance with the Group's integrated editorial and co-production strategy, with the exception of one studio. The scope of the Publishing/Production CGU is divided into several CGUs according to whether the acquired studios develop their own franchises without inter-studio collaboration or whether they collaborate with other Group studios on the development of their own franchises or the development of other Group franchises by being associated, through the contribution of their expertise, to the development of projects led by other studios.

This analysis led to two new CGUs being taken into account within the Publishing/Production CGU:

- Publishing/Production CGU – Mono Project;
- Publishing/Production CGU – Multi Projects, covering internal collaborations.

Following the acquisition of the i3D.net group, a Cloud Gaming CGU was identified to analyze the specific cash flows for this activity.

The net carrying amount of goodwill as at March 31, 2021 breaks down as follows:

	03/31/21			03/31/20
CGU	Gross value	Cumulative impairment losses	Net value	Net value
Publishing/Production (non-mobile games)	**58.5**	**-**	**58.5**	**61.3**
Mono Project	21.9	-	21.9	23.5
Multi Projects	36.6	-	36.6	37.9
Production/Distribution (mobile games)	**269.6**	**157.0**	**112.7**	**223.6**
Ketchapp	106.1	95.5	10.6	50.9
Kolibri Games	104.5	41.2	63.4	104.5
1492 Studio	-	-	-	10.5
Green Panda Games	33.8	-	33.8	33.8
Growtopia	25.2	20.3	4.9	14.4
Future Games of London	-	-	-	9.6
Cloud gaming	**49.6**	**-**	**49.6**	**49.6**
TOTAL	**377.7**	**157.0**	**220.7**	**334.6**

The change in goodwill as at March 31, 2021 breaks down as follows:

	03/31/21	03/31/20
Gross value at the start of the period	**477.6**	**333.4**
Acquisitions	-	142.9
Foreign exchange gains and losses	(4.2)	1.3
Derecognitions	(95.7)	-
Gross value at the end of the period	**377.7**	**477.6**
Cumulative losses at the start of the period	**143.0**	**42.7**
Impairment losses	110.4	100.1
Foreign exchange gains and losses	(0.8)	0.3
Derecognitions	(95.7)	-
Cumulative losses at the end of the period	**157.0**	**143.0**
Net goodwill	**220.7**	**334.6**

The change in goodwill as at March 31, 2021 is mainly related to impairments recorded on the mobile business due to insufficient future cash flow prospects.

NOTE 19 KEY ASSUMPTIONS USED TO CALCULATE RECOVERABLE VALUES

March 31, 2021

	Publishing/ Production	Production/Distribution						Cloud Gaming
		Growtopia	Ketchapp	Kolibri	Green Panda Games	Future Games of London	1492 Studio	i3D.net
Basis used for recoverable value	Value-in-use							
Source used	Internal plan							
Methodology	Discounted cash flows							
Discount rate	8.74%							
Perpetuity growth rate	1.50%	0.50%	1.50%	1.50%	1.50%	0%	0%	1.50%

March 31, 2020

	Publishing/ Production	Production/Distribution				
		Future Games of London	Growtopia	Ketchapp	1492 Studio	i3D.net
Basis used for recoverable value	Value-in-use					
Source used	Internal plan					
Methodology	Discounted cash flows					
Discount rate	9.14%					
Perpetuity growth rate	1.50%	1.50%	1.00%	1.50%	1%	1.50%

NOTE 20 SENSITIVITY OF RECOVERABLE AMOUNTS

On the basis of foreseeable events to date, the Group considers that potential changes in the key assumptions described in the accounting principles hereafter would not lead to a surplus in the carrying amount compared with the recoverable value.

The table below shows the discount rate and EBIT growth rate required for an impairment to be recognized for material CGUs, for which the estimated recoverable value is higher than the net carrying amount:

	Publishing/Production		Cloud gaming
	Mono Project	Multi Project	i3D.net
Estimated recoverable value of the tested CGU	144	1,366	204
Carrying amount of the tested CGU	22	249	50
Change in cash flows leading to an impairment	(85%)	(82%)	(75%)
Discount rate leading to an impairment	50%	37%	34%
Perpetuity growth rate leading to an impairment	Not sensitive	Not sensitive	Not sensitive

	Production/Distribution			
	Kolibri	Ketchapp	Growtopia	Green Panda Games
Estimated recoverable value of the tested CGU	63	11	6	49
Carrying amount of the tested CGU	63	11	5	34
Change in cash flows leading to an impairment	Sensitive	Sensitive	Sensitive	(31%)
Discount rate leading to an impairment	Sensitive	Sensitive	Sensitive	12%
Perpetuity growth rate leading to an impairment	Sensitive	Sensitive	Sensitive	Not sensitive

ACCOUNTING PRINCIPLES

Calculation of goodwill

The Group applies the acquisition method to recognize business combinations. The acquisition price, also called “transferred counterparty”, for the acquisition of a subsidiary is the sum of the fair values of the assets transferred and liabilities assumed by the acquiring company at the acquisition date and the equity instruments issued by the acquiring company. The acquisition price includes any additional payments assessed and recognized at their fair value at the acquisition date.

The Group has opted for the partial goodwill method, which corresponds to the difference between the acquisition price for the combination, and the purchaser’s share of the fair value of the identifiable net assets purchased. This figure does not include goodwill relating to non-controlling interests.

The direct costs related to the acquisition are recorded in expenses during the period in which they are incurred.

The goodwill resulting from a business combination is equal to the difference between:

- the fair value of the acquisition price plus the amount of non-controlling interests (non-controlling investments) in the acquired company; and
- the fair value of the assets acquired and liabilities assumed at the acquisition date.

The initial assessment of the acquisition price and the fair values of the assets acquired and liabilities assumed is finalized within 12 months after the acquisition date and any adjustments are recognized as retroactive adjustments to goodwill. After this 12-month period, all adjustments are directly recorded in the income statement.

Earn-out payments are initially recorded at their fair value and subsequent changes in value occurring after the 12-month period following the acquisition are systematically recognized as a counterparty to income.

Put options granted to non-controlling interests are initially recognized at their fair value and subsequent changes are recognized as an offsetting entry in the Group’s equity, except for the portion related to continued employment, which is recognized in employee benefit expenses.

Goodwill impairment methods

Goodwill on the statement of financial position of the Group may be associated with the acquisition of:

- production subsidiaries;
- production subsidiaries that also release their developments;
- subsidiaries that supply hosting solutions.

These are not amortized but are subject to impairment tests at least once a year and each time impairment indicators are identified.

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As the recoverable amount of this goodwill cannot be determined individually, the Group has identified for each of them the smallest group of assets (cash generating unit – CGU) generating cash inflows that are independent of other group assets:

- for goodwill of **production subsidiaries:**
  - concerning the studios acquired that develop their own franchises with or without collaboration with the Group's studios (Mono Project): the CGU corresponds to the project in question,
  - for the studios working in collaboration with the other studios in accordance with the Group's integrated editorial and co-production strategy (Multi Projects): the CGU corresponds to all production (internal studios) and publishing assets (parent company), with these two activities being interdependent;
- for the goodwill of the **production/distribution subsidiaries:** the CGU corresponds to the subsidiary concerned as some games have their own market. Developments are, in the main, made by the acquired entity, which also provides sales and marketing. The acquired companies generate separate cash inflows for the mobile activity;
- for the goodwill of **subsidiaries that supply hosting solutions:** the CGU corresponds to the subsidiary in question. These subsidiaries have their own market due to their independent activity.

The recoverable value of the CGU is the higher of fair value minus cost of sale (net fair value) and its value-in-use. The estimated value is defined as the sum of projected cash flows with CGU discounted based on a business plan at five years to which the asset belongs (including goodwill), and the terminal value determined by projection to infinity of normative future cash flows.

When the recoverable value is less than the carrying amount of related assets of the CGU concerned (including goodwill), an impairment loss is recognized. This is irreversible when it relates to goodwill.

The business plans used for each CGU being tested for impairment are based on assumptions made by management of the Group in terms of variation of sales, level of profitability, and in particular foreign exchange. These are considered reasonable and consistent with market data available at the time of preparation of the Group's financial statements.

The discount rate applied to future cash flows is common to all CGU given the interdependence within the Group, of publishing, production and distribution activities on the one hand, and country risk comparable in the main distribution areas of the Group (North America and Western Europe). It corresponds to the estimate (updated half-yearly) by the Group's management of the weighted average cost of capital based on available industry data, especially with regard to the financing structure (gearing) and beta coefficient on the equity market risk premium. It stood at 8.74% at March 31, 2021 (against 9.14% at March 31, 2020).

Regarding the current organization of the Group's activities, the allocation of goodwill by CGU and the overall risk premium attached to the Group included in the discount rate, the use of a single rate for all CGUs was considered appropriate for the impairment test.

The terminal value applied for each CGU being tested for impairment corresponds to capitalization to infinity of normative cash flows at the weighted average cost of capital less the perpetuity growth rate. The perpetuity growth rate used differs according to the CGU.

6.1.2.12 Other intangible assets

NOTE 21 AMORTIZATION AND IMPAIRMENT OF OTHER INTANGIBLE ASSETS

	03/31/21				
Amortization and impairment of other intangible assets	Total	Cost of sales	R&D costs	Marketing costs	Administrative and IT costs
Released commercial software	424.0	-	424.0	-	-
Commercial software in production	(0.7)	-	(0.7)	-	-
External developments	5.5	-	5.5	-	-
Office software	12.5	-	3.2	4.0	5.3
Brands	-	-	-	-	-
Movies being marketed	1.5	-	1.5	-	-
Movies in production	3.1	-	3.1	-	-
Other	0.6	-	0.6	-	-
TOTAL AT 03/31/21	**446.5**	**-**	**437.2**	**4.0**	**5.4**
TOTAL AT 03/31/20	**434.9**	**-**	**427.9**	**2.2**	**4.8**

NOTE 22 INVENTORY VALUE AND CHANGES IN OTHER INTANGIBLE ASSETS DURING THE FINANCIAL YEAR

	03/31/21			03/31/20
Other intangible assets	Gross	Depreciation and amortization	Net	Net
Released commercial software	1,050.0	(839.4)	210.6	112.4
Released external software developments	30.2	(27.9)	2.4	3.5
Commercial software in production	1,145.6	(46.5)	1,099.1	883.9
External software developments in progress	36.3	-	36.3	13.7
Office software	83.1	(58.8)	24.3	17.8
Other intangible assets in progress	8.4	-	8.4	15.0
Brands	76.5	(11.7)	64.8	58.3
Movies being marketed	42.6	(42.3)	0.3	1.8
Movies in production	9.4	(3.1)	6.3	8.2
Other	5.0	(4.1)	0.8	0.8
TOTAL	**2,487.1**	**(1,033.9)**	**1,453.2**	**1,115.3**

Change in other intangible assets	Opening date	Increase	Decrease	Reclassification of work in progress	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Released commercial software	722.4	3.6	(222.8)	547.0	-	-	(0.2)	1,050.0
Released external software developments	50.0	2.3 *	(24.2)	2.1	-	-	-	30.2
Commercial software in production	959.6	733.0	-	(547.0)	-	-	-	1,145.6
External software developments in progress	13.7	24.7 *	-	(2.1)	-	-	-	36.3
Office software	78.9	5.0	(15.0)	-	14.4	-	(0.3)	83.1
Other intangible assets in progress	15.0	8.0	(0.2)	-	(14.5)	-	-	8.4
Brands	70.5	5.6	-	-	-	-	0.4	76.5
Movies being marketed	50.0	-	(7.4)	-	-	-	-	42.6
Movies in production	8.2	1.8	-	-	-	-	(0.5)	9.4
Other	4.3	0.7	-	-	-	-	-	5.0
TOTAL AT 03/31/21	**1,972.6**	**784.8**	**(269.5)**	**-**	**-**	**-**	**(0.7)**	**2,487.1**
TOTAL AT 03/31/20	**1,989.7**	**668.4**	**(684.7)**	**-**	**-**	**0.1**	**(0.8)**	**1,972.6**

* *Including a change of €12.2 million related to unpaid guaranteed commitments*

The increase in commercial software in production of €733.0 million and in released commercial software of €3.6 million can be explained by the capitalized production costs of €736.8 million, to which are added foreign exchange losses of €(0.2) million.

Reclassifications between accounts result mainly from the transfer of intangible assets in progress.

Amortization and impairment of other intangible assets	Opening date	Increase	Decrease	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Released commercial software	610.0	424.0	(222.8)	28.5	-	(0.2)	839.4
Released external software developments	46.6	5.5	(24.2)	-	-	-	27.9
Commercial software in production	75.7	(0.7)	-	(28.5)	-	-	46.5
Office software	61.2	12.5	(14.6)	(0.1)	-	(0.3)	58.8
Brands	12.2	-	-	-	-	(0.5)	11.7
Movies being marketed	48.2	1.5	(7.4)	-	-	-	42.3
Movies in production	-	3.1	-	-	-	-	3.1
Other	3.5	0.6	-	-	-	-	4.1
TOTAL AT 03/31/21	**857.3**	**446.5**	**(268.9)**	(0.1)	**-**	**(1.0)**	**1,033.9**
TOTAL AT 03/31/20	**1,106.7**	**434.9**	**(684.4)**	**-**	**-**	**0.1**	**857.3**

No intangible assets are used to secure any borrowings.

ACCOUNTING PRINCIPLES

Other intangible assets include:

- commercial software developments;
- engines and tools;
- external software developments;
- office software;
- information system developments;
- brands;
- films.

Commercial software comprises both commercial software and external software developments.

Recognition of other intangible assets (excluding brands)

The intangible assets of companies included in the scope of consolidation are recorded at their net carrying amount (historical acquisition cost less cumulated amortization and impairment losses).

In accordance with IAS 38 "Intangible assets", projects are only recognized as non-current assets if they meet the following criteria:

- the technical feasibility required for completion of the intangible asset leading to its commissioning or sale;
- the intention to complete the intangible asset and commission or sell it;
- the ability to commission or sell the intangible asset;
- the probability that the intangible asset will generate future economic benefits;
- the availability of suitable technical, financial and other resources to complete the development and commissioning or sale of the intangible asset;
- the ability to reliably measure the expenses attributable to the intangible asset during its development.

No borrowing costs are included in the costs of intangible assets.

Development costs of commercial software (video games), whether outsourced to Group subsidiaries or externally, are recognized in "Commercial software and external software development in production" as development progresses. Once they are released, these costs are transferred to the "Released commercial software" or "Released external software developments" accounts.

Commitments made under external development contract agreements are recognized for the amount specified in the agreement including the portion not yet paid.

Recognition of brands

Acquired brands are recognized at their fair value in accordance with IFRS 3 as amended when they are acquired as part of a business combination, or if this is not the case, in accordance with IAS 38 on the acquisition of intangible assets.

Depreciation and impairment of other intangible assets

Within the context of IAS 38, the Group is requested to periodically revise its amortization periods based on the observed useful life.

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Inventory value of intangible assets and impairment tests

<table>
<tr><th>Types of intangible assets</th><th>Depreciation method</th><th>Impairment method for intangible assets</th></tr>
<tr><td>Commercial software development</td><td>1 to 8 years, straight-line, starting on the commercial release date</td><td rowspan="3">Impairment tests are systematically carried out at the end of each financial year on:
• all software in current release;
• all software under production with a scheduled release date during the 12 months following the half-year and full-year end dates;
• all software under production with a release date more than 12 months ahead and for which an impairment indicator has been identified.
The Company determines the value-in-use by discounting future cash flow forecasts for the software over the entire period of its exploitation, using a rate based on an assessment of the average cost of equity.
As the useful life of software is finite, the Company does not use a terminal value.
Impairment is recognized if the value-in-use is lower than the net carrying amount of the brand.</td></tr>
<tr><td>External developments</td><td>1 to 2 years, straight-line, starting on the commercial release date and, where appropriate, according to the royalty expenses due to third-party publishers where this is higher</td></tr>
<tr><td>Engines and tools</td><td>3 years, straight-line, from the release date</td></tr>
<tr><td>Acquired brands</td><td>No amortization due to indefinite useful life</td><td>Impairment tests are carried out on brands at the end of each financial year or more frequently if there are indications of loss in value. The recoverable value of brands corresponds to the higher of the net fair value of disposal costs and the value-in-use (calculated by applying the royalty method to the forecasts of expected future revenue over a five-year period taking into account a final value). Impairment is recognized if the value-in-use is lower than the net carrying amount of the brand.</td></tr>
<tr><td>Movies</td><td>From the date of first release, amortization based on the ratio: net income acquired during the financial year/total net income discounted using a rate based on a valuation of the average cost of equity.
The Group considers that the use of this amortization method, based on the income from these activities according to the estimated income method, is justified as there is a strong correlation between the products and consumption of the economic benefits associated with the works in question.</td><td>In the event that the total net investment amount resulting from the application of this method exceeds the forecast net income, an additional impairment is recognized for the asset concerned.</td></tr>
<tr><td>Information system developments</td><td>3 or 5 years, straight-line, from the date of commissioning</td><td>An impairment test is performed if there is any indication of a loss in value.</td></tr>
<tr><td>Office software</td><td>3 years, straight-line, from the release date</td><td>An impairment test is performed if there is any indication of a loss in value.</td></tr>
</table>

NOTE 23 RECOVERABLE VALUE OF BRANDS

	03/31/21			03/31/20
Net values of brands	Gross value	Cumulative impairment losses	Net value	Net value
Driver	15.4	(6.9)	8.4	9.0
Tom Clancy	39.6	-	39.6	38.1
Other brands	21.6	(4.8)	16.8	11.3
TOTAL	**76.5**	**(11.7)**	**64.8**	**58.3**

Key assumptions used to calculate recoverable values

	Driver	Tom Clancy	Other brands
Basis used for recoverable value		Value-in-use	
Source used		Internal plan	
Methodology		Royalty method	
Discount rate		8.74%	
Perpetuity growth rate	None	1.5%	0 to 1.5%

Sensitivity of recoverable amounts of other assets with indefinite useful lives (brands)

On the basis of foreseeable events to date, the Group considers that potential changes in the key assumptions would not lead to a surplus in the carrying amount compared with the recoverable value.

The recoverable value of brands is 13 times their net carrying amount.

6.1.2.13 Property, plant and equipment

NOTE 24 DEPRECIATION AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

Depreciation of property, plant and equipment	Total	Cost of sales	R&D costs	Marketing costs	Administrative and IT costs
Buildings	2.7	-	1.8	0,2	0.7
Fixtures and fittings	11.4	-	7.7	0.8	2.9
Computer hardware and furniture	40.4	-	27.2	2.7	10.4
Transport equipment	0.1	-	0.1	-	-
TOTAL AT 03/31/21	**54.6**	**0.1**	**36.8**	**3.7**	**14.1**
TOTAL AT 03/31/20	**47.3**	**-**	**33.2**	**3.3**	**10.8**

NOTE 25 INVENTORY VALUE AND CHANGES IN PROPERTY, PLANT AND EQUIPMENT DURING THE FINANCIAL YEAR

Property, plant and equipment	At 03/31/21 Gross	At 03/31/21 Cumulative depreciation	At 03/31/21 Net	03/31/20 Net
Land	5.0	-	5.0	4.9
Buildings	47.0	(5.1)	41.9	13.2
Machines and equipment	11.5	(6.6)	4.9	4.2
Fixtures and fittings	102.4	(57.2)	45.2	43.9
Computer hardware and furniture	298.8	(206.7)	92.1	77.4
Transport equipment	0.7	(0.5)	0.2	0.3
Non-current assets in progress	10.4	-	10.4	30.5
TOTAL	**475.8**	**(276.0)**	**199.7**	**174.4**

Change in property, plant and equipment	Opening date	First-time application of IFRS 16	Increase	Decrease	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Land	4.9	-	-	-	-	-	0.2	5.0
Buildings	15.5	-	1.4	-	29.2	-	0.9	47.0
Machines and equipment	10.3	-	1.2	-	-	-	-	11.5
Fixtures and fittings	94.1	-	5.1	(5.2)	6.4	-	1.9	102.4
Computer hardware and furniture	248.3	-	52.8	(7.8)	0.6	-	4.9	298.8
Transport equipment	0.7	-	0.1	(0.1)	-	-	-	0.7
Non-current assets in progress	30.5	-	14.4	-	(36.5)	-	2.0	10.4
TOTAL AT 03/31/21	**404.2**	**-**	**75.0**	**(13.0)**	**(0.2)**	**-**	**9.9**	**475.8**
TOTAL AT 03/31/20	**364.4**	**(28.0)**	**83.6**	**(6.5)**	**(0.7)**	**0.8**	**(9.3)**	**404.2**

Depreciation and amortization of property, plant and equipment	Opening date	First-time application of IFRS 16	Increase	Decrease	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Buildings	2.3	-	2.7	-	-	-	0.1	5.1
Machines and equipment	6.1	-	0.8	-	(0.3)	-	-	6.6
Fixtures and fittings	50.2	-	10.6	(4.9)	(0.1)	-	1.4	57.2
Computer hardware and furniture	170.8	-	40.4	(7.7)	(0.3)	-	3.4	206.7
Transport equipment	0.4	-	0.1	-	-	-	-	0.5
TOTAL AT 03/31/21	**229.8**	**-**	**54.6**	**(12.6)**	**(0.6)**	**-**	**4.9**	**276.0**
TOTAL AT 03/31/20	**204.4**	**(11.2)**	**47.3**	**(6.0)**	**-**	**-**	**(4.8)**	**229.8**

ACCOUNTING PRINCIPLES

Property, plant and equipment

Property, plant and equipment are measured at their acquisition cost (purchase price plus incidental expenses) minus rebates, discounts, and any investment subsidies granted.

Property, plant and equipment are then recorded at their net carrying amount (historical acquisition cost less cumulated amortization and impairment losses) at the time of their inclusion into the scope of consolidation.

No borrowing costs are included in the costs of property, plant and equipment.

Given the type of assets held, no component was identified.

Depreciation, and impairment of property, plant and equipment

The depreciation method used throughout the Group, is straight-line and the depreciation periods used for the various types of non-current assets are as follows:

Type of asset	Period *(in years)*
Buildings	15 to 25
Equipment	5
Fixtures and fittings	3 to 15
Computer hardware	3 to 4
Office furniture	10
Transport equipment	5

In accordance with IAS 16, the Group is led to periodically revise its depreciation period based on the observed useful life.

Concerning the period of depreciation of non-removable leasehold improvements, the enforceable term of lease contracts is taken into account to determine the period of depreciation of leasehold improvements.

No impairment test is performed in the absence of any indication of impairment.

Property

Ubisoft owns the following land and buildings:

- in Canada, 111 Chemin de la gare, Piedmont, Québec;
- in France, 8, rue de Valmy, Montreuil-sous-Bois (1st floor of the building);
- in Sweden, Ängelholmsgatan 1, 214 22 Malmo;
- in the United States, 2000 CentreGreen Way, Suite 300, Cary, North Carolina.

No property, plant or equipment is used to secure any borrowings.

As at March 31, 2021, no impairment test was performed because there was no indicator of impairment of property, plant and equipment.

NOTE 26 SUPPLIERS OF NON-CURRENT ASSETS

	Opening date					Closing date
	Gross	Movement	Reclassifications	Changes in scope	Foreign exchange gains conversion	Gross
Amounts due to suppliers of non-current assets	0.5	0.4	-	-	-	0.9
TOTAL AT 03/31/21	**0.5**	**0.4**	**-**	**-**	**-**	**0.9**
TOTAL AT 03/31/20	**0.7**	**(0.2)**	**-**	**-**	**-**	**0.5**

6.1.2.14 Lease right-of-use assets

NOTE 27 DEPRECIATION AND IMPAIRMENT OF RIGHT-OF-USE ASSETS RELATING TO LEASES

Depreciation of right-of-use assets relating to leases	Total	Cost of sales	R&D costs	Marketing costs	Administrative and IT costs
Lease right-of-use assets	47.2	0.3	30.6	4.5	11.8
TOTAL DEPRECIATON AND AMORTIZATION 03/31/21	**47.2**	**0.3**	**30.6**	**4.5**	**11.8**
TOTAL DEPRECIATON AND AMORTIZATION 03/31/20	**36.9**	**0.3**	**27.6**	**4.7**	**4.3**

NOTE 28 INVENTORY VALUE AND MOVEMENTS DURING THE FINANCIAL YEAR IN LEASE RIGHT-OF-USE ASSETS

Change in gross lease right-of-use assets	Opening date	First-time application of IFRS 16	Increase	Decrease	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Lease right-of-use assets	275.3	-	104.0	(15.5)	0.4	-	4.8	369.1
TOTAL AT 03/31/21	**275.3**	**-**	**104.0**	**(15.5)**	**0.4**	**-**	**4.8**	**369.1**
TOTAL AT 03/31/20	**-**	**191.4**	**92.3**	**(4.7)**	**0.6**	**0.8**	**(5.1)**	**275.3**

Change in depreciation of gross lease right-of-use assets	Opening date	First-time application of IFRS 16	Increase	Decrease	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Depreciation of lease right-of-use assets	45.4	-	47.2	(6.7)	0.4	-	0.7	87.0
TOTAL AT 03/31/21	**45.4**	**-**	**47.2**	**(6.7)**	**0.4**	**-**	**0.7**	**87.0**
TOTAL AT 03/31/20	**-**	**11.4**	**36.9**	**(2.0)**	**-**	**-**	**(0.9)**	**45.4**

ACCOUNTING PRINCIPLES

Lease right-of-use assets

The Group qualifies a lease as soon as it gives the lessee the right to control the use of a given asset for a particular period, including when a service contract contains a lease component.

The Group has defined three large families of leases:

- land and buildings: they concern commercial leases and parking lots;
- IT equipment: this mainly concerns space in data centers;
- other: this mainly concerns vehicles.

The Group applies the two exemptions proposed by IFRS 16, namely exclusion of leases:

- where the duration is less than 12 months;
- where assets have a low value.

The leases to which one of these two exemptions apply are presented in "Off-statement of financial position commitments" and an expense is recognized in "Current operating expenses" in the income statement.

The recognition of all leases results, in the statement of financial position, in the recognition of an asset covering the right to use leased assets with, as counterparty, a liability for the associated lease obligations *(see note 37)*.

Depreciation of lease right-of-use assets

On the income statement, depreciation of right-of-use assets is presented separately from the interest expense on lease liabilities.

The period of depreciation of these right-of-use assets is determined according to the estimated duration of the lease, with the exception of finance leases, for which the period of depreciation of the right-of-use assets may be greater than the duration of the lease.

On the statement of cash flows, depreciation of these right-of-use assets is restated in relation to the cash flows from operating activities.

6.1.2.15 Tax

NOTE 29 ANALYSIS OF TAX EXPENSES/SAVINGS

	03/31/21	03/31/20
Current tax	(83.4)	(71.6)
Deferred tax	(49.3)	25.9
TOTAL	**(132.6)**	**(45.7)**

Within the Group, there are four tax consolidation groups:

- in France,
  - Ubisoft Entertainment SA consolidates all French companies held at more than 95% with the exception of those created and acquired during the financial year. As at March 31, 2021, the tax group's loss carryforwards totaled €838.8 million, including €1,156.1 million in accelerated depreciation relating to the application of Article 236 of the CGI (French general tax code) for software development expenses,
  - Green Panda Games SAS consolidates three companies. As at March 31, 2021, the tax group had generated a current income tax expense of €0.3 million;
- in the United States, the tax group includes four companies: Ubisoft Inc., Red Storm Entertainment Inc., Ubisoft LA Inc. and Script Movie Inc. As at March 31, 2021, the tax group had generated a payable income tax expense of €45.6 million, of which €45 million related to the tax reform implementing the incremental tax in the United States;
- in the United Kingdom, the tax group includes four companies: Ubisoft Ltd, Ubisoft Reflections Ltd, Future Games of London Ltd and Ubisoft CRC Ltd. As at March 31, 2021, the tax group had generated a payable income tax expense of €5.9 million.

Deferred tax is recognized at the tax rate applicable in each country over the financial years in which its use is expected.

NOTE 30 RECONCILIATION BETWEEN THE THEORETICAL INCOME TAX EXPENSE AND THE RECOGNIZED INCOME TAX EXPENSE

	03/31/21
Profit (loss) for the period	105.2
Total income tax	132.6
Consolidated earnings, excluding tax	237.8
Theoretical tax (32.02%)	**76.1**
Payments of tax deferred from previous years	
Impact of changes in the rate on the tax basis	*(18.2)*
Other adjustments	*1.5*
Impact of permanent differences between net income and consolidated earnings:	
Cancelation of provisions for impairment of goodwill	*31.5*
Cancelation of studio margin	*(7.2)*
Additional salary payment IFRS 2	*15.6*
Other permanent differences	*6.9*
Impact of permanent differences between net income and taxable income:	2.2
Taxation of foreign companies at different tax rates	(10.3)
Other adjustments	
Impact of the US tax reform (incremental tax)	*44.9*
Tax credits	*(9.7)*
Other	*(0.8)*
TOTAL INCOME TAX	**132.6**
EFFECTIVE TAX RATE	**55.77%**

NOTE 31 DEFERRED TAX

Breakdown by nature of tax on the statement of financial position and income statement

	03/31/20	Change in income	Change in other comprehensive income	Change in equity	Foreign exchange gains and losses	Other reclassifications	03/31/21
Intangible assets							
Elimination of margin on intangible assets [(1)]	*35.9*	*(5.9)*	-	-	-	-	*30.0*
Losses	*0.5*	*(0.1)*	-	-	-	-	*0.3*
Investment tax credit	*31.1*	*(0.3)*	-	-	*1.7*	*(1.1)*	*31.5*
Hedging derivatives	0.1	-	-	-	-	-	0.1
Temporary tax differences [(2)]	*101.8*	*9.5*	*0.6*	-	*(0.7)*	-	*111.3*
TOTAL DEFERRED TAX ASSETS	**169.3**	**3.2**	**0.6**	**-**	**1.0**	**(1.1)**	**173.1**
Intangible assets							
Brands	*(2.9)*	*(0.6)*	-	-	*0.2*	-	*(3.3)*
Other intangible assets	*(0.1)*	*(0.2)*	-	-	-	-	*(0.3)*
Tax credits and subsidies	(33.7)	(8.3)	-	-	(2.3)	-	(44.2)
Hedging derivatives	(0.1)	-	-	-	-	-	(0.1)
Other financial instruments	(12.1)	2.6	-	-	-	-	(9.5)
Accelerated depreciation and amortization	(53.4)	(41.1)	-	-	-	-	(94.5)
Other	(7.2)	0.8	-	-	-	-	(6.4)
TOTAL DEFERRED TAX LIABILITIES	**(109.5)**	**(46.9)**	**-**	**-**	**(2.1)**	**-**	**(158.5)**
TOTAL NET DEFERRED TAXES	**59.8**	**(43.7)**	**0.6**	**-**	**(1.1)**	**(1.1)**	**14.6**

(1) Corresponds to the elimination of the internal margin invoiced by the production studios to the parent company on capitalized commercial software developments

(2) The main differences relate to:

- *IFRS 15: €54.4 million*
- *provisions for credit notes by sales and marketing subsidiaries in respect of price protection: €5.9 million*
- *provision for employee benefit expenses (bonuses, paid leave, pension provisions): €12.2 million*

Breakdown by expiry of net deferred taxes

	Deferred tax assets			Deferred tax liabilities		
	Short-term	Long-term	Total	Short-term	Long-term	Total
Net accelerated depreciation *	-	-	-	(136.5)	42.1	(94.4)
Losses of other subsidiaries	0.3	-	0.3	-	-	-
Elimination of margin on intangible assets	11.2	18.3	29.5	-	-	-
Investment tax credit	9.6	21.8	31.5	(2.5)	(35.5)	(38.0)
Deferred revenue	24.4	29.3	53.7	-	-	-
Provision for post-employment liabilities	-	4.9	4.9	-	-	-
Temporary differences and other consolidation adjustments	29.8	23.4	53.2	(6.7)	(14.7)	(21.4)
Brands	-	-	-	-	(4.6)	(4.6)
TOTAL	**75.3**	**97.7**	**173.1**	**(145.7)**	**(12.8)**	**(158.5)**

** Deferred tax on losses has been reclassified as deducted from accelerated depreciation*

Deferred tax assets

Because of a transfer price policy implemented by the Group, the distribution companies and companies fulfilling support functions systematically report operating profits. Similarly, the studios invoice developer salaries with a margin that includes their overheads.

Deferred income tax assets are recognized if their recovery is likely, particularly when taxable profit is expected during the period of validity of the deferred tax assets.

The forecast period used to determine the recovery time on capitalized losses is five years, a period that is considered reasonable by management. The entirety of the losses carried forward for the tax group for which Ubisoft Entertainment SA is the head of the group therefore remains capitalized as at March 31, 2021.

The use of capitalized tax losses as at March 31, 2021 is not limited in time.

Taxes on capitalized/non-capitalized losses

	03/31/21			03/31/20		
(in € millions)	Activated losses	Non-activated losses	Total	Activated losses	Non-activated losses	Total
French tax group *	-	-	-	-	-	-
Tax on deficits prior to the consolidation of French subsidiaries	-	0.8	0.8	-	1.3	1.3
Tax on deficits of foreign subsidiaries	0.3	6.4	6.7	0.5	6.3	6.7
TOTAL	**0.3**	**7.2**	**7.5**	**0.5**	**7.5**	**8.0**

** Deferred tax on accelerated depreciation has been reclassified as deducted from loss carryforwards*

Investment tax credit

	03/31/21	03/31/20
Capitalized investment tax credit	31.5	31.1
TOTAL	**31.5**	**31.1**

Ubisoft Entertainment Inc. benefits from tax credits contingent upon the generation of taxable income. These tax credits recoverable on future income taxes have a total life of 20 years. The future use of these tax credits is subject to tax planning at the local level and at the Group level. They are recognized as assets of the Group on the statement of financial position since their recoverability horizon is reasonable (five years).

The Group shall ensure that, at each annual accounting period, the deferred tax assets relating to tax losses and tax credits recoverable only by deduction from future tax, shall be recovered within a reasonable timeframe based on its estimates of future taxable income. The assumptions used for tax planning are consistent with those of the business plans made by management of the Group for the implementation of impairment testing of intangible assets with indefinite lives.

Deferred tax liabilities

Grants and tax credits

Ubisoft Divertissements Inc. benefits from multimedia credits and investment tax credits.

The Company has recorded a future tax liability relative to the recognition of multimedia credits and investment tax credits, as the taxation of these elements is effective at the moment of collection.

Accelerated depreciation (Article 236 of the French general tax code)

According to the provisions of Article 236 of the French general tax code, Ubisoft Entertainment SA can opt for the immediate deductibility of software development expenses for which design began during the financial year. As of March 31, 2021, an allowance of €212 million was recorded. In accordance with IAS 12, the cancelation of the accelerated tax depreciation generates a deferred tax liability, which is then reclassified under loss carryforwards.

ACCOUNTING PRINCIPLES

Income tax (income or expense) includes the current tax expense (or income) and deferred tax expense (or income). Tax is recognized in profit or loss, unless it relates to items that are recognized directly in other comprehensive income; in which case it is recognized in other comprehensive income.

Current tax

Current tax is the estimated amount of tax owed on taxable income for an accounting period. It is determined using the tax rates applicable at the closing date.

Deferred tax

Deferred income tax is measured using the statement of financial position liability method for all temporary differences between the carrying amount of the assets and liabilities and their tax value.

Measurement of deferred tax assets and liabilities depends on the way in which the Group expects to recover or settle the carrying amount of the assets and liabilities using the tax rates applicable at the statement of financial position date.

A deferred tax asset is recognized if it is probable that the Group will have future taxable profits, assessed on the basis of tax forecasts, against which this asset can be offset within a reasonable time period.

Otherwise, the deferred tax assets are reduced accordingly.

The impact of possible changes in tax rates on previously recorded deferred tax is recognized in profit or loss except where it relates to an item recognized in other comprehensive income.

Deferred tax is shown in the statement of financial position separately from current tax assets and liabilities and is classified as a non-current item.

6.1.2.16 Miscellaneous other assets and liabilities

NOTE 32 OTHER RECEIVABLES

Other receivables	Opening date	First-time application of IFRS 16	Net change	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Advances and prepayments made	2.7	-	1.4	-	-	-	4.1
VAT	32.6	-	58.2	-	-	0.5	91.4
Grants receivable (1)	37.3	-	73.4	1.1	-	4.6	116.3
Other tax and social charge receivables	3.2	-	0.7	-	-	(0.1)	3.8
Other	13.5	-	(8.4)	-	-	0.4	5.4
Prepaid expenses (2)	38.2	-	1.1	(0.1)	-	0.4	39.6
TOTAL AT 03/31/21	**127.5**	**-**	**126.4**	**1.0**	**-**	**5.8**	**260.6**
TOTAL AT 03/31/20	**180.0**	**(0.6)**	**(51.2)**	**1.1**	**1.1**	**(3.0)**	**127.5**

(1) Of which €102.3 million in grants to be received in Canada

(2) See details note 12

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A receivable amount for subsidies to be received of €29.5 million was de-consolidated following the signature of a factoring contract covering the multimedia title credits in Canada *(see note 33 "Transfers of financial assets")*.

All other receivables are due in less than one year. None were subject to impairment.

ACCOUNTING PRINCIPLES

Other receivables (excluding grants to be received)

Other receivables linked to operating activity are recorded at amortized cost – in most cases the same as nominal value – minus any loss of value recorded in a special impairment account. As receivables are due in under a year, they are not discounted.

Grants receivable

In some countries, video game production operations qualify for public grants.

These grants are presented in the financial statements of the studios as a reduction in production costs for commercial software developments or the R&D costs to which they are attached.

Any claims on the public body that awarded the grant are classified as "Loans and receivables" as per IFRS 9.

NOTE 33 TRANSFER OF FINANCIAL ASSETS

Transferred financial assets not derecognized in their entirety

In March 2014, the production subsidiary Ubisoft Diverstissements Inc. concluded a factoring agreement for claims relating to the unvested rights of Investissement Québec under the so-called "CTMM" grant (income tax credit for the production of multimedia titles). An amendment was signed on September 24, 2019 modifying the discount rate and the maximum authorized limit.

The risks associated with these receivables are transferred to the counterparty of the factoring agreement; the receivables are derecognized from the statement of financial position of the Group.

Ubisoft Divertissements Inc. receives 85% of the sale price of the receivables transferred at the transfer date. The remaining 15% is collected at the time of actual payment of the grant by Investissement Québec, the counterparty of the factoring agreement. As the risks and benefits associated with 15% of transferred receivables were retained by the Group, a portion of 15% of outstanding claims relating to unvested rights of the organization Investissement Québec under the so-called "CTMM" grant remains on the Group's statement of financial position.

(in € millions)	Factoring agreement covering the subsidy "CTMM" – Ubisoft Divertissements Inc.
Nature of assets transferred	Debt owed by a public organization relative to the right to receive a public subsidy
Nature of risks and benefits attached to the ownership of the transferred assets	Risk of default Risk of late payment
Total carrying amount of the initial assets before the transfer	34.8
Carrying amount of residual assets	5.2
Carrying amount of associated liabilities	-
Nature of the relationship between the assets transferred and the associated liabilities	-
Restrictions on the use of transferred assets resulting from the transfer	Legal ownership of the receivable transferred to the counterparty

Financial assets derecognized

None

NOTE 34 OTHER LIABILITIES

Other liabilities

	Opening date	First-time application of IFRS 16	Net change	Reclassifications	Changes in scope	Foreign exchange gains conversion	Closing date
Other non-current liabilities	59.6	-	(25.1)	-	-	-	34.4
Social charge debts	133.0	-	114.1	-	-	4.6	251.7
Other tax liabilities	19.3	-	17.6	-	-	0.2	37.1
Other liabilities	90.5	-	8.3	(0.1)	-	(2.7)	96.0
Deferred income *	275.0	-	82.1	-	-	(4.1)	353.0
TOTAL AT 03/31/21	**577.3**	**-**	**197.0**	**(0.1)**	**-**	**(1.9)**	**772.2**
TOTAL AT 03/31/20	**664.6**	**(15.3)**	**(76.9)**	**(0.5)**	**4.5**	**0.8**	**577.3**

* *See note 6*

Other non-current liabilities mainly include:

- €5.3 million in put options held by minority shareholders in connection with the acquisitions of Green Panda Games and Kolibri Games;
- €28.6 million in earn-outs provisioned for the acquisition of i3D.net.

Other liabilities mainly include:

- €69.8 million in prepayments received;
- €22 million in earn-outs provisioned in relation to the acquisition of Blue Mammoth Games.

ACCOUNTING PRINCIPLES

The other debts are recorded at amortized cost, with the exception of sales options held by non-controlling interests, which are valued at fair value. Subsequent changes to the fair value of the debt are recognized against the equity of The Group except for the part related to presence conditions, which is recognized as personnel expenses.

Cash flows linked to short-term recoverable amounts are not discounted.

Provisions

	Opening date Gross	Provisions	Reclassifications	Reversals (Provision used)	Reversals (Provision unused)	Foreign exchange gains conversion	Closing date Gross
Provisions for other financial risks *	2.9	0.7	-	(0.7)	-	0.2	3.0
Other provisions for risks	0.2	1.8	-	(0.1)	-	-	2.0
TOTAL AT 03/31/21	**3.1**	**2.5**	**-**	**(0.8)**	**-**	**0.2**	**5.0**
TOTAL AT 03/31/20	**2.5**	**0.6**	**0.3**	**(0.2)**	**-**	**(0.1)**	**3.1**

* *The provision for other financial risks corresponds to the risk on the CTMM (multimedia titles credit) at Ubisoft Divertissements Inc.*

There has not been any change to the main disputes identified on March 31, 2020, which would compromise the assessment of risk by the Group, nor any new disputes for which the assessment of risk by the Group would have led to a significant provision on March 31, 2021.

ACCOUNTING PRINCIPLES

A provision is recorded when:

- the Company has a current obligation (legal or implicit) resulting from a past event;
- it is likely that an outflow of resources (without counterparty) representing economic benefits will be required to settle the obligation;
- the amount of the obligation can be measured reliably.

It these conditions are not met, no provision is recorded.

Contingent liabilities

Tax audits underway for which proposed adjustments have been received:

- Ubisoft Divertissements Inc.: the audit began in June 2017 and relates to the transfer price policy for the FY14 to FY16 financial years. Discussions are underway between the Canadian and French administrations in order to avoid any double taxation problems within the Ubisoft group. To date the Group considers that the risk of final adjustment is very low and, therefore, has not recognized a provision in the financial statements;
- Ubisoft SA (Spain): the audit, which began in December 2018, concerns the financial years FY12, FY13, FY15 and FY16. The Company contests all the proposed adjustments relating to the transfer pricing policy and consequently no provision has been recognized in the financial statements. A mutual agreement procedure was opened before the competent authorities in Spain and France.

Tax audits underway for which no proposed adjustments have been received:

- Ubisoft Entertainment SA (France): the audit began in February 2020 and concerns the financial years FY16 to FY19;
- 1492 Studio SAS (France): the audit began in October 2020 and concerns the financial year FY18;
- Ubisoft Montpellier SAS (France): the audit began in December 2020 and concerns the financial year FY20.

NOTE 35 RELATED-PARTY TRANSACTIONS

The services provided by the parent company to related parties are conducted according to normal market conditions:

- production subsidiaries billing the parent company for development costs based on the progress of their projects;
- the parent company invoicing sales and marketing subsidiaries for a contribution to development costs;
- the implementation of cash agreements allowing for centralized management at parent company level of the bank accounts of the majority of the Group companies.

The transactions invoiced by related parties are conducted according to normal competition conditions. No transactions exist with the corporate officers, with the exception of their compensation for their duties as Chief Executive Officer and Executive Vice-Presidents *(see note 16 Compensation of the corporate officers)*.

Ubisoft Entertainment SA has not bought own shares from related parties.

There are no other significant transactions with related parties.

6.1.2.17 Financial assets, financial liabilities and net financial income

NOTE 36 PROFIT AND LOSS RELATIVE TO FINANCIAL ASSETS AND LIABILITIES

	03/31/21	03/31/20
Income from cash	1.1	4.2
Interest on borrowings	(18.4)	(18.1)
Net borrowing cost	**(17.4)**	**(13.9)**
Foreign exchange gains	44.6	33.4
Foreign exchange losses	(52.8)	(37.2)
Net foreign exchange gains/losses	**(8.2)**	**(3.8)**
Other financial income	1.0	0.1
Financial income	**1.0**	**0.1**
Other financial expenses	(27.0)	(1.5)
Financial expenses	**(27.0)**	**(1.5)**
TOTAL	**(51.6)**	**(19.1)**

Other financial expenses include €27 million related to the revision of earn-out estimates subsequent to the valuation period of the business combination.

ACCOUNTING PRINCIPLES

Financing costs and other financial income and expenses

The cost of net financial debt includes income and expenses linked to cash and cash equivalents, interest expenses on borrowings which include the sale of marketable securities, creditor interest and the cost of ineffective currency hedging.

Other financial income and expenses include the sale of non-consolidated securities, capital gains or losses on disposals and impairment of financial assets (other than trade receivables), income and expenses linked to the discounting of assets and liabilities, and foreign exchange gains and losses on unhedged items.

The impact on profit and loss of measuring financial instruments used:

- in the management of foreign exchange risks, is recognized in operating income;
- in respect of the share swap agreement, is recognized in net financial income.

The changes related to the estimates of future results included in the potential return for the acquisition price, after the business combination's evaluation period, are recognized in other financial income and expenses.

NOTE 37 FINANCIAL DEBT

Net financial debt is part of the indicators used by the Group. This aggregate, which is not defined in the IFRS repository, may not be comparable to the indicators referred to by other companies. This is an additional information that should not be considered as a substitute for analysis of all of the assets and liabilities of the Group.

As of March 31, 2021, financial liabilities amounted to €2,095 million and, including cash and cash equivalents as well as cash management financial assets, net debt amounted to €228 million.

	03/31/21			03/31/20		
	Current	Non-current	Total	Current	Non-current	Total
Bank borrowings	2.2	49.9	52.1	2.1	0.8	2.9
Bonds	2.9	1,577.4	1,580.3	1.1	973.6	974.7
2019 OCEANE	*-*	*480.3*	*480.3*	*-*	*474.8*	*474.8*
Bond issue 2018 (1)	*1.1*	*499.2*	*500.3*	*1.1*	*498.8*	*499.9*
Bond issue 2020 (1)	*1.8*	*597.9*	*599.7*	*-*	*-*	*-*
Borrowings resulting from the restatement of IFRS 16 leases	38.8	267.6	306.4	41.2	201.8	243.0
Commercial papers	93.5	-	93.5	110.0	-	110.0
Bank overdrafts and short-term loans	62.1	-	62.1	91.6	-	91.6
Accrued interest	0.5	-	0.5	0.6	-	0.6
Foreign exchange derivatives (2)	-	-	-	0.2	-	0.2
Total borrowings (A)	**200.0**	**1,894.9**	**2,094.9**	**246.9**	**1,176.2**	**1,423.1**
Cash and bank balances	1,276.2	-	1,276.2	1,075.0	-	1,075.0
Investments of less than 3 months (3)	351.0	-	351.0	4.2	-	4.2
Cash management financial assets	239.9	-	239.9	-	-	-
Total positive cash and cash equivalents (B)	**1,867.0**	**-**	**1,867.0**	**1,079.2**	**-**	**1,079.2**
TOTAL NET DEBT (A-B)			**227.8**			**343.9**
TOTAL NET DEBT (EXCLUDING DERIVATIVES)			**227,8**			**343.6**
Fixed-rate debt			2,032.3			1,330.8
Variable-rate debt			62.6			92.3

(1) The amount for bonds is increased by accrued interest
(2) Valued at fair value (level 2, IFRS 7 hierarchy)
(3) UCITS measured at fair value (level 1, IFRS 7 hierarchy)

♦ Main features of the bond issued in November 2020

At its meeting of November 12, 2020, the Board of directors, acting on the authorization of the Extraordinary General Meeting of July 2, 2020, approved the issuance of bonds for a total amount of €600 million. These bonds were admitted to trading on Euronext Paris.

Number and par value:	6,000 bonds with a par value of €100,000
Date of dividend entitlement and settlement:	November 24, 2027
Duration:	7 years
Interest:	0.878%

♦ Issue of bonds with an option for conversion and/or for exchange for new and/or existing shares (OCEANE)

On September 24, 2019, Ubisoft issued bonds with an option for conversion and/or for exchange for new and/or existing shares (OCEANE) for an amount of €500 million.

Number and par value:	4,361,859 bonds with a par value of €114.63
Conversion rate:	1 share for 1 bond
Issue price:	105.25% of par, i.e. €526 million
Date of dividend entitlement and settlement:	September 24, 2024
Duration:	5 years
Interest:	zero coupon

OCEANE is considered as a composite instrument containing an equity component and a financial debt component. The amount of financial debt on the date of issue after deduction of expenses was valued at €472 million. The optional component recognized in equity was valued at €50 million, representing €36 million after the deferred tax effect.

Main characteristics of the bond issued in January 2018

At its meeting of January 24, 2018, the Board of directors, acting on the authorization of the Extraordinary General Meeting of September 22, 2017, approved the issuance of bonds for a total amount of €500 million. These bonds were admitted to trading on Euronext Paris.

Number and par value:	5,000 bonds with a par value of €100,000
Date of dividend entitlement and settlement:	January 30, 2023
Duration:	5 years
Interest:	1.289%

Net cash managed

	03/31/21	03/31/20
Cash and bank balances	1,276.7	1,075.0
Investments of less than 3 months	351.0	4.2
Bank overdrafts and short-term loans	(62.6)	(92.3)
NET CASH	**1,565.2**	**986.9**
Cash management financial assets	239.9	-
INVESTMENT SECURITIES (UCITS) *	**239.9**	**-**
NET CASH MANAGED	**1,805.1**	**986.9**

* *Units of UCITS with a short-term management horizon that do not meet the criteria for qualifying as cash equivalents defined by IAS 7*

Change in borrowings

Current and non-current financial liabilities	Opening date	First-time application of IFRS 16	Increase	Decrease	Changes in scope	Foreign exchange gains conversion	Closing date
Bank borrowings	2.9	-	50.5	(1.3)	-	-	52.1
Bonds	974.7	-	605.6	-	-	-	1,580.3
Borrowings resulting from the restatement of leases (finance leases and operating leases)	243.0	-	104,9	(46.6)	-	5.1	306.4
Commercial papers	110.0	-	489.0	(505.5)	-	-	93.5
Bank overdrafts and short-term loans	91.6	-	-	(29.6)	-	-	62.1
Accrued interest	0.6	-	(0.1)	-	-	-	0.5
Foreign exchange derivatives	0.2	-	(0.2)	-	-	-	-
TOTAL AT 03/31/21	**1,423.1**	**-**	**1,249.6**	**(538.0)**	**-**	**5.1**	**2,094.9**
TOTAL AT 03/31/20	**1,343.7**	**175.6**	**986.0**	**(1,077.9)**	**0.8**	**(5.0)**	**1,423.1**

Borrowings resulting from the restatement of leases by currency

Borrowings resulting from the restatement of leases *(in € million equivalent)*	CAD	EUR	USD	GBP	Other currencies	Total
BALANCE IN € MILLION EQUIVALENT – 03/31/21	**99.7**	**151.6**	**20.3**	**12.8**	**22.0**	**306.4**
BALANCE IN € MILLION EQUIVALENT – 03/31/20	**102.0**	**98.6**	**14.8**	**8.9**	**18.7**	**243.0**

All of the borrowings in currencies result from the restatement of leases.

ACCOUNTING PRINCIPLES

Financial liabilities include:

- bank borrowings, equity and bonds;
- obligations relating to finance leases and operating leases;
- commercial paper;
- bank overdrafts and short-term loans;
- derivatives with a negative market value.

Financial liabilities are presented as "non-current" except those with a maturity of less than 12 months from the closing date, which are classified as "current liabilities."

Bank overdrafts are included in cash and cash equivalents as they are an integral part of the Company's cash management. They are presented in liabilities, but are also offset against cash in the cash flow statement.

Recognition and measurement of financial liabilities

Borrowings and other financial liabilities

Bank borrowings, bond issues without an equity component and other financial liabilities are measured at amortized cost calculated based on the effective interest rate. Financial interests accrued on borrowings are included in "Current financial liabilities" in the statement of financial position.

Bond issuance with an equity component

In accordance with IAS 32 – "Financial Instruments: Presentation", if a financial instrument includes different components which relate for certain characteristics to liabilities and for other characteristics to equity, these different component parts must be accounted for and presented separately according to their type.

The component presented in financial debt is assessed, at the date of issue, on the basis of the future contractual cash flows discounted at the market rate (taking into account the issuer's credit risk) for a debt with similar characteristics but not including an option for conversion or repayment in shares.

The value of the conversion option is calculated by the difference between the bond's issue price and the fair value of the liability component. This amount is recognized in "Consolidated reserves" in equity *(see 6.1.1 Table of changes in equity)*.

At each closing date, an interest expense is calculated according to the market interest rate for a similar bond, but without a conversion option, with, in return, an increase in the financial liability representing the bond. Thus, at the maturity date, the carrying amount of the bond will be equal to its repayment value.

Borrowings resulting from the restatement of leases (finance leases and operating leases)

The Group recognizes a liability (lease debt) on the date of availability of the underlying asset. This lease debt corresponds to the discounted value of the fixed rents, and the rents fixed in substance remaining to be paid, to which are added the amounts that Ubisoft is reasonably certain to pay at the end of the contract, such as the exercise price of purchase options (when they are reasonably certain to be exercised), the penalties due to the lessor in case of termination (and for which termination is reasonably certain).

The Group systematically determines the duration of the lease contract as being the period during which the contract cannot be terminated, to which is added the intervals covered by every extension option that the lessee is reasonably certain to exercise and every option to terminate that the lessee is reasonably certain not to exercise. In the specific case of "3/6/9" leases in France, an assessment of the duration to be applied is made contract by contract.

The definition of this duration also takes into account laws and practices specific to each jurisdiction or sector of activity in matters of firm lease commitment granted by lessors. This is the case with indeterminate-period leases, for which Ubisoft generally applies the notice period as the enforceable period. However, the Group assesses, according to the circumstances of each contract, the enforceable period, taking into account certain indicators, such as the existence of significant penalties in case of termination by the lessee. In particular, to determine the duration of this enforceable period, the Group considers the economic importance of the leased asset.

When non-movable adaptations have been undertaken on leased assets, the Group assesses, contract by contract whether they provide an economic advantage to determine the enforceable period of the lease contract.

When a lease contract includes a purchase option, the Group adopts, as the enforceable period, the useful life of the underlying asset when it is reasonably certain to exercise the purchase option.

For each contract, the discount rate used is determined from the yield rates of government bonds in the lessee's country, according to the maturity of the contract, to which is added the Group's credit spread.

After the start date of the contract, the amount of the rental debt may be revalued to reflect changes arising from the following main cases:

- a change of duration arising from an amendment to the contract or a change of assessment concerning reasonable certainty of exercising a renewal option or not exercising a termination option;
- a change in the amount of rent, for example in application of a new index or rate for a variable rent;
- a change in assessment concerning the exercise of a purchase option;
- any other contractual change, for example a modification of the extent of the contract and its underlying asset.

Derivatives

The Group holds financial derivatives to manage its exposure to foreign exchange risks. To this end, Ubisoft Entertainment SA hedges these risks with forward purchase and sale contracts and currency options.

Derivatives are recognized at fair value and those with a negative market value are presented in financial liabilities.

NOTE 38 FINANCIAL ASSETS

Non-current financial assets	At 03/31/21 Gross	Cumulative depreciation	Net	On 03/31/20 Net
Deposits and sureties	9.6	-	9.6	9.4
Other long-term financial assets	6.3	-	6.3	4.1
Other non-current receivables	0.2	-	0.2	0.2
TOTAL	**16.1**	**-**	**16.1**	**13.7**

Non-current financial assets	Opening date	Increase	Decrease	Changes in scope	Foreign exchange gains conversion	Closing date
Deposits and sureties	9.4	1.3	(0.9)	-	(0.1)	9.6
Other long-term financial assets	4.1	2.5	(0.6)	-	0.3	6.3
Other non-current receivables *	0.2	196.6	(196.6)	-	-	0.2
TOTAL AT 03/31/21	**13.7**	**200.4**	**(198.1)**	**-**	**0.1**	**16.1**
TOTAL AT 03/31/20	**8.7**	**216.7**	**(211.5)**	**0.2**	**(0.3)**	**13.7**

* *The change reflects changes in cash on the bank account used for the liquidity agreement*

Current financial assets	As of 03/31/21 Gross	Impairment	Net	As of 03/31/20 Net
Foreign exchange derivatives *	-	-	-	0.5
TOTAL	**-**	**-**	**-**	**0.5**

* *Derivatives whose market value at the year-end is positive are reported at fair value (level 2, IFRS 7 hierarchy, see analysis in note 46)*

The financial assets below are presented in more detail in specific notes:

- trade receivables in note 5;
- inventory in note 10.

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ACCOUNTING PRINCIPLES

Financial assets include:

- short-term and long-term loans and advances;
- derivatives with a positive market value;
- marketable securities;
- positive cash flow;
- deposits and sureties;
- operating receivables.

Financial assets are presented as "non-current," except those with a maturity of less than 12 months from the year-end date. These are presented as "current assets", "cash management financial assets" or "cash equivalents".

The breakdown of financial assets by category is as follows:

Recognition and measurement of financial assets

In accordance with IFRS 9 – "Financial Instruments: Classification", financial assets held by the Group are analyzed according to the economic model and their objectives:

- assets valued at amortized cost: financial assets held with a view to receiving contractual cash flows;
- assets valued at fair value: financial assets held for resale and with a view to receiving contractual cash flows.

Classification depends on the nature and objective of each financial asset; it is determined when first recognized.

IFRS 9	
Categories	**Ubisoft**
Assets at FV through profit and loss	Cash and equivalent: • demand deposits (paid or unpaid) • term deposits • short-term investments (SICAV/UCITS) • cash management financial assets (UCITS) • fixed securities (non-consolidated)*
Option: Assets at fair value through OCI	Fixed securities (non-consolidated)*
Assets at their amortized cost	Deposits and sureties Grants Trade receivables
Liabilities at their amortized cost	Bank loans and overdrafts Trade and other payables
Liabilities at FV through profit and loss	Non applicable to Group

* Case-by-case analysis according to the intent with which the securities are held.

Assets measured at amortized cost

They include security deposits and trade receivables.

These assets are recognized at amortized cost using the effective interest rate method. Impairment is recognized as of initial recognition in order to materialize the credit losses expected at one year, then a review is carried out at the end of each reporting period to analyze whether the risk has changed significantly and to set aside a provision for the expected credit losses over the residual life of the financial instrument, if any.

Assets measured at fair value

Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposit accounts, money market UCITS, with maturity generally under three months, which can be easily liquidated or sold on very short notice, can be converted into cash and present negligible risks of change in value. Short-term investments are measured at net asset value at each statement of financial position date. Changes in this market value are recognized in financial income or expense.

Cash management financial assets

Cash management financial assets include units in UCITS invested with a short-term management horizon, that do not meet the criteria for qualifying as cash equivalents defined by IAS 7. They are measured and recognized at their fair value. Changes in value are recognized in profit/loss.

Purchases and sales of cash management financial assets are recognized at the transaction date.

Derivatives

The Group holds financial derivatives:

- with a view to managing its exposure to foreign exchange risk. To this end, Ubisoft Entertainment SA hedges these risks with forward purchase and sale contracts and currency options.

Derivatives are recognized at fair value and those with a positive market value are presented in financial assets. Changes in fair value are recognized in net financial income.

NOTE 39 CASH FLOW HEDGING AND OTHER DERIVATIVE INSTRUMENTS

Equity impacts of the hedge accounting

The hedging reserve includes the effective and ineffective part of the cumulative net change in the fair value of cash flow hedge instruments attributable to hedged transactions that have not yet materialized. For hedged transactions that have materialized, the amounts are reclassified in income.

The portion reclassified under profit or loss is recognized under current operating income for the effective portion and net financial income for the ineffective portion.

On March 31, 2021, the hedge positions taken during the financial year were reclassified to profit/loss, so there was no impact on equity.

ACCOUNTING PRINCIPLES

Recognition and valuation of financial derivatives

The Group holds financial derivatives exclusively to manage its exposure to foreign exchange risks. To this end, Ubisoft Entertainment SA hedges these risks with forward purchase and sale contracts and currency options.

Derivatives are initially recorded at fair value; associated transaction costs are recognized in profit or loss when incurred. After initial recognition, derivatives are measured at fair value while resulting changes are recorded using the principles outlined below.

Cash flow hedging

Hedge accounting (Cash Flow Hedge model) is applied as part of the hedging policy decided by the Group and mainly concerns transactions in US Dollars and Canadian Dollars. Its strategy is to hedge only one financial year at a time, so the hedging horizon never exceeds 18 months.

Hedge accounting applies if:

- the hedging relationship is clearly defined and documented on the date it is established;
- the effectiveness of the hedging relationship is proven from the outset and for as long as it lasts.

Application of cash flow hedge accounting under IFRS 9 has the following consequences:

- the effective and ineffective portions of the change in fair value of the hedging instrument are recognized in other comprehensive income until the hedged item is recognized;
- when reclassified under profit or loss, the ineffective portion of the change in fair value is recognized in financial income.

When the hedging instrument no longer meets the criteria for hedge accounting, reaches maturity, is sold, canceled or exercised, hedge accounting is no longer applied. The profit or loss accumulated is held in other items of comprehensive income until the completion of the planned transaction. When the hedged item is a non-financial asset, the profit or loss accumulated is removed from other comprehensive income and included in the initial cost. In other cases, related profits and losses that have been recognized directly in other comprehensive income are reclassified under profit or loss for the period in which the hedged item impacts the result.

The fair value of assets, liabilities and derivatives is determined on the basis of market prices at the closing date.

Hierarchy and levels of fair value

In accordance with IFRS 7 (revised), financial assets and liabilities held by the Group and measured at fair value have been classified according to the fair value levels specified by the standard:

- Level 1: the fair value corresponds to the market value of instruments listed on an active market;
- Level 2: the fair value determined on the basis of observable data.

Note 46 specifies the fair value level for each category of assets and liabilities measured at fair value.

The Group did not carry out any transfers between levels 1 and 2 during the financial year.

6.1.2.18 Information relating to market risks and to the fair value of financial assets and liabilities

In the context of its activity, the Group may be more or less exposed to financial risks (notably interest rate, liquidity, foreign exchange and financing risk), to counterparty risk and to equity risk. The Group has put in place a policy for managing these risks, which is described below.

NOTE 40 INTEREST RATE RISK

Interest rate risk is mainly incurred through the Group's interest-bearing debt. This debt is essentially euro-denominated and centrally managed. Interest rate risk management is primarily designed to minimize the cost of the Group's borrowings and reduce exposure to this risk. For this purpose, the Group primarily uses fixed-rate loans for its long-term financing needs and variable-rate loans to finance specific needs relating to increases in working capital during particularly busy periods.

On March 31, 2021, the Group's debt was mainly composed of bonds at fixed rates, loans, short-term negotiable securities (NEU CP) and bank overdrafts.

NOTE 41 LIQUIDITY RISK

To finance specific requirements related to the increase in working capital requirements during periods of high activity, the Group had the following as at March 31, 2021:

- unused credit lines for €369 million *(see Commitments received, note 54);*
- funding obtained including short-term negotiable securities (NEU CP) for €93.5 million (on a program of a maximum amount of €300 million), an OCEANE issued for €500 million, two bonds of respectively €500 million and €600 million and a Schuldschein-type loan for €50 million.

Analysis of financial liabilities by maturity

	03/31/21		Schedule			
	Carrying amount	Total contractual cash flows	< 1 year	1 to 2 years	2 to 5 years	> 5 years
Current and non-current financial liabilities						
Bank borrowings	52.1	56.0	2.2	-	-	49.9
Commercial papers	93.5	93.5	93.5	-	-	-
Bonds	1,580.3	1,635.2	2.9	499.2	480.3	597.9
Borrowings resulting from the restatement of leases (finance leases and operating leases)	306.4	392.4	38.8	41.8	103.7	122.1
Trade payables (1)	152.0	152.0	152.0	-	-	-
Other operating liabilities (2)	772.2	772.2	713.0	8.3	50.5	0.5
Current tax liabilities	15.8	15.8	15.8	-	-	-
Cash liabilities	62.1	62.1	62.1	-	-	-
Derivative liabilities						
Foreign exchange derivatives	-	12.8	-	-	-	-
TOTAL	**3,034.4**	**3,192.0**	**1,080.2**	**549.3**	**634.6**	**770.3**

(1) Liabilities are presented at the closing exchange rate, while variable-rate interest is calculated based on the closing spot rate

(2) Other operating debts at more than one year are mainly related to the deferred payments of consideration transferred as part of business combinations

NOTE 42 COVENANTS

Under the terms of the syndicated loan and bilateral lines, the Company is required to comply with the following financial ratios (covenants):

Consolidated IFRS annual financial statements	03/31/21	03/31/20
Net debt restated for assigned receivables/equity restated for goodwill <	0.80	0.80
Net debt restated for assigned receivables/EBITDA <	1.5	1.5

As at March 31, 2021, the Company was compliant with all these ratios and expects to remain so during the 2021-2022 financial year.

Other borrowings are not governed by covenants.

NOTE 43 FOREIGN EXCHANGE RISK

Given its international presence, the Group is exposed to foreign exchange risk on its cash flows from operating activities and on its investments in foreign subsidiaries.

The Group only hedges its exposures on operating cash flows in the main significant foreign currencies.

The Group first uses natural hedges provided by transactions in the other direction (development costs in foreign currency offset by royalties from subsidiaries in the same currency). The parent company uses foreign currency borrowings, futures or foreign exchange options to hedge any residual exposures and non-commercial transactions (such as inter-company loans in foreign currencies).

Derivatives for which documentation on the hedging relationship does not meet the requirements of IFRS 9 are not referred to as accounting hedges.

As of March 31, 2021, foreign exchange financial transactions are classified as cash flow hedges under IFRS 9.

Hedging commitments are made by the parent company's Treasury Department in France. No hedging is taken out directly at subsidiaries in France or abroad.

The Group uses foreign currency derivatives, measured at fair value, only with standard banking institutions. These are top tier banking institutions. As a result, the "Credit Value Adjustment" (entity's own risk) is deemed to be immaterial.

At closing, the fair value of foreign exchange derivatives is as follows:

	03/31/21					03/31/20				
(in € millions)	USD	CAD	GBP	RUB	SEK	USD	CAD	GBP	RUB	SEK
Forward hedges *	-	-	-	-	-	(0.2)	-	0.2	-	0.2
FOREIGN EXCHANGE DERIVATIVES QUALIFYING AS HEDGES	**-**	**-**	**-**	**-**	**-**	**(0.2)**	**-**	**0.2**	**-**	**0.2**
of which in fair value (impact on income)	**-**	**-**	**-**	**-**	**-**	**(0.2)**	**-**	**0.2**	**-**	**0.2**
of which in cash flow hedge (impact on OCI)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Forward hedges *	-	-	-	-	-	-	-	-	-	-
FOREIGN EXCHANGE DERIVATIVES NOT QUALIFYING AS HEDGES	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

* *Mark-to-market, level 2 in the fair value hierarchy under IFRS 7*

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Nominal amount of hedges	Subscription date	Maturity date	Hedged price	Type of instrument
US$ 15M	March 2021	April 2021	1.1728	Forward sale
SEK 87M	March 2021	June 2021	10.2484	Forward sale

The amount of ineffective derivative instruments qualifying for hedge accounting under IFRS 9 is recognized in financial income.

Exposure to foreign exchange risk

(in millions of currency units)	USD	GBP	CAD
Net position before management (1)	1,102.1	34.3	(576.3)
Forward foreign exchange contracts (2)	-	-	-
Net position after management	1,102.1	34.3	(576.3)

(1) Estimated transaction position from any operation triggering a payment or future earnings maturing in FY 2021-2022

(2) Hedging in place as at 03/31/21 maturing during the 2021-2022 financial year. Significant flow for these three currencies will be hedged in accordance with the Group's foreign exchange strategy

Impact of a variation of +/-1% in the main currencies on sales and operating income

Currency	Impact on sales	Impact on operating income
USD	9.3	8.1
GBP	0.7	0.6
CAD	0.5	(4.4)

Impact of a +/-1% fluctuation in the main currencies on goodwill and brands

Currency	Impact on equity
USD	0.3
GBP	0.4

NOTE 44 CREDIT AND COUNTERPARTY RISK

		03/31/21			03/31/20
	Notes	Carrying amount	Provisions	Net carrying amount	Net carrying amount
Trade receivables	5	344.7	2.0	342.7	307.1
Other current trade receivables	32	260.6	-	260.6	127.5
Foreign exchange derivatives	38	0.0	-	0.0	0.5
Current tax assets		45.7	-	45.7	41.0
Cash management financial assets	37	239.9	-	239.9	0.0
Cash and cash equivalents	37	1,627.7	-	1,627.7	1,079.2

Exposure to credit risk

Credit risk reflects the risk of financial loss to the Group in the event that a customer or counterparty to a financial asset *(see Counterparty risk)* fails to meet its contractual obligations. This risk is mainly incurred on trade receivables and investment securities.

The Group's exposure to credit risk is mainly influenced by customer-specific factors. The statistical profile of customers, notably including the risk of bankruptcy for each sector of activity and country in which customers operate, has no real influence on credit risk.

Ubisoft's main customers are spread out worldwide. They are structured in particular by:

- digital distributors (representing 74.7% of the total sales of the Group):

  In the digital market, there are few customers, but with worldwide distribution. The Company considers that given the quality of the counterparties, the counterparty risk on digital sales is limited;
- physical distributors (representing 21.1% of the total sales of the Group):

  In order to protect itself against the risks of non-payment, the Group has set up a global risk pooling policy that covered 83.5% of Group sales excluding digital at the end of March 2021.

Exposure to counterparty risk

All cash must remain highly liquid by limiting capital risk exposure as much as possible. This should therefore be invested in products with a high degree of security, very low volatility and a negligible risk of changes in value. All instruments in which the Group invests meet the requirements of IFRS 7.

For instance, some prudential rules must be respected for the Group's cash investments:

- never hold more than 5% of a fund's assets;
- never invest more than 20% of total cash in the same vehicle.

The Group diversifies its investments with top tier counterparties and monetary instruments with less than three months' maturity.

As at March 31, 2021, investments consisted of UCITS, accounts and term deposits and interest-bearing accounts.

NOTE 45 EQUITY MARKET RISK

Risk to the Company's shares

In accordance with its share buyback policy and under the authorization granted by the General Meeting, the Company may decide to buy back its own shares. The fluctuations in the price of shares bought in this way have no impact on the Group's results. Own shares are deducted from equity at cost of sale.

Legal framework

The Combined General Meeting of July 2, 2020 renewed the authorizations previously granted to the Board of directors allowing the Company, in accordance with Article L. 225-209 of the French commercial code, to:

General Meeting Resolution	Purpose	Duration of authorization
18th resolution	Buy back or have bought back by the Company its own shares	18 months
19th resolution	Reduce the capital by cancelation of shares	18 months

On March 20, 2018, Ubisoft Entertainment SA signed a prepaid forward contract with CACIB for 4,545,454 of its own shares, settled by the delivery of securities maturing in 2021 or in advance at a price of €66. During the year, the Group:

- on the one hand, decided on the early settlement on September 8, 2020 of 1,100,000 of its own shares, for which delivery took place on September 15, 2020;
- on the other hand, on September 15, 2020, signed an amendment to the contract extending the original maturity of March 22, 2021 by three years, i.e. to March 22, 2024, for the 3,445,454 own shares that were not settled early.

According to IAS 32, this contract is qualified as an equity instrument that reduces the Group's equity.

Ubisoft Entertainment SA has signed a liquidity contract with EXANE BNP PARIBAS that came into force on January 1, 2019.

As at March 31, 2021, the Company held 485,745 own shares with a value of €31.6 million.

Reconciliation by accounting class and category

The Group does not hold any significant shareholdings in non-consolidated companies.

NOTE 46 FAIR VALUE HIERARCHIES OF FINANCIAL ASSETS AND LIABILITIES

Risk to the Company's other shareholdings

			03/31/21		03/31/20	
	Notes	IFRS 7 hierarchy	Amortized cost	Fair value	Amortized cost	Fair value
Assets at fair value through profit or loss						
Foreign exchange derivatives	38	2		-		0.5
Ubisoft share derivatives	38	2		-		-
Net investment securities	37	1		351.0		4.2
Cash management financial assets	37	1		239.9		
Cash	37		1,276.7		1,075.0	
Assets at fair value through OCI *						
Equity investments in non-consolidated companies	38	2		-		-
Assets at their amortized cost						
Trade receivables	5		342.7		307.1	
Other operating receivables	32/12		260.6		127.5	
Current tax assets			45.7		41.0	
Deposits and sureties	38		9.6		9.4	
Other long-term financial assets	38		6.3		4.1	
Other non-current receivables	38		0.2		0.2	
Liabilities at fair value through profit or loss						
Foreign exchange derivatives	37	2		-		(0.2)
Other operating liabilities	6/34			(51.6)		(26.1)
Liabilities at fair value through OCI						
Other operating liabilities	6/34			(5.1)		(54.4)
Liabilities at their amortized cost						
Borrowings	37		(2,094.9)		(1,422.8)	
Trade payables	11/26		(152.0)		(139.2)	
Other operating liabilities	6/34		(715.6)		(496.8)	
Current tax liabilities			(15.8)		(15.1)	

* *OCI (Other Comprehensive Income) corresponds to other elements of comprehensive income*

No changes in the fair value hierarchy have been carried out in the measurement of assets and liabilities over the past year.

6.1.2.19 Equity

NOTE 47 CAPITAL

On March 31, 2021, the capital of Ubisoft Entertainment SA was €9,576,417.39 divided into 123,566,676 shares with a par value of €0.0775.

Voting rights double of those conferred on other shares, based on the proportion of the share capital they represent, are granted to all fully paid-up shares that are shown to have been registered in the name of the same shareholder for at least two years.

Preference shares have no voting rights.

NOTE 48 NUMBER OF UBISOFT ENTERTAINMENT SA SHARES

AS AT 04/01/20	**120,951,098**
Exercise of subscription options	407,051
Capital increase reserved for employees	1,096,600
Free share grants	1,111,927
AS AT 03/31/21	**123,566,676**

The maximum number of shares to be created is 8,448,646:

- 1,485,157 through the exercise of stock options;
- 2,601,630 through the allocation of free shares;
- 4,361,859 through the conversion of OCEANE bonds into shares.

The details of stock options and allocations of free shares are given in note 15.

NOTE 49 DIVIDENDS

No dividend was paid in respect of earnings for the 2020-2021 financial year.

NOTE 50 OWN SHARES

Occasionally, in accordance with the legal framework, the Group buys its own shares on the market.

As at March 31, 2021, the Company held 485,745 own shares, recognized as a deduction to equity:

	03/31/21		03/31/20	
Own shares by objective	Number of shares	Valuation *(in € millions)*	Number of shares	Valuation *(in € millions)*
Liquidity agreement	82,880	5.3	53,253	3.4
Employee share ownership coverage	402,865	26.3	-	-
TOTAL	**485,745**	**31.6**	**53,253**	**3.4**

As part of the prepaid forward contract entered into on March 20, 2018 with CACIB for 4,545,454 of its own shares, settled by delivery of securities due in 2021 or earlier, at the price of €66, the Group:

- on the one hand, decided on the early settlement on September 8, 2020 of 1,100,000 of its own shares, for which delivery took place on September 15, 2020;
- on the other hand, on September 15, 2020, signed an amendment to the contract extending the original maturity of March 22, 2021 by three years, i.e. to March 22, 2024, for the 3,445,454 own shares that were not settled early.

According to IAS 32, this contract is qualified as an equity instrument that reduces the amount of equity.

NOTE 51 TRANSLATION RESERVE

The translation reserve includes all foreign exchange gains and losses resulting from the translation of the financial statements of foreign subsidiaries.

The foreign exchange gains and losses in "Equity attributable to owners of the parent company" stood at €23.0 million between March 31, 2020 and March 31, 2021. This change is due primarily to the following currencies:

Currency	Closing rate 03/31/21	Closing rate 03/31/20	Impact 03/31/21	Impact 03/31/20
USD	1.173	1.096	(4.8)	2.6
CAD	1.478	1.562	24.9	(16.8)
GBP	0.852	0.886	3.8	(4.3)
SGD	1.577	1.563	(0.1)	(0.4)
JPY	129.910	118.900	(0.7)	0.5
CNY	7.681	7.778	0.5	(0.9)
Other			(0.6)	(2.1)
TOTAL			**23.0**	**(21.3)**

ACCOUNTING PRINCIPLES

The operating currency of Ubisoft group's foreign subsidiaries is their local currency, in which they record most of their transactions. The assets and liabilities of Group companies whose operating currency is not the euro are translated into euros at the exchange rate prevailing at the end of the accounting period.

The income and expenses of these companies, along with their cash flows, are translated at the average exchange rate over the year. Differences arising from this translation are recognized directly in consolidated equity, as a separate item under "foreign exchange gains and losses".

Goodwill and fair value adjustments resulting from the acquisition of a foreign entity are considered to belong to the foreign entity and are therefore expressed in the entity's operating currency. They are translated at the closing rate prevailing at the end of the accounting period.

The Group does not operate in countries suffering from hyperinflation.

NOTE 52 NON-CONTROLLING INVESTMENTS

	03/31/21	03/31/20
Net income attributable to non-controlling interests		
of which the Green Panda Games Group (29.73%)	*0.2*	*0.8*
of which Kolibri Games (25%)	*1.9*	*0.6*
TOTAL SHARE OF PROFIT OR LOSS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**2.1**	**1.4**

	03/31/21	03/31/20
Non-controlling interests		
of which the Green Panda Games Group (29.73%)	*2.3*	*2.1*
of which Kolibri Games (25%)	*7.0*	*5.1*
TOTAL NON-CONTROLLING INTERESTS	**9.3**	**7.2**

NOTE 53 EARNINGS PER SHARE

PROFIT OR LOSS ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY AT MARCH 31, 2021	**103.1**
Weighted average number of shares in circulation	118,980,402
Dilutive shares	7,306,326
Stock options	*342,837*
Free share grants	*2,601,630*
OCEANE	*4,361,859*
Weighted average number of shares after exercise of rights of dilutive instruments	126,286,728
NET EARNINGS PER SHARE AS AT MARCH 31, 2021 *(in euros)*	**0.87**
DILUTED EARNINGS PER SHARE AS AT MARCH 31, 2021 *(in euros)*	**0.85**

ACCOUNTING PRINCIPLES

Methods of calculating earnings per share

Earnings per share

Basic earnings per share are equal to net earnings divided by the weighted average number of shares in circulation less own shares.

Diluted earnings per share

Diluted earnings per share are equal to:

- net earnings before dilution, plus the after-tax amount of any savings in financial expenses resulting from the conversion of the dilutive instruments divided by;
- the weighted average number of ordinary shares in circulation, less own shares, plus the number of shares that would be created as a result of the conversion of instruments convertible into shares and the exercise of rights.

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6.1.2.20 Unrecognized contractual commitments

NOTE 54 OFF-STATEMENT OF FINANCIAL POSITION COMMITMENTS RELATED TO THE FINANCING OF THE COMPANY

Off-balance sheet commitments related to Company financing

Summary

(in € millions)	03/31/21	03/31/20
Commitments given by Ubisoft Entertainment SA		
Financial guarantees	110.8	111.2
Commitments received by Ubisoft Entertainment SA		
Lines of credit received and not used	369.3	365.1

Breakdown of commitments of over €10 million

(in € millions)	Expiry date	03/31/21
Commitments given by Ubisoft Entertainment SA		
Financial guarantees		
Ubisoft Blue Byte GmbH	07/17/31	26.2
Ubisoft Toronto Inc.	04/30/31	47.3
Ubisoft SrL	07/18/29	15.9
Commitments received by Ubisoft Entertainment SA		
Lines of credit received and not used		
Syndicated loan	07/18/24	300.0
Committed lines of credit	05/13/21	10.0
Bank credit facilities		23.0

Off-statement of financial position commitments related to hedging instruments

Summary

(in € millions)	03/31/21	03/31/20
Foreign exchange hedges *	21.3	103.5

* *Fair value measured at the guaranteed price*

NOTE 55 OFF-STATEMENT OF FINANCIAL POSITION COMMITMENTS TO EMPLOYEES OF THE GROUP

To ensure the stability of Ubisoft's activities, 0.36% of the Group's employees at March 31, 2021 benefited from amendments to their employment contracts between June and September 2016: in the event of a change of control, and at the initiative of the employee or the Company, beneficiaries will be able to receive compensation within a period not exceeding two years after the change of control.

The estimated maximum amount of benefits to be paid would be approximately €34.6 million gross.

NOTE 56 LEASES

The commitments mainly include real estate leases relating to contracts for which the underlying asset will be available after March 31, 2021.

The amount of the associated lease liability would be around €86 million.

NOTE 57 OTHER COMMITMENTS

Investment administered by White Star Capital

Ubisoft Divertissements Inc. supports the development of local start-ups in the techno-creative sector via a program associated with a budget of US$ 4 million in the form of venture capital. The funds provided are administered by White Star Capital. Over the 2020-2021 financial year, US$ 0.4 million was paid to White Star Capital, representing US$ 3.7 million overall.

Earn-out for the Tom Clancy brand

The acquisition contract relative to the right to use the Tom Clancy brand provides for the payment of an earn-out, according to the achievement of an annual sales figure.

No trigger threshold was reached during the 2020-2021 financial year.

Green Panda Games purchase promises

The majority equity investment of the Group in the capital of Green Panda Games is accompanied by three purchase options granted to the Group, which may be exercised according to a period defined in the shareholders' agreement.

For Ubisoft, the options correspond to a right, and not an obligation, to acquire the remaining shares at fair value without the non-controlling shareholders being able to object to this.

Kolibri Games purchase promises

The majority equity investment of the Group in the capital of Kolibri Games is accompanied by four purchase options granted to the Group, which may be exercised according to a period defined in the shareholders' agreement.

For Ubisoft, the options correspond to a right, and not an obligation, to acquire the remaining shares at fair value without the non-controlling shareholders being able to object to this.

6.1.2.21 Events after the reporting period

Exercise of the first option to purchase Kolibri Games

On April 14, 2021, Ubisoft acquired an additional 4% in Kolibri Games following the exercise of the first purchase option.

6.1.2.22 Professional fees of the Statutory Auditors and members of their networks

	KPMG			
	Amount (excluding tax)		%	
(in € millions)	2020-2021	2019-2020	2020-2021	2019-2020
Statutory audit, certification, and review of the separate and consolidated financial statements				
♦ Issuer	0.3	0.3	37%	37%
♦ Fully consolidated subsidiaries	0.4	0.5	50%	54%
Services other than audit of the financial statements *				
♦ Issuer	0.1	0.1	13%	10%
TOTAL	**0.8**	**0.8**	**100%**	**100%**

* *The services assigned to the Statutory Auditors other than audits of the financial statements concern services required by the laws and regulations and additional audit procedures*

	MAZARS			
	Amount (excluding tax)		%	
(in € millions)	2020-2021	2019-2020	2020-2021	2019-2020
Statutory audit, certification, and review of the separate and consolidated financial statements				
♦ Issuer	0.3	0.3	36%	53%
♦ Fully consolidated subsidiaries	0.4	0.2	59%	40%
Services other than audit of the financial statements *				
♦ Issuer	0.0	0.0	5%	7%
TOTAL	**0.7**	**0.6**	**100%**	**100%**

* *The services assigned to the Statutory Auditors other than audits of the financial statements concern services required by the laws and regulations and additional audit procedures*

6.1.3 OTHER ACCOUNTING PRINCIPLES

Measurement bases

The consolidated financial statements were prepared using the historical cost method, with the exception of the following assets and liabilities, which were measured at fair value: derivatives, financial instruments held for trading and available-for-sale financial assets.

Operating and presentation currency

The consolidated financial statements are presented in euros, which is the parent company's operating currency.

Consolidation principles

SUBSIDIARIES

A subsidiary is defined as an entity controlled by Ubisoft Entertainment SA.

Control of an entity is based on three criteria:

- power over the entity, i.e. the ability to manage the activities that have the most impact on its profitability;
- exposure to the variable returns of the entity, which may be positive (e.g. dividends or any other economic benefit), or negative;
- and the relationship between the power and these returns, i.e. the ability to exercise power over the entity in such a way as to influence the returns achieved.

In practice, the companies in which the Group directly or indirectly owns the majority of voting rights, conferring upon it the power to manage their operational and financial policies, are generally considered controlled and thus consolidated according to the full consolidation method.

In order to determine control, Ubisoft Entertainment performs an in-depth analysis of the established governance arrangements and an analysis of the rights held by other shareholders.

Ubisoft consolidates special purpose entities in which the Company does not hold a direct or indirect interest but that it controls in substance.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is obtained to the date at which such control ends.

If necessary, the accounting principles of subsidiaries are amended to align them with those adopted by the Group.

TRANSACTIONS ELIMINATED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Statement of financial position amounts and income and expenses resulting from intra-group transactions are eliminated during the preparation of the consolidated financial statements.

Gains resulting from transactions with associates are eliminated for the Group's percentage interest in the Company.

Losses are eliminated, but only to the extent that they are not indicative of impairment.

TRANSLATION OF TRANSACTIONS DENOMINATED IN FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated by applying the exchange rate prevailing on the date of the transaction.

At the closing date, all monetary assets and liabilities denominated in foreign currencies (excluding derivatives) are translated into euros at the closing exchange rate. Any resulting foreign exchange gains and losses are recorded in the income statement.

Non-monetary assets and liabilities denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

Derivatives are measured and recognized in accordance with the methods described in the note on financial instruments.

INVESTMENTS IN ASSOCIATES

Investments in associates include the Group's share of the equity held in companies accounted for under the equity method, together with any related goodwill.

OPERATING PROFIT (LOSS) AND OPERATING PROFIT (LOSS) FROM CONTINUING OPERATIONS

Operating income includes all revenues and costs directly linked to Group activities, whether these revenues and costs are recurrent or resulting from one-off decisions or operations. Extraordinary items, defined as revenues and expenses that are unusual in their frequency, nature and/or amount, belong to operating income. Current operating income is equal to operating income before inclusion of items whose amount and/or frequency are unpredictable by nature.

6.2 Statutory Auditors' report on the consolidated financial statements

This is a free translation into English of one of the statutory auditors' report on the consolidated financial statements issued in French language and it 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.

Financial year ended March 31, 2021

To the General Meeting of the company Ubisoft Entertainment SA,

OPINION

As mandated by your General Meetings, we conducted the audit of the consolidated financial statements of Ubisoft Entertainment SA in respect of the financial year ended March 31, 2021, as attached to this report.

We hereby certify that, from the standpoint of IFRS standards as adopted in the European Union, the consolidated financial statements give a true and fair view of the operations for the financial year just ended, as well as the assets, financial position and results of the Group comprising the consolidated persons and entities.

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

BASIS FOR THE OPINION

Audit Guidelines

We conducted our audit in accordance with accepted professional standards in France. It is our view that the elements that we collected are sufficient and adapted to base our opinion.

Our responsibilities under these standards are indicated in the section "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" in this report.

Independence

We conducted our audit in accordance with the rules of independence provided for in the French commercial code and the Statutory Auditors' professional code of ethics, over the period from April 1, 2020 to the date of issue of our report, and notably, did not provide any services prohibited by Article 5, paragraph 1 of the Regulation (EU) 537/2014.

BASIS FOR OUR ASSESSMENT – KEY POINTS OF THE AUDIT

The global crisis linked to the Covid-19 pandemic created special conditions for the preparation and audit of the financial statements for this financial year. This crisis and the exceptional measures taken as part of the state of health emergency had multiple consequences for companies, particularly on their activity and financing, as well as increased uncertainty about their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on the internal organization of companies and the way in which audits are carried out.

It is in this complex and evolving context that, pursuant to the provisions of Articles L. 823-9 and R. 823-7 of the French commercial code regarding the basis for our assessments, we call your attention to the key points of the audit regarding the risks of material misstatements which, in our professional judgment, were the most significant for the audit of the consolidated financial statements for the financial year, together with the responses we provided to these risks.

Our assessments were made within the context of our audit of the consolidated financial statements as a whole, and provided a basis for the opinion expressed previously. We do not express an opinion on the items in the consolidated financial statements taken separately.

Assessment of the commercial software developed internally – impairment tests
Note 22 of the notes to the consolidated financial statements

Risk identified	Response provided
As at March 31, 2021, the net carrying amount for the commercial software developed internally amounted to €1,310 million for a total statement of financial position of €4,885 million. The intangible assets resulting from the development of commercial software, once released, are amortized on a straight-line basis starting on the commercial release date for a duration of 1 to 8 years. Moreover, as indicated in note 22 "Inventory value and changes in other intangible assets during the financial year", in the notes to the consolidated financial statements, the Group subjects the released commercial software to an impairment test at each closing date. Commercial software in production with a planned release date within 12 months after the closing date, or for which an impairment loss indicator is identified is also subject to an impairment test. These tests involve comparing the net carrying amount of the commercial software (after normally recognized linear depreciation) to the expected future cash flows from the sale of the game. Impairment is recognized if the value-in-use is lower than the net carrying amount of the commercial software. We have considered the impairment tests on commercial software developed internally as a key point of the audit, given the particularly significant amount and the significant degree of judgment required by the Group to determine the value-in-use bases on forecasts of discounted cash flows for which achievement is inherently uncertain.	We have examined the procedures for conducting these impairment tests. Our work notably consisted in: (1) taking note of the internal control relating to the implementation of these impairment tests and testing by sampling the key controls implemented by the Group for these processes. Our procedure tests consisted in: ♦ assessing the implementation of editorial control by the Group's management team, ♦ assessing the portfolio review of software in production which aims to control the exhaustive accounting translation of editorial discontinuation decisions, ♦ ensuring that the Board of directors has approved the 3 year business plan; (2) our substance tests mainly consisted in: ♦ conducting a retrospective analysis of the impairment tests carried out by the Group over the previous financial years, ♦ comparing sales and profitability forecasts for the commercial software used in the impairment tests with those underlying the Group's 3 year business plan approved by the Board of directors, ♦ assessing the consistency of the future sales forecasts with regard to available data or comparables (previous opus within the same franchise, another similar commercial software with the same comparable levels of functions, taking into account the level of pre-orders for example). We also assessed the relevant nature of the information provided in note 22 "Inventory value and changes in other intangible assets during the financial year" in the notes to the consolidated financial statements.

Assessment of goodwill and brands
Notes 17 to 23 of the notes to the consolidated financial statements

Risk identified	Response provided
Goodwill and brands present significant net carrying amounts at March 31, 2021 of respectively €221 million and €65 million. All brands indicated as assets in the Group's statement of financial position have an indefinite life. At least once a year, and more regularly in the event of impairment loss indicators, the Group ensures that the net carrying amount of these assets does not exceed their recoverable value. The procedures for the impairment tests implemented by the Group are described in notes 20 (Goodwill) and 22 (Brands) in the notes to the consolidated financial statements; they include a significant number of judgments and assumptions, notably covering: ♦ future cash flow forecasts; ♦ the perpetuity growth rates selected for the forecast flows; ♦ the discount rate applied to the estimated cash flows. Consequently, a change in these assumptions would significantly affect the recoverable value of these assets and require an impairment to be recognized. We consider the assessment of goodwill and brands to be a key point of the audit, due to the high degree of judgment required by the Group in the choice of the assumptions required to determine their recoverable value, based on discounted cash flow forecasts for which achievement is inherently uncertain.	We have analyzed the compliance of the methodologies applied by the Group with current accounting standards, and specifically those used to estimate the recoverable value. (1) we have also conducted a critical assessment of the way in which this methodology is implemented, and have specifically: ♦ assessed the effective implementation of the internal approval and validation process for the business plans prepared by the Group and used for the impairment tests, ♦ checked the implementation of the reconciliation of the business plans used for the impairment tests with the Group business plan approved by the Board of directors, ♦ tested the implementation of the consistency control between the equity value from the Group's business plan with the stock market capitalization; (2) our substance tests mainly consisted in: ♦ conducting a critical review of the business plans based notably on discussions with the Administration Department, ♦ checking the arithmetical accuracy of the impairment tests of goodwill and brands, ♦ analyzing the perpetuity growth rates and the discount rate of the future cash flows by our own experts, ♦ measuring the sensitivity of the impairment tests to the discount rate and growth rate of sales, ♦ assessing the relevant nature of the information provided in the notes to the consolidated financial statements.

Assessment of revenue from sales of video games including a "Live Service" type component and on licensing and distribution agreements
Notes 4 and 6 of the notes to the consolidated financial statements

Risk identified	Response provided
As part of its video game production and distribution activities, Ubisoft Group generates its revenue mainly from: ♦ sales of video games without associated services (Digital and Retail); ♦ sales of video games including a "Live Services" online functionality; ♦ license contracts and distribution contracts relating to video games or works of cinema. As at March 31, 2021, deferred income related to the application of IFRS 15 amounted to €288 million. The application of IFRS 15 had an impact on the recognition of revenue from the sales of video games including a "Live Services" type "service" component. Ubisoft identifies two obligations on these types of games: ♦ an initial obligation associated with the digital or physical delivery of the content, where revenue associated with this initial obligation shall be recognized at the date of delivery of the content; ♦ a performance obligation corresponding to the provision of a set of services to the end user (the player) including in particular rights over unspecified future content (updates, corrections, improvements, maintenance and potentially any delivery of free content) and functionalities enabling online access to this content. The revenue associated with this service obligation is recognized in accordance with a linear spread profile over the expected lifetime of the game for final users. The modalities for calculating the weight of the "service" component, the amount of revenue to defer and its estimated duration are complex and require judgments and estimates according to the game categories and the level of online service that the player benefits from. IFRS 15 also had an impact on the recognition of license and distribution agreements signed with third-party customers. The standard proposes an analysis grid on licenses (both for video games and cinema works), which notably separates the right of access (recognition of revenue over time) and the right of use (recognition of revenue when the licensed content is transferred to the customer). The application modalities for the accounting standards with regard to these agreements may be complex and require judgments and estimates. Given the complexity of the IT systems and the judgments and estimates that enter into the calculation of revenue, we have considered that the assessment of revenue from the sales of video games including a "Live Services" type component and for license and distribution agreements is a key point of our audit.	We have taken into account the high level of integration of the different information systems involved in the recognition of revenue, by including in our team members with specific skills in information systems and by testing the design, implementation and effectiveness of the automated key controls in the systems that affect recognition of sales. As part of our work on the "Live Services" type "service" component, our work notably consisted in: ♦ analyzing the modalities used by the Group to recognize revenue; ♦ identifying the different contracts in force within Ubisoft Group; ♦ identifying and analyzing the different implicit and explicit service obligations within these contracts, in order to determine the transaction price; ♦ analyzing the management rules applied by the Group to allocate the selected transaction price, and assessing whether these defined rules are applied correctly; ♦ assessing compliance of the main judgments and estimates selected associated with the calculation of the weighting of the Service component and its duration; ♦ recalculating in a comprehensive way the impact of the expected closing balance in application of the management rules defined by the Group, by including our IT experts in the approach; ♦ comparing our own estimates of the revenue to be recognized for the financial year with the recognized sales. With regard to significant distribution and license contracts signed with third-party customers, our work notably consisted in: ♦ examining all contractual documentation and the analyses carried out by Ubisoft Group's management team; ♦ identifying and analyzing the different service obligations within these contracts; ♦ examining the accounting treatment applied; ♦ appraising the main judgments and estimates made. We also appraised the appropriate nature of the information presented in notes 4 and 6 of the notes to the consolidated financial statements.

SPECIFIC VERIFICATIONS

In accordance with the professional standards applicable in France, we have also carried out the specific verifications required by regulatory and legal texts of the information on the Group provided in the Board of directors' management report.

We have no matters to report regarding the accuracy of this information and its consistency with the consolidated financial statements.

We certify that the consolidated Statement of non-financial performance stipulated in Article L. 225-102-1 of the French commercial code is included in the information on the Group provided in the management report, it being specified that, in accordance with the provisions of Article L. 823-10 of this code, we have not verified the true and fair nature of the information contained in this Statement or its consistency with the consolidated financial statements, and this information should be subject to a report by an independent third-party organization.

OTHER VERIFICATIONS OR INFORMATION REQUIRED BY LEGAL AND REGULATORY TEXTS

Format of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standards on the due diligence of the Statutory Auditors relating to the annual and consolidated financial statements presented according to the single European electronic information format, compliance with this format defined by Delegated European Regulation 2019/815 of December 17, 2018 in the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in I of Article L. 451-1-2 of the French monetary and financial code, prepared under the responsibility of the Chairman and Chief Executive Officer. In the case of the consolidated financial statements, our procedures include verifying that the markup of these financial statements complies with the format defined by the aforementioned regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report respects, in all material respects, the single European electronic information format.

It is not our responsibility to verify that the consolidated financial statements that will be included by your Company in the annual financial report filed with the AMF correspond to those on which we conducted our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors for Ubisoft Entertainment by your General Meetings of June 27, 2003 for KPMG Audit and of September 29, 2016 for MAZARS.

As at March 31, 2021, KPMG Audit was in its 18^{th} uninterrupted year of office and MAZARS in its 5^{th} year of office.

Responsibilities of management and those charged with corporate governance for the consolidated financial statements

The management team is responsible for preparing consolidated financial statements that present a true and fair view, in accordance with the IFRS as adopted by the European Union, and implementing the internal control it considers necessary for preparing consolidated financial statements that do not include material misstatements, resulting either from fraud or errors.

When preparing the consolidated financial statements, the management team is responsible for assessing the Company's ability to continue its operations, and presenting in these financial statements, if applicable, the information on the continuation of operations, and applying the accounting going-concern convention, unless it plans to liquidate the Company or cease its activity.

The Audit Committee is responsible for monitoring the financial information preparation process and the efficiency of the internal control and risk management systems, as well as, if applicable, internal audit, with respect to the procedures for the preparation and processing of accounting and financial information.

The 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 approach

We are responsible for preparing a report on the consolidated financial statements. Our aim is to obtain reasonable assurance that the consolidated financial statements taken as a whole do not include material misstatements. Reasonable assurance corresponds to a high level of assurance, without, however, guaranteeing that an audit conducted in accordance with professional standards would systematically detect all material misstatements. Misstatements from fraud or resulting from errors are considered to be material when we can reasonably expect that they may, taken individually or cumulatively, influence economic decisions that users of the financial statements may take based on them.

As specified in Article L. 823-10-1 of the French commercial code, our assignment to certify the financial statements does not consist in guaranteeing the viability or the management quality of your Company.

As part of an audit conducted in accordance with the professional standards applicable in France, the Statutory Auditor exercises his/her professional judgment throughout the audit. Moreover:

- he/she identifies and assesses the risks that the consolidated financial statements include material misstatements from fraud or resulting from errors, defines and implements audit procedures faced with these risks and collects the elements that he/she considers sufficient and appropriate on which to base his/her opinion. The risk of non-detection of a material misstatement resulting from fraud is higher than that of a misstatement resulting from an error, as the fraud may involve collusion, falsification, voluntary omissions, false declarations or circumvention of internal control;
- he/she takes note of the relevant internal control for the audit in order to define the relevant audit procedures, and not with the aim of expressing an opinion on the effectiveness of the internal control;
- he/she assesses the appropriate nature of the selected accounting principles and the reasonable nature of the accounting estimates made by the management team, as well as the information on them provided in the consolidated financial statements;
- he/she assesses the relevant nature of the application of the going-concern accounting convention by the management team, and, depending on the elements collected, the existence of a significant uncertainty with regard to the events or circumstances likely to call into question the Company's ability to continue its operations. This assessment is based on the elements collected up to the date of his/her report, it being recalled that subsequent circumstances or events may call into question the continuation of operations. If he/she concludes that there is a significant uncertainty, he/she calls the readers' attention to the information provided in the consolidated financial statements on the subject of this uncertainty, or, if this information is not provided or is not relevant, he/she formulates a certification with reserves or refuses to certify;
- he/she assesses the overall presentation of the consolidated financial statements and assesses if the consolidated financial statements reflect the underlying operations and events, in order to provide a true and fair view;
- with regard to the financial information of the scope of consolidation comprising the consolidated persons and entities, he/she collects the elements that he/she considers sufficient and appropriate in order to express an opinion on the consolidated financial statements. He/she is responsible for managing, supervising and conducting the audit of the consolidated financial statements as well as the opinion expressed on these financial statements.

Report to the Audit Committee

We provide a report to the Audit Committee presenting notably the scope of the audit work and the work program implemented, as well as the conclusions resulting from our work. We also draw its attention, if applicable, to the significant weaknesses of the internal control that we have identified with respect to the procedures for the preparation and processing of accounting and financial information.

Amongst the elements communicated to the Audit Committee are the risks of material misstatements that we have considered to be the most important for the audit of the consolidated financial statements, and that constitute as such the key points of the audit, which we are responsible for describing in this report.

We also provide the Audit Committee with the declaration provided for by Article 6 of Regulation (EU) 537/2014 confirming our independence under the meaning of the rules applicable in France as set notably by Articles L. 822-10 to L. 822-14 of the French commercial code, and the Statutory Auditors' code of ethics. If applicable, we discuss with the Audit Committee the risks weighing on our independence and the safeguard measures applied.

Rennes and Vannes, June 2, 2021

Statutory Auditors

KPMG SA	**MAZARS**
Vincent BROYÉ	**Julien MAULAVÉ**
Partner	Partner

6.3 Separate financial statements of Ubisoft Entertainment SA for the year ended March 31, 2021

6.3.1 STATEMENT OF FINANCIAL POSITION

Assets

(in € millions)	Notes	Gross	Depreciation and amortization/ impairment	03/31/21 Net	03/31/20 Net
Intangible assets	19	2,570.0	1,109.4	1,460.6	1,143.5
Property, plant and equipment	21	19.0	9.5	9.5	6.0
Non-current financial assets	23	781.8	254.1	527.8	421.2
Non-current assets		**3,370.8**	**1,373.0**	**1,997.9**	**1,570.6**
Advances and prepayments made	11	26.5	-	26.5	17.0
Trade receivables	5	248.6	-	248.6	261.5
Other receivables	6	120.8	-	120.8	206.4
Investment securities	24	617.3	0.3	617.0	4.2
Cash instruments	24	369.6	-	369.6	373.6
Cash	24	575.0	-	575.0	545.8
Current assets		**1,957.9**	**0.3**	**1,957.6**	**1,408.6**
Prepaid expenses and deferred charges	9	12.3	-	12.3	11.2
TOTAL ASSETS		**5,341.1**	**1,373.2**	**3,967.8**	**2,990.4**

Liabilities

(in € millions)	Notes	03/31/21	03/31/20
Share capital	29	9.6	9.4
Premiums		553.3	472.7
Reserves		215.6	215.6
Retained earnings loss		(301.1)	-
Financial year net income		(14.5)	(301.1)
Regulated provisions		1,157.0	945.4
Equity	**28**	**1,619.8**	**1,341.9**
Provisions for risks	17	1.9	0.3
Borrowings (1) (2)	25	1,653.5	1,002.6
Other financial liabilities	25	343.5	385.1
Trade payables	12	277.0	189.6
Fiscal and social liabilities	15	5.6	15.1
Liabilities on non-current assets	15	0.3	0.1
Other liabilities	15	33.0	14.5
Liabilities		**2,313.0**	**1,607.0**
Prepaid expenses and deferred charges	16	33.1	41.2
TOTAL LIABILITIES		**3,967.8**	**2,990.4**
(1) Including current portion of borrowings		*3.5*	*2.6*
(2) Including current bank credit facilities and bank credit balances		*0.1*	*0.3*

6.3.2 INCOME STATEMENT

(in € millions)	Notes	03/31/21 (12 months)	03/31/20 (12 months)
Production for the financial year	3	2,176.9	1,540.3
Other operating income and reinvoiced costs	4	418.4	460.6
Total operating income		**2,595.3**	**2,001.0**
Other purchases and external expenses	10	1,456.5	1,254.6
Taxes and duties		1.8	1.6
Employee benefit costs		1.9	1.3
Other expenses		21.6	15.0
Depreciation, amortizations and provisions	17/18/20	912.7	870.1
Total operating expenses		**2,394.5**	**2,142.6**
OPERATING INCOME		**200.8**	**(141.6)**
Financial income from investments		54.1	139.7
Other interest received		12.8	13.0
Reversals of provisions and reinvoiced costs		10,9	2.1
Foreign exchange gains		14.1	9.5
Total financial income		**91.9**	**164.2**
Other interest paid		10.4	12.5
Provisions		59.3	148.0
Foreign exchange losses		14.2	10.3
Net expenses on sales of investment securities		0.2	-
Total financial expenses		**84.0**	**170.7**
NET FINANCIAL INCOME	**22**	**7.9**	**(6.5)**
NET INCOME FROM CONTINUING OPERATIONS		**208.7**	**(148.1)**
NON-RECURRING ITEMS	**26**	**(229.2)**	**(161.8)**
NET INCOME BEFORE TAX		**(20.5)**	**(309.9)**
Income tax	27	6.0	8.8
FINANCIAL YEAR NET INCOME		**(14.5)**	**(301.1)**

6.3.3 FINANCING TABLE

(in € millions)	Notes	03/31/21	03/31/20
Cash flows from operating activities			
Net profit		(14.5)	(301.1)
Net depreciation and amortization of property, plant and equipment and intangible assets	19/20	550.1	471.9
Changes in provisions	9/17/26	259.8	297.4
(Gains) losses on disposal of treasury shares	26	17.5	10.0
Cash flow from operations		**812.9**	**478.2**
Trade receivables	5	12.9	143.9
Advances and prepayments made [(1)]	11	(6.1)	(3.7)
Other assets	6/9	85.0	(82.4)
Trade payables [(2)]	12	75.3	(8.3)
Other liabilities	15/16	1.2	(22.3)
Total changes in working capital		**168.3**	**27.2**
Net cash generated by operating activities		**981.2**	**505.3**
Cash flows from investment activities			
Acquisitions of intangible assets [(3)]	19	(856.4)	(729.9)
Acquisitions of property, plant and equipment	21	(5.5)	(1.2)
Acquisitions of equity investments	23	(149.7)	(104.6)
Acquisitions of other non-current financial assets	23	(367.2)	(386.2)
Refund of loans and other financial assets [(4)]	23	365.4	386.0
Net cash used by investment activities		**(1,013.4)**	**(835.9)**
Cash flows from financing activities			
Capital increase	28	0.1	0.1
Increase in issue premium	28	80.6	81.8
New medium-term borrowings	25	1,141.5	939.3
Repayment of medium-term borrowings	25	(506.8)	(583.1)
Deferred expenses	9	(2.4)	(4.5)
Change in current accounts	25	(25.4)	(70.6)
Change in cash instruments	24	(69.3)	37.5
Buyback of own shares for stock-based compensation plans	29	(10.4)	-
Delivery of own shares for share-based compensation plans [(5)]	29	40.0	36.1
Net cash generated by financing activities		**648.1**	**436.4**
NET CHANGE IN CASH POSITION		**615.9**	**105.8**
Net cash position at beginning of the financial year		549.8	444.0
Net cash position at end of the financial year	24	1,165.7	549.8

(1) Including €3.4 million linked to commitments guaranteed but not paid in advances and prepayments made
(2) Including €(2.2) million related to guaranteed commitments not paid in trade payables
(3) Including €8.8 million linked to commitments guaranteed but not paid in intangible assets
(4) Including €(0.2) million related to capital losses on own shares allocated to the liquidity agreement
(5) Including €(17.3) million related to capital losses on own shares allocated to employee share ownership

6.3.4 NOTES TO THE SEPARATE FINANCIAL STATEMENTS

CONTENTS

6.3.4.1 Description of the business and basis of preparation of the financial statements

NOTE 1 HIGHLIGHTS AND GENERAL PRINCIPLES

Financial year highlights

September 2020: "MMO" employee share ownership plan

The Company's Board of directors decided to carry out a capital increase on December 12, 2019, reserved for employees other than members of Group savings plans. Beneficiaries were offered the option of acquiring Company shares with a 15% discount as part of a leveraged formula through a company mutual fund (FCPE) or stock appreciation rights (SAR) The latter benefited from an additional contribution equal to three times their personal contribution, capped at €300 per holder. After a five-year period, or before the end of this period in the event of early release, each beneficiary is also guaranteed to receive their initial investment in euros (comprising his/her personal contribution increased by the additional contribution) as well as a multiple of the possible average protected increase in the share price.

On September 22, 2020, Ubisoft Entertainment delivered 664,975 shares (FCPE formula) and created 1,096,600 shares (SAR formula) at a price of €60.10.

September 2020: Schuldschein loan in the amount of €50 million

On September 22, 2020, Ubisoft Entertainment SA signed a Schuldschein-type loan for an amount of €50 million. The loan has a maturity of six years, with an interest rate of 1.60%.

September 2020: Trading on own shares

As part of the prepaid forward contract entered into on March 20, 2018 with CACIB for 4,545,454 of its own shares, settled by delivery of securities due in 2021 or earlier, the Group:

- on the one hand, decided on September 8, 2020 to settle the contract early in the amount of 1,100,000 of its own shares, of which the delivery to CACEIS CORPORATE TRUST on September 15, 2020 was part of the buyback program authorized by the General Meeting of July 2, 2020. The shares delivered are intended to be used to cover employee share ownership plans, including in particular the 2020 employee share ownership scheme;
- on the other hand, on September 15, 2020, signed an amendment to the contract extending the original maturity of March 22, 2021 by three years, *i.e.* to March 22, 2024, for the 3,445,454 own shares that were not settled early.

November 2020: Bond issue

The Company's Board of directors authorized a €600 million bond issue. These bonds, with a unit par value of €100,000, were admitted to trading on the Euronext Paris regulated market on November 18, 2020. This 7-year bond has an annual coupon of 0.878%.

March 2021: Trading on own shares

As part of the share buyback mandate signed on March 23, 2021 with Exane BNP Paribas, the Company bought back 164,000 shares at an average price of €64.13.

Financial year 2021: Dividends received

Certain French and foreign subsidiaries carried out dividend payments or prepayments to Ubisoft Entertainment SA for a total of €54.1 million.

Effects of the Covid-19 epidemic on the Group's business and financial position

Faced with the Covid-19 pandemic, the Group has taken the necessary measures to protect its team members and ensure the continuity of its business. The Group is closely observing the development of the health situation in all countries in which it operates and is remaining extremely vigilant about the safety of its teams.

General information

The financial year is a 12-month period from April 1, 2020 to March 31, 2021.

General principles

The separate financial statements of Ubisoft Entertainment SA were prepared in accordance with ANC accounting regulation 2014-03, amended by regulations 2015-05 of July 2, 2015, 2015-06 of November 23, 2015, 2016-07 of November 4, 2016, 2018-01 of April 20, 2018 and 2018-02 of July 6, 2018.

The general accounting conventions were applied in accordance with the principle of financial prudence and the following basic rules: going-concern assumption, continuity of accounting principles from one financial year to the next, independence of financial years, fair presentation, consistency and accuracy, and in accordance with the general rules governing the preparation and presentation of separate financial statements.

The basic method used to measure items in the financial statements was historical cost.

The accounting methods applied are consistent with industry practice.

Unless otherwise indicated, financial data is presented in millions of euros with one decimal place. The rounding of the figures to the nearest million euros may result in non-material differences in the totals and sub-totals shown in the tables.

NOTE 2 COMPARABILITY OF FINANCIAL STATEMENTS

Change in estimation

None

Change in method

None

6.3.4.2 Sales

NOTE 3 PRODUCTION FOR THE FINANCIAL YEAR

Production for the period comprises:

- sales, essentially made up of intra-Group invoicing of contributions;
- capitalized production reflecting development costs outsourced to subsidiaries and external developers.

	03/31/21	03/31/20
Sales	1,329.0	811.6
Capitalized production costs for commercial software developments	841.4	726.5
Capitalized production costs for external software developments	6.5	2.3
PRODUCTION FOR THE FINANCIAL YEAR	**2,176.9**	**1,540.3**

The breakdown of sales by geographic region was as follows:

	03/31/21		03/31/20	
	(in € millions)	*(in %)*	*(in € millions)*	*(in %)*
Europe	581.1	44%	418.6	52%
North America	728.0	54%	394.9	49%
Rest of the world	19.9	1%	(1.9)	0%
SALES	**1,329.0**	**100%**	**811.6**	**100%**

NOTE 4 OTHER OPERATING INCOME AND REINVOICED COSTS

	03/31/21	03/31/20
Reversals of provisions for impairment of commercial software developments (1)	361.3	397.8
Reversals of provisions for impairment of external software developments	1.1	0.1
Reversal on provisions for operating foreign exchange risk	0.3	0.1
Reinvoiced costs	37.5	47.7
Foreign exchange gains on forward instruments and commercial transactions (2)	17.5	14.4
Miscellaneous operating income	0.7	0.5
TOTAL	**418.4**	**460.6**

(1) See details in note 18

(2) The foreign exchange loss on forward instruments and commercial transactions amounted to €(3.2) million at March 31, 2021 (versus a gain of €0.6 million at March 31, 2020), with €17.5 million recognized in the income statement under "Other operating income and reinvoiced costs," and €20.7 million recognized under "Other expenses"

Reinvoiced costs essentially correspond to the rebilling of development kits, payments received under agreements with third parties, general expenses, etc.

NOTE 5 TRADE RECEIVABLES

	Opening date	Change	Closing date
Trade receivables	95.7	53.9	149.6
Related accounts	165.8	(66.8)	99.0
TOTAL	**261.5**	**(12.9)**	**248.6**

"Trade receivables" mainly consists of intra-Group receivables.

Customer payment terms

	Article D. I.-2: Invoices issued but outstanding at the financial year closing date with overdue payment				
(in € millions)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day and over)
(A) Late payment brackets					
Number of invoices concerned					178
Total amount of invoices concerned (pre-tax)	8.69	6.58	4.95	4.18	24.39
Percentage of sales and reinvoiced costs for the financial year (pre-tax)	0.65%	0.5%	0.37%	0.31%	0.99%
(B) Invoices excluded from (A) relating to disputed or unrecognized receivables					
Number of invoices excluded					-
Total amount of invoices excluded (pre-tax)					-
(C) Benchmark payment terms used (contractual or legal times – Article L. 441-6 or Article L. 443-1 of the French commercial code)					
Payment terms used to calculate late payments	Contractual deadlines: 30 days end of month				

NOTE 6 OTHER RECEIVABLES

	Opening date	Change	Closing date
Suppliers – credit notes to receive	19.2	(7.7)	11.5
Government (VAT credit, tax)	40.3	5.2	45.4
Partner current account advances	145.5	(82.1)	63.4
Other miscellaneous debtors	1.4	(0.9)	0.5
TOTAL	**206.4**	**(85.5)**	**120.8**

The change in advances in partner current accounts corresponds to advances repaid by subsidiaries.

NOTE 7 STATEMENT OF RECEIVABLES

	Gross amount	< 1 year	> 1 year
Receivables on non-current assets	**0.7**		
Deposits and sureties	0.7	0.1	0.6
Receivables on current assets	**399.2**		
Advances and prepayments made	26.5	26.5	
Trade receivables	248.6	248.6	
Government (VAT credit, sundry)	45.4	45.4	
Group and associates	63.4	63.4	
Suppliers – credit notes to receive	11.5	11.5	
Other miscellaneous debtors	0.5	0.5	
Prepaid expenses	3.2	2.3	0.9
TOTAL	**399.9**	**398.4**	**1.5**

ACCOUNTING PRINCIPLES

Receivables are valued at their par value. Impairment is recorded when the inventory value of a receivable is below its par value and/or when collection difficulties are clearly identified at the closing date.

NOTE 8 ACCRUED INCOME

	03/31/21	03/31/20
Associated company – credit notes to receive	11.5	19.2
Income not yet invoiced *	99.0	165.8
Interest receivable from banks	0.4	0.5
Other	0.2	0.2
TOTAL	**111.2**	**185.8**

* *Mainly relate to transactions with related parties*

NOTE 9 PREPAID EXPENSES AND DEFERRED CHARGES

	Opening date	Increase	Provisions	Decrease	Closing date
Credit line issuance costs	0.9	-	0.2	-	0.7
Loan issuance costs	5.4	2.4	1.5	-	6.3
Deferred expenses	**6.4**	**2.4**	**1.7**	**-**	**7.0**
Prepaid expenses	4.1	3.2	-	4.1	3.2
Foreign exchange gains and losses (assets)	0.7	2.1	-	0.7	2.1
Other accruals	**4.8**	**5.3**	**-**	**4.8**	**5.3**
TOTAL 03/31/21	**11.2**	**7.7**	**1.7**	**4.8**	**123**
TOTAL 03/31/20	**14.6**	**9.4**	**1.8**	**10.9**	**11.2**

6.3.4.3 Purchases and other expenses

NOTE 10 OTHER PURCHASES AND EXTERNAL EXPENSES

	03/31/21	03/31/20
Production services subcontracted to subsidiaries	1,195.7	999.2
Production services subcontracted to external developers	8.9	2.9
Other purchases and external expenses	251.9	252.5
TOTAL	**1,456.5**	**1,254.6**

Other purchases and external expenses consist mainly of administration subcontracting expenses, royalties, advertising expenses, and operating expenses.

NOTE 11 ADVANCES AND PREPAYMENTS MADE

	Opening date	Change in the financial year	Closing date
Advances and prepayments to suppliers	1.8	2.3	4.2
Secured advances on license agreements	15.2	7.2	22.4
TOTAL	**17.0**	**9.5**	**26.5**

The sum of €26.5 million in "Advances and prepayments made" is primarily comprised of secured advances on license agreements which break down as follows:

	03/31/21	03/31/20
Net at opening	**15.2**	**14.5**
New guarantees	11.7	7.9
Depreciation and amortization – impairment	4.5	7.2
NET AT YEAR-END	**22.4**	**15.2**

ACCOUNTING PRINCIPLES

Advances and prepayments primarily involve distribution and reproduction rights (licenses) acquired from other software publishers. License agreements commit Ubisoft to an amount of guaranteed royalties. This amount is registered in the statement of financial position under "Advances and prepayments made," whether or not it has been paid at the closing date. The secured amounts are recognized in the income statement on the basis of the agreements signed with software publishers (either by the unit or based on gross profit or on revenue) or amortized on a straight-line basis for agreements with fixed royalty payments (flat fees).

At the end of the financial year, the net accounting value is compared with sales projections on the basis of the terms and conditions of the agreement. If they are insufficient, depreciation is recognized.

NOTE 12 TRADE PAYABLES

	Opening date	Change in the financial year	Closing date
Trade payables	126.7	18.0	144.7
Related accounts	62.9	69.5	132.4
TOTAL	**189.6**	**87.4**	**277.0**

	Article D. 441 I.-1: Invoices received but outstanding at the financial year closing date with overdue payment				
(in € millions)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and over	Total (1 day and over)
(A) Late payment brackets					
Number of invoices concerned					199
Total amount of invoices concerned (pre-tax)	0.66	0.45	0.05	0.26	1.41
Percentage of the total amount of purchases during the financial year (pre-tax)	0.04%	0.03%	0.01%	0.02%	0.10%
(B) Invoices excluded from (A) relating to disputed or unrecognized payables					
Number of invoices excluded					-
Total amount of invoices excluded (pre-tax)					-
(C) Benchmark payment terms used (contractual or legal times – Article L. 441-6 or Article L. 443-1 of the French commercial code)					
Payment terms used to calculate late payments	Contractual deadlines: Cash payment/30 days end of month/10 days date of invoice				

NOTE 13 STATEMENT OF LIABILITIES

	Gross amount	< 1 year	> 1 year
Bonds	1,602.9	2.9	1,600.0
Bank borrowings and debts	50.6	0.6	50.0
Other borrowings and financial liabilities	343.5	343.5	
Trade payables	277.0	277.0	
Fiscal and social liabilities	5.6	5.6	
Other liabilities	33.0	4.4	28.6
Liabilities on non-current assets	0.3	0.3	
TOTAL	**2,313.0**	**634.3**	**1,678.6**

NOTE 14 ACCRUED EXPENSES

	03/31/21	03/31/20
Bank charges and accrued interest	3.5	1.3
Trade payables, invoices not yet received *	132.4	62.9
Credit notes to be issued *	2.5	6.6
Fiscal and social liabilities	4.8	4.3
TOTAL	**143.1**	**75.1**

* *Mainly relate to transactions with subsidiaries*

NOTE 15 OTHER LIABILITIES

	Opening date	Change	At 03/31/21
Trade receivables – credit notes to issue (1)	6.6	(4.0)	2.5
Fiscal and social liabilities	15.1	(9.5)	5.6
Other liabilities (2)	8.0	22.8	30.9
TOTAL	**29.7**	**9.3**	**38.9**

(1) Credit notes to issue relate to associated companies

(2) Other liabilities mainly relate to customer credit balances relating to related parties and an earn-out payment for the acquisition of i3D.net that was triggered during the financial year

NOTE 16 PREPAID EXPENSES AND DEFERRED CHARGES

	Opening date	Increase	Decrease	Closing date
Deferred income *	40.6	9.1	17.1	32.7
Conversion rate adjustment (liabilities)	0.5	0.4	0.5	0.4
Remeasurement of cash instruments (liabilities)	-	0.1	-	0.1
TOTAL 03/31/21	**41.2**	**9.6**	**17.6**	**33.1**
TOTAL 03/31/20	**6.4**	**40.4**	**5.6**	**41.2**

* *Deferred income consists of:*

- *asset financing contracts: consumption of this deferred income will begin when the underlying assets are commissioned*
- *since the issue price of the OCEANE bond issued in September 2019 was higher than the redemption price, the difference was recognized in deferred income in the amount of €26 million and is reported as financial income on a straight-line basis over the remaining duration of the bond (see note 25)*

NOTE 17 PROVISIONS IN THE STATEMENT OF FINANCIAL POSITION

			Reversals		
	03/31/20	Provisions	Provision used	Provision unused	03/31/21
Provisions for risks					
For foreign exchange risks	0.3	0.2	0.3	-	0.2
For subsidiary risks	-	1.7	-	-	1.7
Impairments					
On equity securities *	209.3	55.6	-	10.8	254.1
On own shares	0.1	0.1	0.1	-	0.1
On UCITS	-	0.2	-	-	0.2
TOTAL 03/31/21	**209.7**	**57.8**	**0.4**	**10.8**	**256.3**
TOTAL 03/31/20	**65.4**	**146.5**	**0.3**	**1.9**	**209.7**

* *See details in note 23*

Changes in impairment of equity investments are detailed in note 23.

Changes in regulated provisions are described in note 26.

ACCOUNTING PRINCIPLES

A provision is recorded when:

- the Company has a current obligation (legal or implicit) resulting from a past event;
- it is likely that an outflow of resources (without counterparty) representing economic benefits will be required to settle the obligation;
- the amount of the obligation can be measured reliably.

It these conditions are not met, no provision is recorded.

Provisions mainly correspond:

- to provisions for exchange losses recognized, in respect of unrealized exchange losses on the statement of financial position arising in non-hedged foreign currencies, and, if applicable, for the negative fair value of non-hedged foreign exchange derivatives;
- to provisions to cover subsidiaries' negative equity.

6.3.4.4 Intangible assets

NOTE 18 AMORTIZATION AND IMPAIRMENT OF INTANGIBLE ASSETS

Amortization and impairment of intangible assets	03/31/21	03/31/20
Released commercial software developments *	790.3	745.7
Released external software developments	2.0	4.8
Commercial software developments in progress *	106.5	116.0
Goodwill	9.3	-
Other	2.3	2.1
TOTAL	**910.5**	**868.6**

* *Net reversals (see note 19) on commercial software and external software developments amount to €535.6 million and €1.0 million respectively*

NOTE 19 INVENTORY VALUE AND CHANGES IN INTANGIBLE ASSETS DURING THE FINANCIAL YEAR

			03/31/21	03/31/20
	Gross	Amortization and impairment	Net	Net
Released commercial software developments	1,195.1	965.2	229.9	124.1
Released external software developments	2.5	2.1	0.3	-
Commercial software developments in progress	1,296.7	106.5	1,190.1	990.0
External software developments in progress	15.9	-	15.9	1.9
Brands and operating licenses	14.7	-	14.7	9.1
Goodwill	27.9	23.0	4.9	14.2
Other	17.2	12.5	4.7	4.1
TOTAL	**2,570.0**	**1,109.4**	**1,460.6**	**1,143.5**

Gross value of intangible assets	Opening date	Increase	Decrease	Reclassifications	Closing date
Released commercial software developments	802.2	3.6	257.8	647.1	1,195.1
Released external software developments	12.2	0.2	11.1	1.1	2.5
Commercial software developments in progress	1,106.0	837.8	-	(647.1)	1,296.7
External software developments in progress	1.9	15.1	-	(1.1)	15.9
Brands and operating licenses	9.1	5.6	-	-	14.7
Goodwill	27.9	-	-	-	27.9
Other	14.4	2.8	-	-	17.2
TOTAL 03/31/21	**1,973.7**	**865.2**	**268.8**	**-**	**2,570.0**
TOTAL 03/31/20	**1,981.3**	**730.6**	**738.3**	**-**	**1,973.7**

The €841.4 million increase in internal commercial software is solely the result of capitalized production.

The decrease in commercial software and external software developments is explained primarily by the removal from assets of software for which the net accounting value is zero at the year-end.

Amortization and impairment of intangible assets	Opening date	Increase	Decrease	Reclassifications	Closing date
Released commercial software developments	678.0	486.0	257.8	59.0	965.2
Released external software developments	12.2	1.0	11.1	-	2.1
Commercial software developments in progress	116.0	49.6	-	(59.0)	106.5
Goodwill	13.7	9.3	-	-	23.0
Other	10.2	2.3	-	-	12.5
TOTAL 03/31/21	**830.2**	**548.1**	**268.8**	**-**	**1,109.4**
TOTAL 03/31/20	**1,097.9**	**470.6**	**738.3**	**-**	**830.2**

ACCOUNTING PRINCIPLES

Intangible assets include:

- commercial software developments;
- engines and tools;
- external software developments;
- acquired brands;
- goodwill;
- office software;
- information system developments.

Accounting and subsequent valuation

Commercial software and external software developments

Commercial software and external software developments are capitalized when they meet the definition of an asset as per CRC regulation 2004-06 and are valued at production cost, only projects meeting the following criteria are recognized in non-current assets:

- the technical feasibility required for completion of the intangible asset leading to its commissioning or sale;
- the intention to complete the intangible asset and commission or sell it;
- the ability to commission or sell the intangible asset;
- the probability that the intangible asset will generate future economic benefits;
- the availability of suitable technical, financial and other resources to complete the development and commissioning or sale of the intangible asset;
- the ability to reliably measure the expenses attributable to the intangible asset during its development.

No borrowing costs are included in the costs of property, plant and equipment.

Development costs, whether they are subcontracted to Group studios or made externally, are recognized as subcontracting expenses and transferred to “Intangible assets in progress” via a capitalized production costs account.

On their release date, the development costs recognized as “Intangible assets in progress”, as development progresses, are transferred to “Released commercial software developments” or “Released external software developments” for amortization and impairment, where applicable.

Brands

Acquired brands are recognized at acquisition cost and tested for impairment at least annually according to the method described below.

Inventory value and impairment tests of intangible assets

According to the regulations on amortization and impairment of assets, the Company is required to periodically revise its amortization periods based on the observed useful life.

The amortization of intangible assets with fixed useful lives begins:

- at the commercial launch for commercial software;
- at the date of commissioning for the other intangible assets with fixed useful lives.

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Types of non current assets	Depreciation method	Impairment method
Commercial software development	1 to 8 years, straight-line, starting on the commercial release date	Impairment tests are systematically carried out at the end of each financial year on: ♦ all software in current release; ♦ all software under production with a scheduled release date during the 12 months following the half-year and full-year end dates; ♦ all software under production with a release date more than 12 months ahead and for which an impairment indicator has been identified. The Company determines the value-in-use by discounting future cash flow forecasts for the software over the entire period of its exploitation, using a rate based on an assessment of the average cost of equity. As the useful life of software is finite, the Company does not use a terminal value. Impairment is recognized if the value-in-use is lower than the net carrying amount of the brand.
External developments	1 to 2 years, straight-line, starting on the commercial release date and, where appropriate, according to the royalty expenses due to third-party publishers where this is higher	
Engines and tools	3 years, straight-line, from the release date	
Acquired brands	No amortization due to indefinite useful life	Impairment tests are carried out on brands at the end of each financial year or more frequently if there are indications of loss in value. The recoverable value of brands corresponds to the higher of the net fair value of disposal costs and the value-in-use (calculated by applying the royalty method to the forecasts of expected future revenue over a five-year period taking into account a final value). Impairment is recognized if the value-in-use is lower than the net carrying amount of the brand.
Goodwill	No amortization due to indefinite useful life	At the end of each financial year, projected cash flows are calculated using the five-year business plan. When these flows are below the net accounting value of the software, impairment is recognized.
Office software	1 to 3 years, straight-line, from the date of commissioning, depending on the estimated useful life	An impairment test is performed if there is any indication of a loss in value.
Information system developments	5 years, straight-line from the date of commissioning	An impairment test is performed if there is any indication of a loss in value.

Provisional data is updated using a rate based on a valuation of the average cost of equity, which stood at 8.74% at March 31, 2021, against 9.14% at March 31, 2020.

6.3.4.5 Property, plant and equipment

NOTE 20 DEPRECIATION AND IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

Depreciation and impairment of property, plant and equipment	03/31/21	03/31/20
Fixtures and fittings	1.8	1.1
Computer hardware and furniture	0.2	0.2
TOTAL	**2.0**	**1.3**

NOTE 21 INVENTORY VALUE AND CHANGES IN PROPERTY, PLANT AND EQUIPMENT DURING THE FINANCIAL YEAR

			03/31/21	03/31/20
	Gross	Depreciation and amortization	Net	Net
Buildings	0.8	0.3	0.4	0.5
Fixtures and fittings	16.6	8.3	8.3	4.6
Computer hardware and furniture	1.6	0.9	0.7	0.7
Transport equipment	0.1	0.1	-	-
Non-current assets in progress	-	-	-	0.1
TOTAL	**19.0**	**9.5**	**9.5**	**6.0**

Gross value of property, plant and equipment	Opening date	Increase	Decrease	Reclassifications	Closing date
Buildings	0.8	-	-	-	0.8
Fixtures and fittings	12.4	-	1.3	5.4	16.6
Computer hardware and furniture	1.4	0.2	-	-	1.6
Transport equipment	0.1	-	-	-	0.1
Non-current assets in progress	0.1	5.3	-	(5.4)	-
TOTAL 03/31/21	**14.8**	**5.5**	**1.3**	**-**	**19.0**
TOTAL 03/31/20	**13.6**	**1.2**	**-**	**-**	**14.8**

Depreciation and amortization of property, plant and equipment	Opening date	Increase	Decrease	Reclassifications	Closing date
Buildings	0.3	-	-		0.3
Fixtures and fittings	7.8	1.8	1.3	-	8.3
Computer hardware and furniture	0.7	0.2	-	-	0.9
Transport equipment	0.1	-	-		0.1
TOTAL 03/31/21	**8.8**	**2.0**	**1.3**	**-**	**9.5**
TOTAL 03/31/20	**7.5**	**1.3**	**-**	**-**	**8.8**

ACCOUNTING PRINCIPLES

Property, plant and equipment are measured at their acquisition cost (purchase price plus incidental expenses) minus rebates and discounts.

Given the type of assets held, no component was identified.

Depreciation, and impairment of property, plant and equipment

The depreciation method used is straight-line and the depreciation periods used for the various types of non-current assets are as follows:

Type of asset	Period *(in years)*
Buildings	20
Fixtures and fittings	10
Computer hardware	3
Furniture	10
Equipment	5

At the end of the financial year, if there is an indication of impairment, an impairment loss is recognized if the asset's current value is lower than its net carrying amount.

6.3.4.6 Financial assets and liabilities and net income

NOTE 22 NET FINANCIAL INCOME

	03/31/21	03/31/20
Financial income		
Financial income from investments	54.1	139.7
Other interest received	12.8	13.0
Reversals of provisions and reinvoiced costs	10.9	2.1
Foreign exchange gains	14.1	9.5
	91.9	**164.2**
Financial expenses		
Other interest paid	10.4	12.5
Amortization and provisions	59.3	148.0
Foreign exchange losses	14.2	10.3
Net expenses on sales of investment securities	0.2	-
	84.0	**170.7**
NET FINANCIAL INCOME	**7.9**	**(6.5)**

Foreign exchange risk

The Company's exposure to foreign exchange risk stems from operating cash flows and its investments in foreign subsidiaries.

The Company only hedges its exposures on cash flows from operating activities in the main foreign currencies (US dollar and Canadian dollar). Its strategy is to hedge only one financial year at a time, so the hedging horizon never exceeds 18 months.

The Company first uses natural hedges provided by transactions in other directions (development costs in a foreign currency offset by contributions from subsidiaries in the same currency). The parent company uses foreign currency borrowings, forward sales or foreign exchange options to hedge any residual exposures and non-commercial transactions (such as inter-company loans in foreign currencies).

At March 31, 2021, the amounts hedged giving rise to forward purchases and sales of foreign currencies amounted to €21.3 million *(see note 30 Off-statement of financial position commitments).*

ACCOUNTING PRINCIPLES

Foreign currency transactions

Foreign currency transactions are recognized based on daily exchange rates. For hedged transactions, the resulting component of the hedged item is revalued at the hedged price per "Hedging instruments" counterpart in the statement of financial position.

Liabilities, receivables and cash denominated in foreign currencies are converted at rates prevailing on March 31, 2021.

Unrealized gains and losses on receivables and liabilities are recognized in the statement of financial position as foreign exchange gains and losses if they are hedged. A provision for foreign exchange risks is recognized if the conversion shows an unrealized loss. In the case of hedged transactions, unrealized losses are not provisioned.

Conversion rate adjustments on cash and current accounts in foreign currencies are immediately recognized as foreign exchange income/loss.

Foreign exchange hedges

Ubisoft uses financial derivatives to reduce its exposure to market risks linked to movements in exchange rates.

As part of the hedging implemented, the result from the hedging is recognized in operating or financial income, according to the item hedged.

NOTE 23 NON-CURRENT FINANCIAL ASSETS

			03/31/21	03/31/20
	gross	Impairment	Net	Net
Equity investments and equivalent	775.9	254.1	521.8	416.9
Other non-current investments	5.3	-	5.3	3.4
Deposits and sureties	0.7	-	0.7	0.9
TOTAL	**781.8**	**254.1**	**527.8**	**421.2**

Non-current assets (Gross value)	Opening date	Increase	Decrease	Closing date
Equity investments and equivalent	626.1	149.7	-	775.9
Other non-current investments	3.5	367.2	365.4	5.3
Deposits and sureties	0.9	-	0.2	0.7
TOTAL 03/31/21	**630.5**	**516.9**	**365.6**	**781.8**
TOTAL 03/31/20	**525.7**	**490.8**	**386.0**	**630.5**

The change in equity investments is mainly due to the increase in capital via the incorporation of receivables of the subsidiary Ubisoft Mobile Games SARL totaling €100 million and €25 million from the subsidiary Ubisoft Entertainment Sweden AB.

The change in other long-term investments corresponds to purchases and sales of own shares under the liquidity agreement.

Provisions	Opening date	Increase	Decrease	Closing date
Equity investments	209.3	55.6	10.8	254.1
Other non-current investments	0.1	-	0.1	-
TOTAL 03/31/21	**209.4**	**55.6**	**10.9**	**254.1**
TOTAL 03/31/20	**64.5**	**146.2**	**1.3**	**209.4**

The change in provisions for impairment of equity investments is due to the change in the value-in-use of the companies' securities. An amount of €56 million was recognized at March 31, 2021, of which €55 million relating to Ubisoft Mobile Games SARL, the subsidiary in charge of the mobile game business.

ACCOUNTING PRINCIPLES

Equity investments are valued at their historical cost plus all related acquisition costs. Any additional payments are recognized in the acquisition price as soon as they can be measured with sufficient reliability.

If the value of the securities exceeds their value-in-use, depreciation is recognized for the difference.

The value-in-use is measured at the end of each financial year according to:

- medium-term profitability prospects. A method has been determined to establish the future cash flows of the Group's various businesses. They are discounted using a rate based on the valuation of the average cost of equity which stood at 8.74% at March 31, 2021;
- the net position if it is higher than the value determined through the discounted future cash flows.

Own shares are valued at the lower of cost or market value (average of the trading sessions of the last month before the year end).

Deposits and sureties are recognized on the basis of the amounts paid.

NOTE 24 INVESTMENT SECURITIES, CASH INSTRUMENTS AND CASH

Type	Gross value	Fair value	Provision	Net value
UCITS	590.9	590.7	0.2	590.7
Own shares *	26.4	26.3	0.1	26.3
TOTAL	**617.3**	**617.0**	**0.3**	**617.0**

* *Changes are detailed in note 29 "Own shares"*

Type	Opening date	Change	Closing date
Treasury instruments *	373.6	3.9	369.6
Cash	545.8	(29.1)	575.0
TOTAL	**919.4**	**(25.2)**	**944.6**

* *Of which €229 million corresponding to the payment made as part of the prepaid forward contract for the buyback of Ubisoft shares (see note 29 Own shares)*

The change in treasury instruments is mainly due to:

- the early settlement on September 15, 2020 of the prepaid forward contract signed on March 20, 2018 with Crédit Agricole Corporate and Investment Bank (CACIB) for 1,100,000 shares with a value of €73.1 million;
- the subscription of new investments with a value of €69 million.

Net cash in the cash flow statement breaks down as follows:

	03/31/21
UCITS	590.9
Cash	575.0
Bank overdrafts and short-term loans	(0.1)
TOTAL	**1,165.7**

ACCOUNTING PRINCIPLES

Investment securities consist of interests in mutual funds and short-term investments and are measured at the lower of cost or market value.

NOTE 25 BORROWINGS

	03/31/21	03/31/20	
Bonds [(1)]	1,600.0	1,000.0	
Medium and long-term bank borrowings [(2)]	50.0	1.3	
Accrued interest [(3)]	3.5	1.2	
Bank overdrafts and short-term loans	-	0.1	
Borrowings	**1,653.5**	**1,002.6**	
Fixed-rate debt	1,653.3	1,002.3	
Variable-rate debt	0.2	0.3	
	< 1 YEAR	**FROM 1 TO 5 YEARS**	**> 5 YEARS**
Amounts payable at 03/31/21	3.5	1,000.0	650.0

(1) Two bond issues of respectively €500 million and €600 million and the OCEANE of €500 million

(2) Including a Schuldschein loan of €50 million

(3) Accrued interest at the end of the period was €2.9 million for bonds, €0.4 million for the Schuldschein loan and €0.1 million for bank overdrafts

Change in borrowings

Borrowings	Opening date	Increase	Decrease	Closing date
Current and non-current financial liabilities				
2019 OCEANE [(1)]	500.0	-		500.0
2020 Bond [(2)]	-	600.0	-	600.0
2018 Bond [(3)]	500.0	-		500.0
Bank loan maturing in 2026	-	50.0	-	50.0
Bank loan maturing in March 2021	1.3	-	(1.3)	-
Accrued interest on borrowings	1.1	2.3	-	3.3
Non-current financial liabilities	**1,002.3**	**652.3**	**(1.3)**	**1,653.3**
Accrued interest on overdrafts	0.1	-	-	0.1
Bank overdrafts and short-term loans	0.1	-	(0.1)	-
Current financial liabilities	**0.3**	**-**	**(0.1)**	**0.1**
	1,002.6	**652.3**	**(1.4)**	**1,653.5**
Other financial liabilities				
Other loans	-	0.3	-	0.3
Commercial papers	110.0	489.0	(505.5)	93.5
	110.0	**489.3**	**(505.5)**	**93.8**
Current account advances by related parties	275.0	100.8	(126.2)	249.7
Interest on current account advances	0.1	-	0.1	-
	275.1	**100.8**	**(126.1)**	**249.7**
	385.1	**590.1**	**(631.6)**	**343.5**
TOTAL 03/31/21	**1,387.7**	**1,242.4**	**(633.0)**	**1,996.9**
TOTAL 03/31/20	**1,557.7**	**913.0**	**1,083.0**	**1,387.7**

(1) Main characteristics of the bond issuance: OCEANE

On September 9, 2019, the Board of directors, acting on the authorization of the Extraordinary General Meeting of July 2, 2019, approved the issuance of bonds with a conversion and/or exchange option for new or existing Company shares (OCEANE bonds) for €500 million.

Number and par value:	4,361,859 bonds with a par value of €114.63
Conversion rate:	1 share for 1 bond
Issue price:	105.25% of par, i.e. €526 million
Date of dividend entitlement and settlement:	September 24, 2024
Duration:	5 years
Interest:	zero coupon

(2) Main characteristics of the bond issued in November 2020

At its meeting of November 12, 2020, the Board of directors, acting on the authorization of the Extraordinary General Meeting of July 2, 2020, approved the issuance of bonds for a total amount of €600 million. These bonds were admitted to trading on Euronext Paris.

Number and par value:	6,000 bonds with a par value of €100,000
Date of dividend entitlement and settlement:	November 24, 2027
Duration:	7 years
Interest:	0.878%

(3) Main characteristics of the bond issued in January 2018

At its meeting of January 24, 2018, the Board of directors, acting on the authorization of the Extraordinary General Meeting of September 22, 2017, approved the issuance of bonds for a total amount of €500 million. These bonds were admitted to trading on Euronext Paris.

Number and par value:	5,000 bonds with a par value of €100,000
Date of dividend entitlement and settlement:	January 30, 2023
Duration:	5 years
Interest:	1.289%

Borrowings are mainly in euros.

ACCOUNTING PRINCIPLES

Borrowings are recorded at their nominal repayment amount. Unused agreements at the statement of financial position date are listed in the off-statement of financial position commitments.

Debt issuance costs are capitalized (in deferred expenses) and amortized on a straight-line basis over the lifetime of the borrowings concerned.

Concerning issuance costs for convertible bonds:

- until the conversion date, the debt issuance costs are capitalized (in deferred expenses) and amortized on a straight-line basis over the lifetime of the convertible bonds concerned;
- on the conversion date, non-amortized costs are considered as capital increase costs and deducted from the issue premium (after tax). If the amount of the issue premium is insufficient, they are recognized as expenses.

6.3.4.7 Non-recurring items

Article 14 of the Decree of November 29, 1983, defines non-recurring items as those that are not related to the normal operations of a company.

NOTE 26 NON-RECURRING ITEMS

	03/31/21	03/31/20
Non-recurring income:		
Non-recurring income from capital transactions	2.8	4.9
Exceptional reversals for accelerated depreciation	258.8	320.0
Non-recurring expenses		
Non-recurring expenses on management transactions	0.2	0.3
Non-recurring expenses on capital transactions	20.2	14.9
Exceptional allowances for accelerated depreciation	470.4	471.6
NON-RECURRING ITEMS	**(229.2)**	**(161.8)**

At the end of March 2021, non-recurring items mainly comprised:

- €(470.4) million in allocations for accelerated depreciation on development expenditure for software;
- €258.8 million in reversals for accelerated depreciation on development expenditure for software;
- gains/losses on disposals of own shares for a net impact of €(17.5) million.

ACCOUNTING PRINCIPLES

Non-recurring items

Non-recurring income and expenses include extraordinary items or items relating to prior periods, and items that by nature are classed as non-recurring under accounting legislation (chiefly the proceeds from asset disposals).

Regulated provisions

Regulated provisions relate only to the accelerated depreciation on:

- acquisition costs incorporated in the cost price of equity investments. These costs are deducted in tax terms over five years by means of accelerated depreciation;
- development expenditure of software. In accordance with the provisions of Article 236 of the French general tax code (CGI), the Company may opt to either depreciate expenses for the development of software or deduct them from the income for the financial year in which they occur.

6.3.4.8 Tax

At March 31, 2021, the tax group included Ubisoft Entertainment SA (holding company), and all subsidiaries more than 95% owned and having their registered offices in France, with the exception of those created or acquired during the financial year.

NOTE 27 TAX

On a standalone basis (disregarding the tax consolidation group), Ubisoft Entertainment SA's figures were as follows:

	03/31/21	03/31/20
Net income before tax from continuing operations	208.7	(148.1)
Non-recurring items	(229.2)	(161.8)
Income before tax	(20.5)	(309.9)
Corporation tax	6.0	8.8
Accounting net income	(14.5)	(301.1)
Taxable income	(15.7)	(299.0)

	Income before tax	(Income tax payable)/saving	Net income
Current	208.7	(0.1)	208.6
Non-recurring	(229.2)	-	(229.2)
Income tax of fully consolidated subsidiaries for the financial year		*6.1*	*6.1*
TOTAL	**(20.5)**	**6.0**	**(14.5)**

Income tax comprised:

- an income tax expense during the financial year of €0.4 million;
- tax credits at the head of the Group for €0.2 million;
- cancelation of the income tax expense recognized by the subsidiaries of the tax consolidation group in the amount of €6.1 million.

The tax group losses carried forward at March 31, 2021, amounted to €839 million, including €1,157 million in accelerated tax depreciation related to the application of Article 236 of the CGI (French general tax code).

ACCOUNTING PRINCIPLES

Ubisoft Entertainment SA is the head of the consolidated tax group it forms with its French subsidiaries more than 95% owned.

For subsidiaries within the consolidated tax group, the amount of their tax liability had they not been consolidated counts towards the income tax expense of the entire group. The additional income tax expense or saving resulting from the difference between the tax due from the consolidated subsidiaries and the tax calculated for the entire Group is recognized by Ubisoft Entertainment SA as head of the Group.

6.3.4.9 Equity

NOTE 28 STATEMENT OF CHANGES IN EQUITY

			Capital increase			Regulated provisions		
	03/31/20	Allocation of earnings for 2019-2020	by cash contribution	by deduction from premiums	Financial year net income	Provisions	Reversal	03/31/21
Capital	9.4		0.1	0.1				9.6
Premiums	472.7		80.6	(0.1)				553.3
Legal reserve	0.9							0.9
Other reserves	214.8							214.8
Retained earnings		(301.1)						(301.1)
Financial year net income	(301.1)	301.1			(14.5)			(14.5)
Regulated provisions	945.4					470.4	(258.8)	1,157.0
TOTAL	**1,341.9**	**-**	**80.7**	**-**	**(14.5)**	**470.4**	**(258.8)**	**1,619.8**

NOTE 29 CAPITAL

Capital increases and issue premiums break down as follows:

	Capital	Premiums
Exercise of subscription options	-	14.8
Capital increase reserved for employees	0.1	65.8

At the end of March 2021, Ubisoft Entertainment SA's capital of €9,576,417.39 was composed of 123,566,676 shares.

Number of Ubisoft Entertainment SA shares

AT 04/01/20	**120,951,098**
Exercise of subscription options	407,051
Capital increase reserved for employees	1,096,600
Free share grants	1,111,927
AT 03/31/21	**123,566,676**

The maximum number of shares to be created is 8,448,646:

- 1,485,157 through the exercise of stock options;
- 2,601,630 through the allocation of free shares;
- 4,361,859 through the conversion of OCEANE bonds into shares.

The conditions of exercise, subject to satisfaction of attendance and performance requirements for corporate officers and to the satisfaction of attendance requirements for employee beneficiaries of stock option plans, are as follows:

Subscription options

	30th plan	31st plan	32nd plan	33rd plan	34th plan	35th plan	36th plan	38th plan	39th plan	40th plan
Total number of shares granted	328,100	37,500	758,810	29,344	220,700	418,500	11,000	11,500	19,579	188,454
Start of exercise period	09/23/16	May 2019 (1)	06/23/17 (1)	12/14/17 (1)	03/30/18	06/27/18	09/22/18	04/13/19	06/27/19	06/27/19 (2)
Expiry date of options	09/22/20	12/15/20	06/22/21	12/13/21	03/29/22	06/26/22	09/21/22	04/12/23	06/26/23	06/26/23
Strike price of options	€17.94	€26.85	€33.015	€31.955	€37 (France) €39.03 (Worldwide)	€50.02 (France) €51.80 (Worldwide)	€57.26	€73.86	€94.58	€94.58
Options at April 1, 2020	71,050	12,500	400,531	24,344	129,625	305,875	8,000	10,000	19,579	179,330
Options allocated during the financial year	-		-	-	-	-	-	-	-	-
Options exercised during the financial year	60,300	12,500	173,166	5,000	50,825	94,250	-	-	-	-
Options canceled during the financial year	10,750	-	3,488	-	1,875	21,250	-	-	4,659	13,483
Options outstanding at March 31, 2021	-	-	223,877	19,344	76,925	190,375	8,000	10,000	14,920	165,847

(1) For corporate officers (Plans 31 and 33) and/or members of the Executive Committee (Plan 32: one beneficiary), as the performance conditions are assessed over the four financial years ending March 31, the options may only be exercised after the closing of the financial statements of the 4th financial year

	41st plan	42nd plan	43rd plan	44th plan	45th plan	46th plan	47th plan	Total
Total number of shares granted	56,031	330,678	67,743	21,515	271,629	60,821	55,673	
Start of exercise period	12/17/22 (2)	07/02/20 (2)	12/12/23 (2)	02/13/21	07/01/21	07/02/24 (3)	12/08/21 (3)	
Expiry date of options	12/16/23	07/01/24	12/12/24	02/12/25	06/30/25	07/01/25	12/07/25	
Strike price of options	€68.59	€69.55 (France) €69.70 (Worldwide)	€54.30	€73.80	€68.45 (France) €73.40 (Worldwide)	€68.59 (France) €76.50 (Worldwide)	€77.76	
Options at April 1, 2020	56,031	320,376	67,743	21,515	-	-	-	1,626,499
Options allocated during the financial year	-	-	-	-	271,629	60,821	55,673	388,123
Options exercised during the financial year	-	11,010	-	-	-	-	-	407,051
Options canceled during the financial year	-	33,808	-	14,855	18,246	-	-	122,414
Options outstanding at March 31, 2021	56,031	275,558	67,743	6,660	253,383	60,821	55,673	1,485,157

(2) For the members of the Executive Committee (Plan 40: one beneficiary/Plan 42: two beneficiaries) and the corporate officers (Plans 41 and 43), the options only become exercisable from the fourth year of the plan

(3) For the members of the Executive Committee (Plan 46: two beneficiaries) and the corporate officers (Plan 47), the options only become exercisable from the fourth year of the plan

The Company has not recognized a liability as the exercise of stock options involves the creation of new shares.

Free share grants settled in shares

Free share grants, which are subject to performance conditions, are locked in for a two, three, or four-year period following the grant date. As the shares granted are ordinary shares in the same category as the old shares that comprise the Company's share capital, employee shareholders receive dividends and voting rights on all their shares at the end of the vesting period.

	03/31/16	
Grant date	09/23/15	12/16/15
Maturity – Vesting period	3 years	3 years
Number of instruments allocated as at 04/01/20	136,792	43,500
Number of instruments allocated during the financial year	-	-
Number of instruments canceled during the financial year	318	-
Number of instruments created during the financial year	-	-
Number of instruments delivered during the financial year	136,474	43,500
Number of instruments as at 03/31/21	-	-

	03/31/17				
Grant date	04/19/16	06/23/16	06/23/16	12/14/16	12/14/16
Maturity – Vesting period	4 years	4 years	3 years	4 years	3 years
Number of instruments allocated as at 04/01/20	302,500	824,875	198,622	10,300	11,426
Number of instruments allocated during the financial year	-	-	-	-	-
Number of instruments canceled during the financial year	-	9,560	-	300	-
Number of instruments created during the financial year	302,500	815,315	-	-	-
Number of instruments delivered during the financial year	-	-	-	10,000	-
Number of instruments as at 03/31/21	-	-	198,622	-	11,426

	03/31/19				
Grant date	06/27/18	09/12/18	10/30/18	12/17/18	02/01/19
Maturity – Vesting period	4 years	4 years	4 years	4 years	4 years
Number of instruments allocated as at 04/01/20	563,642	7,952	3,708	69,961	31,071
Number of instruments allocated during the financial year	-	-	-	-	-
Number of instruments canceled during the financial year	56,642	1,459	1,675	6,171	1,834
Number of instruments created during the financial year	-	-	-	-	-
Number of instruments delivered during the financial year	-	-	-	-	-
Number of instruments as at 03/31/21	507,000	6,493	2,033	63,790	29,237

	03/31/20				
Grant date	05/15/19	07/02/19	09/18/19	12/12/19	02/13/20
Maturity – Vesting period	4 years	4 years	4 years	4 years	4 years
Number of instruments allocated as at 04/01/20	40,704	848,314	5,901	2,954	31,707
Number of instruments allocated during the financial year	-	-	-	-	-
Number of instruments canceled during the financial year	-	78,762	-	-	5,787
Number of instruments created during the financial year	-	-	-	-	-
Number of instruments delivered during the financial year	-	-	-	-	-
Number of instruments as at 03/31/21	40,704	769,552	5,901	2,954	25,920

	03/31/21				
Grant date	07/01/20	10/29/20	12/08/20	02/10/21	Total
Maturity – Vesting period	4 years	4 years	4 years	4 years	
Number of instruments allocated as at 04/01/20	-	-	-	-	3,133,929
Number of instruments allocated during the financial year	966,574	4,088	59,980	1,147	1,031,789
Number of instruments canceled during the financial year	92,320	345	1,126	-	256,299
Number of instruments created during the financial year	-	-	-	-	1,117,815
Number of instruments delivered during the financial year	-	-	-	-	189,974
Number of instruments as at 03/31/21	874,254	3,743	58,854	1,147	2,601,630

Group savings scheme

Group savings scheme – Massive Multishare Ownership

Ubisoft grants employee share ownership plans for the benefit of a certain number of its employees.

The financial product associated with these plans comprises a guaranteed capital portfolio, with a share in any rise in the Ubisoft share price over a five-year period.

These plans were notably financed by Ubisoft via a 15% discount on the shares allocated to the operation. This discount is calculated compared to the average of the share trading prices over the 20 trading days prior to the Board of directors' meeting that approved the capital increase.

After a holding period, or before the end of this period in the event of early release, each beneficiary is also guaranteed to receive their initial investment in euros (comprising his/her personal contribution increased by the additional contribution) as well as a multiple of the possible average protected increase in the share price.

	03/31/21	03/31/20
Grant date	09/22/20	07/04/19
Maturity – Vesting period (in years)	5	5
Reference price	€70.71	€80.35
Subscription price	€60.10	€68.30
Discount	15%	15%
Number of shares	1,761,575	1,549,391
Amount of subscription		
♦ Employees	€8.4M	€8.5M
♦ Additional contribution	€2.1M	€2.1M

Own shares

As at March 31, 2021, the Company held 485,745 own shares.

	03/31/21		03/31/20	
Own shares by objective	Number of shares	Valuation *(in € millions)*	Number of shares	Valuation *(in € millions)*
Liquidity agreement	82,880	5.3	53,253	3.4
Employee share ownership coverage *	402,865	26.3	-	-
TOTAL	**485,745**	**31.6**	**53,253**	**3.4**

* *The changes mainly relate to the operations below:*

- *under the prepaid forward contract signed on March 20, 2018 with Crédit Agricole Corporate and Investment Bank (CACIB), 1,100,000 shares were delivered to Ubisoft Entertainment SA on September 15, 2020 following the early settlement, for a value of €73.1 million*
- *under the share buyback mandate signed on March 23, 2021 with Exane BNP Paribas, the Company bought back 164,000 shares at an average price of €64.13 (€10.5 million)*
- *under the MMO operation, 664,975 shares were delivered by Ubisoft Entertainment SA for a value of €60.10 (€40.0 million) at an acquisition price of €66, i.e. a capital loss of €4.2 million*
- *under the employee share ownership plans, 196,160 shares were delivered by Ubisoft Entertainment SA, representing a capital loss of €13.0 million*

6.3.4.10 Unrecognized contractual commitments

NOTE 30 FINANCIAL COMMITMENTS AND OTHER INFORMATION

Off-balance sheet commitments related to Company financing

Summary

Type	03/31/21	03/31/20
Commitments given by Ubisoft Entertainment SA		
Financial guarantees	110.8	111.2
Commitments received by Ubisoft Entertainment SA		
Lines of credit received and not used	369.3	365.1

Breakdown of commitments of over €10 million

Type		Expiry date	03/31/21
Commitments given by Ubisoft Entertainment SA			
Financial guarantees			
Ubisoft Blue Byte GmbH	Rent guarantees	07/17/31	26.2
Ubisoft Toronto Inc.	Rent guarantees	04/30/31	47.3
Ubisoft SrL	Rent guarantees	07/18/29	15.9
Commitments received by Ubisoft Entertainment SA			
Lines of credit received and not used			
	Syndicated loan	07/18/24	300.0
	Committed lines of credit	05/13/21	10.0
	Bank credit facilities		23.0

With regard to the syndicated loan, the Schuldschein loan and the bilateral credit lines, the following covenants must be complied with (determined on the basis of the IFRS consolidated annual financial statements):

	2020-2021	2019-2020
Net debt restated for assigned receivables/equity restated for goodwill <	0.80	0.80
Net debt restated for assigned receivables/EBITDA <	1.5	1.5

As at March 31, 2021, the Company was compliant with all these ratios and expects to remain so during the 2021-2022 financial year.

Other borrowings are not governed by covenants.

Off-balance sheet commitments related to hedging instruments

Summary

(in € millions)	Description	03/31/21	03/31/20
Foreign exchange hedges [(1)]		21.3	103.5
Contract on Ubisoft shares [(2)]		227.4	300.0

(1) Fair value valued at the guaranteed price

(2) As part of the prepaid forward contract entered into on March 20, 2018 with Crédit Agricole Corporate and Investment Bank (CACIB) for 4,545,454 of its own shares, settled by delivery of securities due in 2021 or early at a price of €66, the Group has:

- *on the one hand, decided on the early settlement on September 8, 2020 of 1,100,000 of its own shares, for which delivery took place on September 15, 2020*
- *on the other hand, on September 15, 2020, signed an amendment to the contract extending the original maturity of March 22, 2021 by three years, i.e. to March 22, 2024, for the 3,445,454 own shares that were not settled early*

Breakdown of unsettled instruments at the closing date

Nominal amount of hedges	Subscription date	Maturity date	Hedged price	Type of instrument
US$ 15M	March 2021	April 2021	1.1728	Forward sale
SEK 87M	March 2021	June 2021	10.2484	Forward sale

Leases and finance leases

Leased property	Initial cost	Provisions for the financial year	Cumulative depreciation and amortization	Net value
Land	3.2	-	-	3.2
Building	24.1	1.8	5.3	18.8
TOTAL	**27.3**	**1.8**	**5.3**	**22.1**

	Lease payments made		Remaining lease payments				
Finance lease commitments	Lease payments – financial year	Lease payments (cumulative)	< 1 year	Between 1 & 5 years	> 5 years	Total to pay	Residual purchase price
Land	-	-	-	0.7	2.5	3.2	-
Building	2.3	9,2	2.4	9.0	5.0	16.4	-
TOTAL	**2.3**	**9.2**	**2.4**	**9.7**	**7.5**	**19.7**	**-**

Other commitments

Ubisoft Entertainment SA has committed to provide financial support to its subsidiaries in order to meet their cash flow requirements.

Staff

At March 31, 2021, the headcount consisted of five corporate officers.

Management compensation

Compensation of executive corporate managing officers

Messrs. Guillemot are remunerated for their positions as Chairman and Chief Executive Officer or Executive Vice-Presidents of Ubisoft Entertainment SA.

The compensation of Yves Guillemot, Chairman and Chief Executive Officer, for the financial year ended March 31, 2021, comprises the following components:

- fixed compensation amounting to €584,824 since April 1, 2019;
- annual variable compensation based on two financial and one non-financial Indicators, contingent on the approval of the General Meeting called to approve the financial statements for the past financial year;
- long-term variable compensation based on one financial and two non-financial Indicators.

The compensation of each Executive Vice-President for the financial year ended March 31, 2021 comprises the following components:

- fixed compensation of €65,621;
- long-term variable compensation based on one financial and two non-financial Indicators.

Following the proposal by the Nomination, Compensation and Governance Committee, the Board of directors approved the long-term variable compensation which, for the financial year ended March 31, 2021, represented the allocation of 36,716 share subscription options for the Chairman and Chief Executive Officer and 3,097 share subscription options for each of the Executive Vice-Presidents.

The vesting of the stock options is conditional:

(i) for 60%, on the total shareholder return on Ubisoft Shares (the "Ubisoft TSR") compared to the TSR of companies in the NASDAQ Composite Index, both TSRs being calculated between December 8, 2020 to December 8, 2023;

(ii) for 20% based on the Growth in the number of Monthly Active Users (MAU);

(iii) for 20% based on a "CSR" performance condition (Gender diversity of the teams).

Achievement of these indicators is assessed over a period of three consecutive financial years or calendar years conditioning the acquisition of the long-term compensation. The share subscription option plan will vest definitively after a vesting period of four years and will be conditional on remaining in the position of executive corporate managing officer.

The total gross compensation paid/owed by the Company to executive corporate managing officers during the financial year was €1,468 thousand.

Executive corporate managing officers are not eligible for any severance or non-compete indemnity, nor a supplementary pension scheme in respect of their function in the Company.

Compensation of corporate officers

Directors receive compensation in respect of their term of office comprising a fixed component and a variable component.

Compensation paid to members of the Board of Directors for directorships during the 2020-2021 financial year, amounted to €595 thousand.

There are no agreements to compensate Board members if they resign or are dismissed without real cause, or if their employment is terminated due to a public offering.

No loans or advances were made to the Company's directors under Article L. 225-43 of the French commercial code.

Contingent assets and liabilities

In accordance with Article no. 624-11 of French General Accounting Plan (PCG), the breakdown of free shares that have not been exercised at the closing date is provided in note 29.

Events after the reporting period

None

NOTE 31 RELATED-PARTY TRANSACTIONS

Two main categories are identified:

- relationships between the parent company and its subsidiaries the main transactions of which relate to:
  - production subsidiaries billing the parent company for development costs based on the progress of their projects,
  - the parent company invoicing sales and marketing subsidiaries for a contribution to development costs,
  - the implementation of cash agreements allowing for centralized management at parent company level of the bank accounts of the majority of the Group companies;
- transactions with corporate officers.

The Company's five corporate officers hold management roles for which the compensation is detailed above.

6.3.4.11 Subsidiaries and shareholdings (March 31, 2021)

	Country	Currency	Capital *(in thousands of currency units)*	Reserves and retained earnings before allocation of earnings *(in thousands of currency units)*
Subsidiaries (at least 50% of capital held)				
Ubisoft Inc.	United States	US dollar	90.4	(2.5)
Ubisoft EMEA SAS	France	Euro	12.0	8.6
Ubisoft International SAS	France	Euro	50.0	8.4
Ubisoft France SAS	France	Euro	20.6	3.4
Ubisoft GmbH	Germany	Euro	12.0	5.8
Owlient SAS	France	Euro	0.1	0.8
Ubisoft Mobile Games SARL	France	Euro	100.0	(3.7)
Ubisoft Motion Pictures SARL	France	Euro	3.3	(1.0)
Ubisoft Entertainment Sweden AB	Sweden	Swedish crown	33.1	321.7
Performance Group BV	Netherlands	Euro	-	2.4
Other French subsidiaries *				
Other foreign subsidiaries *				
TOTAL				
Investments (between 10% and 50% of capital held)				

* *Detailed information on significant subsidiaries is provided individually. "Other French and foreign subsidiaries" include a large number of companies but whose share value is not significant*

Percentage of capital held *(in %)*	Carrying amount of shares held *(in € millions)*		Loans and advances granted by the Company and not yet repaid *(in € millions)*	Sales excluding tax *(in millions of currency units)*	Profit (loss) for the last financial year *(in millions of currency units)*	Dividends received *(in € millions)*
	gross	net				
100%	97.0	97.0	-	1,139.0	(27.0)	-
100%	55.2	55.2	-	785.6	7.9	-
100%	50.0	50.0	-	296.5	3.6	-
100%	22.9	22.9	-	49.8	1.1	-
100%	27.1	18.7	-	68.9	1.0	-
100%	20.1	10.0	-	9.7	0.6	-
100%	292.4	104.9	-	106.1	(103.9)	-
100%	45.2	-	-	1.6	(3.7)	-
100%	28.7	28.7	7.8	797.9	30.2	-
100%	81.9	81.9	-	38.2	8.9	-
	21.2	21.2	-	-	-	4.0
	34.2	31.4	1.9	-	-	50.1
	775.9	**521.8**				
	-	-				

6.4 Statutory Auditors' report on the separate financial statements

This is a free translation into English of one of the statutory auditors' general report issued in French language and it 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.

Financial year ended March 31, 2021

To the General Meeting of Ubisoft Entertainment,

OPINION

As mandated by your General Meetings, we conducted the audit of the separate financial statements of Ubisoft Entertainment in respect of the financial year ended March 31, 2021, as attached to this report.

We hereby certify that, from the standpoint of French accounting rules and principles, the separate financial statements give a true and fair view of the results obtained for the financial year in question and of the Company's financial position and assets at the end of this year.

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

BASIS FOR THE OPINION

Audit Guidelines

We conducted our audit in accordance with accepted professional standards in France. It is our view that the elements that we collected are sufficient and adapted to base our opinion.

Our responsibilities under these standards are indicated in the section "Responsibilities of the Statutory Auditors relating to the audit of the separate financial statements" in this report.

Independence

We conducted our audit in accordance with the rules of independence provided for in the French commercial code and the Statutory Auditors' professional code of ethics, over the period from April 1, 2020 to the date of issue of our report, and notably, did not provide any services prohibited by Article 5, paragraph 1 of Regulation (EU) 537/2014.

BASIS FOR OUR ASSESSMENT – KEY POINTS OF THE AUDIT

The global crisis linked to the Covid-19 pandemic created special conditions for the preparation and audit of the financial statements for this financial year. This crisis and the exceptional measures taken as part of the state of health emergency had multiple consequences for companies, particularly on their activity and financing, as well as increased uncertainty about their future prospects. Some of these measures, such as travel restrictions and remote working, have also had an impact on the internal organization of companies and the way in which audits are carried out.

It is in this complex and evolving context that, pursuant to the provisions of Articles L. 823-9 and R. 823-7 of the French commercial code regarding the basis for our assessments, we call your attention to the key points of the audit regarding the risks of material misstatements which, in our professional judgment, were the most significant for the audit of the separate financial statements for the financial year, together with the responses we provided to these risks.

Our assessments were made within the context of our audit of the separate financial statements as a whole, and provided a basis for the opinion expressed previously. We do not express an opinion on the items in the separate financial statements taken separately.

Assessment of the commercial software developed internally – impairment tests
Note 19 of the notes to the separate financial statements

Risk identified	Response provided
As at March 31, 2021, the net carrying amount for the commercial software developed internally amounted to €1,420 million for a total statement of financial position of €3,968 million. The intangible assets resulting from the development of commercial software, once released, are amortized on a straight-line basis starting on the commercial release date for a duration of 1 to 8 years. Moreover, as indicated in note 19 "Inventory value and changes in intangible assets during the financial year" in the notes to the separate financial statements, the Company subjects the released commercial software to an impairment test at each closing date. Commercial software in production with a planned release date within 12 months after the closing date, or for which an impairment loss indicator is identified is also subject to an impairment test. These tests involve comparing the net carrying amount of the commercial software (after normally recognized linear depreciation) to the expected future cash flows from the sale of the game. Impairment is recognized if the value-in-use is lower than the net carrying amount of the commercial software. We have considered the impairment tests on commercial software developed internally as a key point of the audit, given the particularly significant amount and the significant degree of judgment required by the Company to determine the value-in-use bases on forecasts of discounted cash flows for which achievement is inherently uncertain.	We have examined the procedures for conducting these impairment tests. Our work notably consisted in: (1) taking note of the internal control relating to the implementation of these impairment tests and testing by sampling the key controls implemented by the Company for these processes. Our procedure tests consisted in: ♦ assessing the implementation of editorial control by the Company's management team, ♦ assessing the portfolio review of software in production which aims to control the exhaustive accounting translation of editorial discontinuation decisions, ♦ ensuring that the Board of directors has approved the 3 year business plan; (2) our substance tests mainly consisted in: ♦ conducting a retrospective analysis of the impairment tests carried out by the Company over the previous financial years, ♦ comparing sales and profitability forecasts for the commercial software used in the impairment tests with those underlying the Group's 3 year business plan approved by the Board of directors, ♦ assessing the consistency of the future sales forecasts with regard to available data or comparables (previous opus within the same franchise, another similar commercial software with the same comparable levels of functions, taking into account the level of pre-orders for example). We also assessed the relevant nature of the information provided in note 19 "Inventory value and changes in intangible assets during the financial year" in the notes to the separate financial statements.

Assessment of equity investments
Notes 17 and 23 of the notes to the separate financial statements

Risk identified	Response provided
At March 31, 2021, the equity investments were recorded in the statement of financial position for a net carrying amount of €522 million, or 13% of total assets. As indicated in note 23 "Non-current financial assets", equity investments are subject to impairment tests at each closing date to check that their net carrying amounts do not exceed their value-in-use. The estimate of the value-in-use of equity investments is calculated according to: ♦ medium-term profitability prospects. A method has been determined to establish the future cash flows of the Group's various businesses. They are discounted using a rate based on the valuation of the average cost of equity which stood at 8.74% at March 31, 2021; ♦ the net position at this date, if it is higher than the value determined using the discounted future cash flows. Moreover, note 17 "Provisions in the statement of financial position" indicates that provisions are recognized where risks and charges that have a clearly defined purpose but are not certain to arise, are made likely by events that have occurred or are in progress. Thus, provisions are recognized to cover subsidiaries' negative equity. Due to the particularly significant net carrying amount of equity investments in the total statement of financial position, and the high degree of judgment exercised by the Company as part of the estimate of value-in-use, especially when it is based on forecast elements, we have considered that the assessment of equity investments, and by extension the associated provisions for risks are a key point in our audit.	In order to assess the amount of value-in-use of the equity investments determined by the Company, our work notably consisted in: ♦ assessing the relevance of the calculation modalities used to determine the value-in-use; ♦ comparing the proportions of net positions used to determine the value-in-use of equity investments with the financial statements for the investments, which were subject to an audit or analytical procedures; ♦ via interviews with the management team, assessing the main assumptions and modalities selected to estimate value-in-use, particularly the long-term growth rate and the discount rate, by referring to our experts where necessary; ♦ checking the arithmetical accuracy of the value-in-use calculations made by your Company; ♦ noting the recognition of a provision for risks if your Company has committed to covering the losses of a subsidiary with negative equity.

SPECIFIC VERIFICATIONS

We have also carried out the specific verifications required by legal and regulatory texts, pursuant to professional standards applicable in France.

Information provided in the management report and other documents sent to shareholders on the financial position and the separate financial statements

We have no comments regarding the accuracy and consistency with the separate financial statements of the information provided in the Board of directors' management report or in the other documents provided to shareholders concerning the financial position and separate financial statements.

We certify the accuracy and consistency with the separate financial statements of the information on payment terms indicated in Article D. 441-6 of the French commercial code.

Corporate governance report

We certify the existence in the Board of directors' corporate governance report of the information required by Articles L. 225-37-4, L. 22-10-10 and L. 22-10-9 of the French commercial code.

With regard to the information provided pursuant to the provisions of Article L. 22-10-9 of the French commercial code on compensation and benefits paid or awarded to corporate officers, as well as on the commitments granted to them, we have verified their consistency with the financial statements or with the data used to prepare these financial statements and, where applicable, with the information collected by your Company from the companies controlled by it that are included in the scope of consolidation. Based on this work, we attest the accuracy and truthfulness of such information.

Regarding the information on elements that your Company considered likely to have an impact in the event of a public offer or exchange offer, provided pursuant to the provisions of Article L. 22-10-11 of the French commercial code, we have checked compliance with the source documents provided to us. Based on this work, we have no comments to make on this information.

Other information

As required by law, we have ensured that the various information relating to equity and control investments and to the identity of the holders of share capital or voting rights was provided to you in the management report.

OTHER VERIFICATIONS OR INFORMATION REQUIRED BY STATUTORY AND REGULATORY TEXTS

Format of the separate financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standards on the due diligence of the Statutory Auditors relating to the annual and consolidated financial statements presented according to the single European electronic information format, compliance with this format defined by Delegated European Regulation 2019/815 of December 17, 2018 in the presentation of the separate financial statements intended to be included in the annual financial report mentioned in I of Article L. 451-1-2 of the French monetary and financial code, prepared under the responsibility of the Chairman and Chief Executive Officer.

On the basis of our work, we conclude that the presentation of the separate financial statements intended to be included in the annual financial report complies, in all material respects, with the single European electronic information format.

It is not our responsibility to verify that the separate financial statements that will be included by your Company in the annual financial report filed with the AMF correspond to those on which we performed our work.

Appointment of the Statutory Auditors

We were appointed as Statutory Auditors for Ubisoft Entertainment by your General Meetings of June 27, 2003 for KPMG Audit and of September 29, 2016 for Mazars.

As at March 31, 2021, KPMG Audit was in its 18th uninterrupted year of office and MAZARS in its 5th year of office.

RESPONSIBILITIES OF THE MANAGEMENT TEAM AND THE PEOPLE COMPRISING THE CORPORATE GOVERNANCE WITH REGARD TO THE SEPARATE FINANCIAL STATEMENTS

The management team is responsible for preparing separate financial statements that present a true and fair view, in accordance with French accounting rules and principles, and implementing the internal control it considers necessary for preparing separate financial statements that do not include material misstatements resulting either from fraud or errors.

When preparing the separate financial statements, the management team is responsible for assessing the Company's ability to continue its operations, and presenting in these financial statements, if applicable, the information on the continuation of operations, and applying the accounting going-concern convention, unless it plans to liquidate the Company or cease its activity.

The Audit Committee is responsible for monitoring the financial information preparation process and the effectiveness of the internal control and risk management systems, as well as, if applicable, internal audit, with respect to the procedures for the preparation and processing of accounting and financial information.

The annual financial statements have been prepared by the Board of directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS FOR THE AUDIT OF THE SEPARATE FINANCIAL STATEMENTS

Audit objective and approach

We are responsible for preparing a report on the separate financial statements. Our aim is to obtain reasonable assurance that the separate financial statements taken as a whole do not include material misstatements. Reasonable assurance corresponds to a high level of assurance, without, however, guaranteeing that an audit conducted in accordance with professional standards would systematically detect all material misstatements. Misstatements from fraud or resulting from errors are considered to be material when we can reasonably expect that they may, taken individually or cumulatively, influence economic decisions that users of the financial statements may take based on them.

As specified in Article L. 823-10-1 of the French commercial code, our assignment to certify the financial statements does not consist in guaranteeing the viability or the management quality of your Company.

As part of an audit conducted in accordance with the professional standards applicable in France, the Statutory Auditor exercises his/her professional judgment throughout the audit. Moreover:

- he/she identifies and assesses the risks that the separate financial statements include material misstatements from fraud or resulting from errors, defines and implements audit procedures faced with these risks and collects the elements that he/she considers sufficient and appropriate on which to base his/her opinion. The risk of non-detection of a material misstatement resulting from fraud is higher than that of a misstatement resulting from an error, as the fraud may involve collusion, falsification, voluntary omissions, false declarations or circumvention of internal control;
- he/she takes note of the relevant internal control for the audit in order to define the relevant audit procedures, and not with the aim of expressing an opinion on the effectiveness of the internal control;
- he/she assesses the appropriate nature of the selected accounting principles and the reasonable nature of the accounting estimates made by the management team, as well as the information on them provided in the separate financial statements;
- he/she assesses the relevant nature of the application of the going-concern accounting convention by the management team, and, depending on the elements collected, the existence of a significant uncertainty with regard to the events or circumstances likely to call into question the Company's ability to continue its operations. This assessment is based on the elements collected up to the date of his/her report, it being recalled that subsequent circumstances or events may call into question the continuation of operations. If he/she concludes that there is a significant uncertainty, he/she calls the readers' attention to the information provided in the separate

financial statements on the subject of this uncertainty, or, if this information is not provided or is not relevant, he/she formulates a certification with reserves or refuses to certify;

- he/she assesses the overall presentation of the separate financial statements and assesses if the separate financial statements reflect the underlying operations and events, in order to provide a true and fair view.

Report to the Audit Committee

We provide a report to the Audit Committee presenting notably the scope of the audit work and the work program implemented, as well as the conclusions resulting from our work. We also draw its attention, if applicable, to the significant weaknesses of the internal control that we have identified with respect to the procedures for the preparation and processing of accounting and financial information.

Amongst the elements communicated to the Audit Committee are the risks of material misstatements that we have considered to be the most important for the audit of the separate financial statements for the financial year, and that constitute as such the key points of the audit, which we are responsible for describing in this report.

We also provide the Audit Committee with the declaration provided for by Article 6 of Regulation (EU) 537/2014 confirming our independence under the meaning of the rules applicable in France as set notably by Articles L. 822-10 to L. 822-14 of the French commercial code, and the Statutory Auditors' code of ethics. If applicable, we discuss with the Audit Committee the risks weighing on our independence and the safeguard measures applied.

Rennes and Vannes, June 2, 2021

Statutory Auditors

KPMG SA	**MAZARS**
Vincent BROYÉ Partner	**Julien MAULAVÉ** Partner

6.5 Statutory Auditors' special report on regulated agreements and commitments

This is a free translation into English of one of the statutory auditors' report on regulated agreements and commitments issued in French language and it 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 General Meeting of Ubisoft Entertainment,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements and commitments.

We are required to inform you, based on the information provided to us, of the principal terms and conditions as well as the reasons explaining their interest for the Company of the agreements brought to our attention or which we may have discovered during the course of our mission, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, under the terms of Article R. 225-31 of the French commercial code, to assess the interest in entering into such agreements and commitments for the purpose of approving them.

Furthermore, we are required to provide you with the information stipulated in Article R. 225-31 of the French commercial code relating to the performance, during the past financial year, of agreements and commitments previously approved by the General Meeting, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors *(Compagnie Nationale des Commissaires aux Comptes)* relating to this assignment.

AGREEMENTS SUBMITTED TO THE GENERAL MEETING FOR APPROVAL

We hereby inform you that we have not been advised of any agreements approved and signed during the past financial year to be submitted for approval by the General Meeting in application of the provisions of Article L. 225-38 of the French commercial code.

AGREEMENTS ALREADY APPROVED BY THE GENERAL MEETING

We hereby inform you that we have not been advised of any agreements previously approved by the General Meeting that remained in effect during the financial year.

Rennes and Vannes, June 2, 2021

Statutory Auditors

KPMG SA	**MAZARS**
Vincent BROYÉ	**Julien MAULAVÉ**

6.6 Ubisoft (parent company) results for the past five financial years

Financial year	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Capital *(in euros)*	8,752,233	8,652,490	8,649,921	9,373,710	9,576,417
Number of ordinary shares	112,932,041	111,631,149	111,592,116	120,938,298	123,559,764
Number of preference shares	-	13,883	19,771	12,800	6,912
Number of priority dividend shares	-	-	-	-	
Maximum number of shares to be created	14,980,048	13,431,223	12,923,656	9,122,287	8,448,646
Through the exercise of stock options	*2,387,422*	*2,171,411*	*1,737,829*	*1,626,499*	*1,485,157*
Through the allocation of free shares	*5,285,356*	*3,952,542*	*3,878,557*	*3,133,929*	*2,601,630*
Through the conversion of OCEANE bonds	*7,307,270*	*7,307,270*	*7,307,270*	*4,361,859*	*4,361,859*
Sales *(in € millions)*	1,319.7	1,550.7	1,741.4	1,540.3	2,176.9
Net profit (loss) before tax, investments and provisions *(in € millions)*	406.2	779.4	750.7	459.5	789.4
Income tax *(in € millions)*	52.2	2.2	1.5	(8.8)	(6.0)
Employee profit-sharing	-	-	-	-	-
Net income after tax, investments and provisions *(in € millions)*	(104.9)	215.8	159.2	(301.1)	(14.5)
Distributed income	-	-	-	-	-
Per share, profit (loss) after tax, before provisions *(in euros)*	4.06	7.00	6.71	3.87	6.44
Per share, profit (loss) after tax and provisions *(in euros)*	(0.92)	1.93	1.43	(2.49)	(0.12)
Dividend per share	-	-	-	-	-
Average headcount	5	5	5	5	5
Payroll [1] *(in € millions)*	1.2	1.3	1.5	0.7	1.2
Social security contributions and employee benefits *(in € millions)*	0.5	1.0	1.0	0.6	0.7

(1) Compensation of one corporate officer recognized under subcontracting was not included

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Information on the Company and its capital

7.1 Legal information

7.1.1 PRESENTATION OF THE COMPANY

Company information/Articles of association

Corporate name	Ubisoft Entertainment
Registered office (Principal place of business)	2, rue du Chêne Heleuc – 56910 Carentoir – France
Executive Management (Place of practice)	2, avenue Pasteur – 94160 Saint-Mandé – France
Website	www.ubisoft.com (Investors Center)
Legal form	Joint stock company (French "*SA*") with a Board of directors
Applicable legislation	French laws and regulations in force, articles of association and internal rules of the Board
Date of incorporation	March 28, 1986
Country of incorporation	France
RCS registration [1]	April 9, 1986
Duration	99 years from registration except in the case of extension or early dissolution
Registration number [1]	335 186 094 RCS Vannes
APE Code [2]	5821Z
Legal Entity Identifier [3]	969500I7C8V1LBIMSM05
Place where legal documents may be consulted	The Company's legal documents may be consulted: ♦ on the Company's website (www.ubisoft.com – Investors Center) [4]; ♦ at the registered office.
Financial year	From April 1 to March 31
Corporate purpose (Article 3 of the articles of association)	The Company has the following purpose, in France and abroad, both directly and indirectly: ♦ the creation, production, publishing and distribution of all kinds of multimedia, audiovisual and IT products, especially video games, educational and cultural software, cartoons and literary, cinematographic and television works on any media, current or future; ♦ the distribution of all kinds of multimedia and audiovisual products, especially through new communication technologies such as networks and online services; ♦ the purchase, sale and, in general, all forms of trading, including both import and export, via rental or otherwise, of any computer and word-processing hardware with its accessories, as well as any hardware or products for reproducing sound and pictures; ♦ the marketing and management of all IT, data-processing and word-processing computer programs; ♦ consulting, support, assistance and training relating to any of the above-mentioned fields; ♦ the investment by the Company in any operation that may relate to its purpose, by the creation of new companies, the subscription or purchase of shares or corporate rights, by mergers or by other means. And in general, any operation related directly or indirectly to the above purpose or similar and related purposes likely to promote the Company's development.
Shareholder rights and obligations	
General Meetings (Article 14 of the articles of association)	General Meetings are composed of all shareholders, excluding the Company itself. They represent the totality of shareholders. They will be convened and deliberate under the conditions prescribed by the French commercial code. General Meetings are held at the registered office or at any other venue indicated in the convening notice. They are chaired by the Chairman of the Board of directors or, in his absence, by a director appointed for this purpose by the General Meeting. The right to participate in General Meetings is subject to fulfillment of the formalities provided for under applicable regulations in force. Shareholders may vote by postal form or by proxy form subject to the requirements of legal and regulatory provisions. Shareholders may vote remotely using a form in compliance with the conditions laid down by law and which is only counted if it is received by the Company before the General Meeting is held, within the deadline fixed by the legal and regulatory provisions in force. Any abstention expressed on the form or any lack of indication of the direction of the vote will not be considered as a vote cast. In case of a remote vote using an electronic voting form or a vote by proxy given by electronic signature, this will be carried out under the conditions specified by the regulations in force. In accordance with the decision of the Board published in the notice of meeting and/or convening notice, shareholders may participate in General Meetings (by means of video-conferencing or vote using all means of telecommunication or remote transmission, including internet), under the conditions prescribed by the applicable regulations in force.

Company information/Articles of association	
Forms and methods of shareholding/Disposal methods (Article 5 of the articles of association)	The shares of the Company require book-entry under the terms and conditions required by applicable legal and regulatory provisions. **Ordinary shares ("OS")** Fully paid-up OS may be registered or bearer shares, depending on the preference of the shareholder, subject to applicable legal and regulatory provisions. OS are conveyed by transfer from account to account. **Preference shares ("AGAP")** (5) The AGAP must be held in registered form and may not be contractually divided. The AGAP are not transferable.
Rights, privileges and restrictions attached to shares (Article 7 of the articles of association)	**Ordinary shares ("OS")** Each OS gives the right to ownership of the Company assets and the liquidation surplus in a share equal to the share of the share capital that it represents. A double voting right is allocated to all fully paid-up OS for which registration for at least two years in the name of the same shareholder can be shown. In the event of a share capital increase via the capitalization of reserves, profits or issue premiums, this right is also conferred at the date of issue on registered shares granted free of charge to a shareholder on the basis of ownership of existing shares that enjoy this right. **Preference shares ("AGAP")** (5) Each AGAP gives entitlement, until the conversion date *(see 4.2.3.5)* in the liquidation surplus, to a share equal to the portion of the share capital that it represents. The AGAP do not give holders the right to vote at the ordinary and extraordinary General Meetings of the holders of OS; it being specified that they have the right to vote in special General Meetings of holders of AGAP. Each AGAP will have a dividend distribution right equal to 1% of the distribution right.
Distribution of profits (Article 17 of the articles of association)	Income for the financial year, after deduction of operating expenses, depreciation, amortization and provisions, constitutes net earnings. The following are deducted from the profit for the financial year, less any prior losses: ♦ the amounts to be carried in reserve in accordance with the law or the articles of association and, in particular, at least 5% to constitute the legal reserve fund – this deduction ceases to be mandatory when said fund reaches an amount equal to one-tenth of the share capital; it resumes when, for any reason, the legal reserve has fallen below this fraction; ♦ the amounts that the General Meeting, on the proposal of the Board, deems it useful to allocate to any extraordinary or special reserves or to retained earnings. The balance is distributed to shareholders. However, except in the event of a reduction in the share capital, no distribution may be made to shareholders when the shareholders' equity is, or would become as a result thereof, less than the amount of the share capital plus reserves for which the law or the articles of association do not permit distribution. The General Meeting may, in accordance with the provisions of article L. 232-18 of the French commercial code, propose an option for payment of the dividend or interim dividends in whole or in part by delivery of new shares in the Company.
Procedure for the identification of shareholders (Article 6.1 of the articles of association)	The Company or its representative may at any time, in accordance with legal and regulatory provisions, make a request to either the central custodian managing the securities register or directly to one or more intermediaries referred to in article L. 211-3 of the French monetary and financial code, for the information referred to in article R. 228-3 of the French commercial code enabling it to identify the owners of its shares and its securities giving, immediately or in the future, voting rights in its own meetings.
Crossing of legal thresholds (Article 6.2 of the articles of association)	Without prejudice to the thresholds provided for in article L. 233-7 of the French commercial code, any individual acting alone or in concert with others who directly or indirectly comes to own, in any way whatsoever, at least 4% of the Company's capital or voting rights, or a multiple of this percentage that is less than or equal to 28%, is required to inform the Company by registered letter with acknowledgment of receipt sent to the Company's registered office within the period prescribed in article R. 233-1 upon referral from article L. 233-7 of the French commercial code, of the total number of shares, voting rights and securities ultimately granting entitlement to the Company's capital that he or she holds either directly or indirectly or in concert. The disclosure upon crossing any threshold equal to a multiple of 4% of the share capital or voting rights as set out in the above paragraph should also be made when the interest in the share capital or voting rights falls below one of the aforementioned thresholds. To determine the thresholds in share capital and voting rights for which declarations must be made when crossed pursuant to the previous paragraphs, the assimilation rules and calculation procedures specified by articles L. 233-7 and L. 223-9 of the French commercial code or the General Regulation of the *Autorité des Marchés Financiers* (AMF) are applied. Shareholders who fail to disclose that they have crossed such thresholds will forfeit their voting rights under the conditions set forth in article L. 233-14 of the French commercial code, upon request – recorded in the minutes of the General Meeting – of one or more shareholders who together own at least 5% of the share capital or voting rights in the Company.
General information about the Group	
Group activity	The Group's main business activities are centered around the production, publishing, distribution and "operation" of video games for consoles, PC, smartphones and tablets in both physical and digital formats.
Location of the Group's business	The Group operates worldwide.

(1) Trade and Companies Register

(2) Code corresponding to the main activity carried out

(3) LEI

(4) The information on this website is not part of this Universal Registration Document unless it is expressly incorporated for reference purposes

(5) AGAP may only be issued in the context of a free share allocation pursuant to the provisions of articles L. 225-197-1 et seq. and L. 22-10-59 et seq. of the French commercial code

7.1.2 FACTORS LIKELY TO HAVE AN IMPACT IN THE EVENT OF A PUBLIC OFFER ("PO")

Items referred to in article L. 22-10-11 of the French commercial code	
Capital structure – Direct or indirect investments	*See 7.3*
Statutory restrictions on the exercise of the VR (1) and share transfers	Article 6.2 of the articles of association *(see 7.1)* provides that non-compliance with the declaration of crossing of statutory thresholds results in the shares being deprived of VR (1) (2).
Agreement clauses brought to the attention of the Company (3)	N/A
Owners of securities conferring special rights of control over the Company	With the exception of double VR (1) allocated to all ordinary shares registered in the name of the same holder for at least two years *(see 7.1)*, there are no securities with special control rights.
Control mechanisms provided for in a potential employee share ownership system	Regulations applicable to the Ubi Actions and Ubi Share Ownership FCPE (4) provide that the Supervisory Boards exercise the voting rights at the Company's General Meetings and decide on the contribution of shares, particularly in the event of a PO (FCPE share ownership percentages – *see 7.3.3*).
Agreements between shareholders of which the Company is aware that may result in restrictions: transfer of shares/exercise of VR (1)	N/A
Rules governing the appointment and replacement of members of the Board and amendment of the articles of association	Rules in accordance with legal and statutory provisions (*see notably* 4.1.2.3.1*)*.
Powers of the Board in the event of a PO	The Board cannot implement the share buyback program during the period of a PO for the Company's shares (18th resolution of the 2020 General Meeting) (5). Authorizations to issue shares/securities with or without PSR (6) voted by the 2020 General Meeting provide that the Board cannot decide on these issues during a period of PO for the Company's shares.
Agreements entered into by the Company amended or terminated in the event of a change of control of the Company	There are certain agreements made by the Company that would be amended or terminated in the event of a change in control, but for reasons of confidentiality it seems unwise to specify the nature of these contracts. In the event of a change in control (article L. 233-3 of the French commercial code), the SOP and/or AGA plans, with the exception of those for executive corporate managing officers, immediately cease to be subject to (i) the condition that the beneficiaries are Group employees on the date of exercise of the SOP or delivery of the shares resulting from the AGA and (ii) the achievement of the performance conditions, if applicable.
Agreements providing for compensation for Board members in the event of resignation/dismissal or loss of employment due to a PO	N/A *(see 4.2.1.2)*

(1) VR = Voting right(s)
(2) Under the conditions provided for in article L. 233-14 of the French commercial code
(3) In application of article L. 233-11 of the French commercial code
(4) Company mutual funds
(5) Renewal submitted to the vote of the 2021 General Meeting
(6) Preferential subscription rights

7.2 Share capital

7.2.1 CAPITAL AS AT MARCH 31, 2021

As at March 31, 2021, the number of shares outstanding totaled 123,566,676 fully paid-up shares with a par value of €0.0775 each, of which 123,559,764 class A ordinary shares and 6,912 preference shares without voting rights *(6,518 class B-5 preference shares and 394 class B-6 preference shares)*, equivalent to a share capital of €9,576,417.39.

The following table shows the number of shares created and/or canceled between April 1, 2020, and March 31, 2021:

AT 04/01/20		**120,951,098 SHARES**
Exercise of subscription options		407,051 shares
Definitive vesting	of free ordinary shares	1,117,815 shares
	of free preference shares (1)	318 shares
Cancelation of preference shares		(6,206) shares
Reserved capital increases (employee share ownership) (2)		1,096,600 shares
AT 03/31/21		**123,566,676 SHARES**

(1) The conversion of the AGAP (plans of 09/23/15 and 12/16/15) resulted in the delivery of existing shares
(2) 25th and 26th resolutions of the General Meeting of 02/07/19

7.2.2 POTENTIAL CAPITAL AS AT MARCH 31, 2021

Free share grants *(see 4.2.3.5)*	Number of potential shares	Potential dilution
Attendance and/or performance conditions	2,601,630 (1)	2.06%

Share subscription options *(see 4.2.3.6)*		Number of potential shares	Potential dilution
Open and not open	Plans 32, 33, 34, 35, 36, 38, 39, 40, 41, 42, 43, 44, 45, 46 and 47	1,485,157	1.19%

OCEANE *(see 7.4.4.1)* (2)	Number of potential shares	Potential dilution
Number of OCEANE	4,361,859	3.41%

(1) Assuming that the 6,912 AGAP will each give entitlement to 30 ordinary shares (stock market conditions achieved, see 4.2.3.5)
(2) Issue on 09/24/19 of bonds convertible into and/or exchangeable for new or existing shares (OCEANE), maturing in 2024, admitted for trading on the Euronext Access™ market in Paris (see 7.4.4.1)

7.2.3 FINANCIAL AUTHORIZATIONS IN FORCE OR USED DURING THE FINANCIAL YEAR ENDED MARCH 31, 2021

The table below summarizes the financial authorizations granted by the General Meeting to the Board of directors for transactions on the share capital and any use made thereof during the financial year ended March 31, 2021, pursuant to the provisions of article L. 225-37-4 3° of the French commercial code.

Authorization *PSR = Preferential subscription rights* *↗ = increase* *↘ = reduction*	Maximum nominal amount Capital (K)	Maximum nominal amount Debt securities	General Meeting Resolution no.	Expiry date Duration	FY21 usage OS: Ordinary shares AGAP: Preference shares
SHARE BUYBACK PROGRAM					
Buy back by the Company of **own shares** (1) (2)	10% of the **K** (on the buyback date)	-	07/02/20 18th	01/01/22 18 months	Number of treasury shares as at 03/31/21: 485,745 *(see 7.2.4)*
↘ **K** by cancelation of treasury shares	10% of the **K** per 24 months (at cancelation date)	-	07/02/20 19th	01/01/22 18 months	-
ISSUE OF SECURITIES					
↗ **K** by **incorporation** (reserves, profits, premiums or other)	€10M	-	07/02/19 18th (3)	09/01/21 26 months	Number of OS issued: 1,117,815 (4)
	€10M	-	07/02/20 20th	09/01/22 26 months	Number of AGAP issued: 318 (4)
↗ **K** with **maintenance** of PSR	€1,450K (5)	€1 billion (Joint ceiling)	07/02/20 21st	09/01/22 26 months	-
↗ **K** with **waiver** of PSR by public offering (excluding offers referred to in 1 of article L. 411-2 of the French monetary and financial code) (6)	€850K (5) (Joint ceiling)	€1 billion (Joint ceiling)	07/02/20 22nd	09/01/22 26 months	-
↗ **K** with **waiver** of PSR by public offering (offers referred to in 1 of article L. 411-2 of the French monetary and financial code) (6)	€850K (5) (Joint ceiling)	€1 billion (Joint ceiling)	07/02/20 23rd	09/01/22 26 months	-
↗ **K** to compensate **contributions in kind**	10% of the **K** at 02/07/20 (5) (Joint ceiling)	€1 billion (Joint ceiling)	07/02/20 24th	09/01/22 26 months	-
EMPLOYEE SHARE OWNERSHIP					
↗ **K reserved** for **employees** of subsidiaries members of a savings scheme **(PEG)**	1.50% of the share capital on the date of the Board decision (7) (joint)	-	07/02/19 24th (3)	09/01/21 26 months	-
↗ **K reserved** for **employees** of subsidiaries **outside of France** and **outside of a PEG**			07/02/19 25th (3)	01/01/21 18 months	Number of OS issued: 1,096,600 (8)
↗ **K reserved** for categories of **beneficiaries** as part of an **employee share ownership offering**			07/02/19 26th (3)	01/01/21 18 months	
↗ **K reserved** for **employees** of subsidiaries members of a savings scheme **(PEG)**	1.50% of the share capital on the date of the Board decision (5) (joint)	-	07/02/20 25th	09/01/22 26 months	-
↗ **K reserved** for **employees** of subsidiaries **outside of France** and **outside of a PEG**			07/02/20 26th	01/01/22 18 months	Number of OS that may be issued: 1,358,911 (9)
↗ **K reserved** for categories of **beneficiaries** as part of an **employee share ownership offering**			07/02/20 27th	01/01/22 18 months	

Authorization PSR = Preferential subscription rights ↗ = increase ↘ = reduction		Maximum nominal amount: Capital (K)	Maximum nominal amount: Debt securities	General Meeting / Resolution no.	Expiry date / Duration	FY21 usage OS: Ordinary shares AGAP: Preference shares
Share purchase and/or subscription options ("SOP")	Employees/ Executive Committee	1% of **K** at the allocation date	-	06/27/18 18th (3)	08/26/21 38 months	Number of SOP allocated: 271,629 *(see 4.2.3.6)*
		1% of **K** at the allocation date (10)	-	07/02/20 28th	09/01/23 38 months	Number of SOP allocated: 67,390 *(see 4.2.3.6)*
	Executive corporate managing officers	0.2% of **K** at the allocation date (10)	-	07/02/20 29th	09/01/23 38 months	Number of SOP allocated: 49,104 *(see 4.2.2.1.4)*
Free share allocation ("AGA")	Employees/ Executive Committee	2% of **K** at the allocation date (7)	-	07/02/19 27th	09/01/22 38 months	Number of AGA allocated: 1,031,789 *(see 4.2.3.5)*

(1) Pursuant to articles L. 22-10-62 et seq. of the French commercial code and 241-1 to 241-7 of the AMF General Regulation

(2) For the financial year ended 03/31/21, the 16th resolution of the General Meeting of 07/02/19 of the same nature was used as part of the liquidity contract (see 7.2.4)

(3) This authorization/delegation (for the unused portion) was terminated on the date of effect/entry into force of the resolution of the same nature voted by a subsequent General Meeting

(4) Definitive vesting of the free shares (see 7.2.1)

(5) Deducted from the overall maximum of €4M provided for in the 30th resolution of the General Meeting of 07/02/20

(6) French monetary and financial code

(7) Deducted from the overall maximum of €4M provided for in the 28th resolution of the General Meeting of 07/02/19

(8) Issue on 09/22/20 as part of the 2020 employee share ownership offering (Press release of 05/26/20) (see 7.2.1)

(9) Launch of the 2021 employee share ownership operation following the Board decisions of 02/10/21 and 04/07/21

(10) Joint ceiling for the 28th and 29th resolutions of the General Meeting of 07/02/20

7.2.4 SHARE BUYBACK

This section includes the information required under article L. 225-211 of the French commercial code, together with the information to be included in the description of the share buyback program pursuant to the provisions of the delegated Regulation (EU) no. 2016-1052 of March 8, 2016 (supplementing Regulation (EU) no. 596-2014 of April 16, 2014 on "Market Abuse") and articles 241-2 and 241-3 of the General Regulation of the *Autorité des Marchés Financiers* (AMF).

7.2.4.1 Legal framework

The Combined General Meeting of July 2, 2020 (the "2020 General Meeting") renewed the authorizations previously granted to the Board of directors by the Combined General Meeting of June 2, 2019 (the "2019 General Meeting") allowing the Company, in accordance with article L. 22-10-62 of the French commercial code, to purchase, on or off the market, a number of shares representing up to 10% of the Company's share capital on the purchase date, for the purposes stipulated by the Market Abuse regulation, as well as the framework for market practices authorized by the *Autorité des Marchés Financiers* (AMF) (the "Share Buyback Program(s)").

The 2019 and 2020 General Meetings also authorized the Board of directors to reduce the share capital by cancelation of the shares purchased under the Share Buyback Programs. The Board of directors did not use this authorization during the financial year ended March 31, 2021.

7.2.4.2 Situation at March 31, 2021

Percentage of own shares held directly and indirectly	0.39%
Number of shares in portfolio (1)	485,745
Portfolio book value	€31,608,565.28
Portfolio market value (2)	€31,515,135.60

(1) Details by purpose below

(2) Closing price as at 03/31/21: €64.88 (Source: Euronext)

NUMBER OF SHARES HELD BROKEN DOWN BY PURPOSE AT MARCH 31, 2021

Nature of the purpose	Number of shares 03/31/20	Number of shares 03/31/21
To support the share price via a liquidity agreement [1]	53,253	82,880
External growth acquisitions	-	-
Hedging of employee share ownership plans	-	402,865
Hedging of securities eligible for share allotment	-	-
Cancelation	-	-
TOTAL TREASURY SHARES HELD	**53,253**	**485,745**
PERCENTAGE OF TREASURY SHARES HELD	**0.04%** [2]	**0.39%** [3]

(1) See 7.2.4.3

(2) Based on 120,951,098 shares as at 03/31/20

(3) Based on 123,566,676 shares as at 03/31/21

DETAILS OF TRANSACTIONS DURING THE FINANCIAL YEAR ENDED MARCH 31, 2021

(article L. 225-211 of the French commercial code)

Treasury shares as at 03/31/20	53,253	**% of the share capital** [1]	**0.04%**	**Value of shares at 03/31/20**	**purchase price**	€3,476,079.88
					par value	€4,127.11
Shares acquired in FY21	3,585,555 [2]			Average purchase price	€70.91	
Share sold in FY21	2,291,928			Average selling price	€73.56	
Execution fees				-		
Shares transferred during FY21	861,135 [3]			Average transfer price	€46.41	
Share reallocated in FY21	-			% of the share capital	-	
Shares canceled during FY21	-			% of the share capital	-	
Treasury shares as at 03/31/21	485,745	**% of the share capital** [4]	**0.39%**	**Value of shares at 03/31/21**	**purchase price**	€31,707,516.88
					par value	€37,645.24

(1) Based on 120,951,098 shares as at 03/31/20

(2) Including 1,100,000 under the pre-paid share forward agreement partially settled by anticipation on 09/08/20 (see below) and 164,000 [settlement-delivery effective on 03/31/21] under the mandates given to Exane BNP Paribas executed between 03/22/21 and 04/09/21 covering a total of 596,000 shares (see press release of 04/09/21)

(3) Under the employee share ownership plans (allocation of free (i) ordinary shares on 12/14/16 and (ii) preference shares (automatic conversion into ordinary shares: plans of 09/23/15 and of 12/16/15) and the 2020 employee shareholding operation (see press release of 05/26/20)

(4) Based on 123,566,676 shares as at 03/31/21

DERIVATIVE PRODUCTS

Transaction(s) signed during the financial year ended March 31, 2021

No transactions on derivative products were signed during the financial year ended March 31, 2021.

Transaction(s) completed during the financial year ended March 31, 2021 (by anticipation)

Date of settlement [1]	Name of intermediary	Purchase/ Sale	Number of shares	Options/Futures	Date of book-entry	Exercise price	Premiums	Organized market/ over the counter
09/08/20	CACIB [2]	Purchase	1,100,000 [3]	Partial early settlement of the pre-paid forward agreement on shares [1]	09/15/20	€66	N/A	Over the counter

(1) Partial early settlement (1,100,000 shares out of 4,545,454 shares): agreement entered into on 03/20/18, to be settled at maturity or by anticipation either in cash or by delivery of shares, against payment of the price (initial maturity date 03/22/21 extended by a 3-year period by amendment dated 09/15/20)

(2) Crédit Agricole Corporate and Investment Bank

(3) Allocation to the purpose of the hedging of employee share ownership plans

Open position(s) at March 31, 2021

Date of transaction	Name of intermediary	Purchase/ Sale	Number of shares	Options/Term	Expiry date	Exercise price	Premiums	Organized market/ over the counter
03/20/18	CACIB (1)	Purchase	3,445,454 (2)	Term (Pre-paid forward agreement on shares)	03/22/24 (except in the event of a settlement by anticipation) (3)	€66	N/A	Over the counter

(1) Crédit Agricole Corporate and Investment Bank

(2) Partial early settlement of 1,100,000 shares (see previous table)

(3) Extension of the initial term set at 03/22/21 by a 3-year period by amendment dated 09/15/20

7.2.4.3 Liquidity agreement

On January 1, 2019, with effect on February 1, 2019, the Company signed a liquidity agreement with Exane BNP Paribas for an initial period of one (1) year renewable by tacit renewal for successive periods of the same duration (the "Agreement"), in accordance with the Market Abuse regulation, the delegated (EU) Regulation no. 2016-908 of February 26, 2016 supplementing it and the AMF Decision no. 2018-01 of July 2, 2018 establishing liquidity agreements on equity securities as admitted market practices (the "Decision"). The Agreement's half-yearly reports are published in accordance with the terms and conditions of the Decision.

7.2.4.4 Description of the share buyback program submitted for approval to the Combined General Meeting of July 1, 2021

Pursuant to the provisions of the delegated Regulation (EU) no. 2016-1052 of March 8, 2016 (supplementing the Market Abuse regulation) and articles 241-2 and 241-3 of the General Regulation of the *Autorité des marchés financiers* (AMF), the Company presents below the description of the share buyback program (the "2021 Share Buyback") that will be submitted for approval to the Combined General Meeting of July 1, 2021.

Details of the securities liable to be repurchased: ordinary shares in Ubisoft Entertainment SA listed on Euronext Paris – Compartment A, ISIN code: FR0000054470.

Maximum portion of the share capital and maximum number of securities that may be purchased: 10% of the total number of shares comprising the share capital (K) at the buyback date – or for information purposes:

	K	10% of the **K**	Treasury shares	Shares to be acquired 2021 Share Buyback
04/30/21	123,576,079 shares	12,357,607 shares	927,419 shares, *i.e.* 0.75% of the capital	11,430,188 shares, i.e. 9.25% of the capital

Maximum purchase price: €120 *i.e.,* based on the share capital as at April 30, 2021, a maximum amount of €1,482,912,840 or, taking into account the number of shares held by the Company at the same date described above, €1,371,622,560.

Objectives:

- to ensure the liquidity and activity of Ubisoft Entertainment SA share using an investment services provider acting independently under a liquidity agreement in accordance with the AMF Decision no. 2018-01 of July 2, 2018;
- to meet the obligations related to the share purchase option or free share grant programs, or carry out all other allocations or transfers of shares for the benefit of employees and/or executive corporate managing officers of the Group or for the benefit of some of them, notably as part of all company or Group savings schemes, or profit sharing, or to allow coverage of an employee share ownership offering structured by a bank, or by an entity controlled by such an establishment under the meaning of article L. 233-3 of the French commercial code, taking place at the Company's request;
- to retain shares for delivery at a later date in exchange or as payment for any future external operations, subject to a limit of 5% of the existing capital;
- to deliver shares upon the exercise of rights attached to debt securities giving access, by any means, immediately and/or at a future date, to the Company's share capital through redemption, conversion, exchange, presentation of a warrant or any other means;
- to cancel in whole or in part any shares repurchased under the conditions defined by law, subject to the authorization from the Extraordinary General Meeting;
- to implement all recognized market practices or practices that may come to be admitted by law or by *Autorité des marchés financiers* (AMF) and more generally to complete all transactions in compliance with current legislation.

Duration of authorization: 18 months from the General Meeting of July 1, 2021.

7.3 Share ownership

7.3.1 CHANGES IN CAPITAL IN THE LAST THREE FINANCIAL YEARS AND UP TO MAY 11, 2021

Date of Board or decisions of the Chairman and CEO	Type of transaction **K**: Share capital ↗ : Increase/↘ : Reduction **SOP** [1]: Exercise	Number of shares issued or canceled	Amount *(in cash)*	Premiums **PE**: issue **PC**: conversion	Cumulative number of shares	Amount of share capital [2]
04/10/18	**SOP** from 03/01/18 to 03/31/18	35,664	€2,763.96	**PE:** €576,031.86	111,645,032	€8,652,489.98
06/28/18	↗ **K** reserved for employees [3] ↗ **K** (capitalization of reserves) [4] **SOP** from 04/01/18 to 05/31/18	2,287,042	€177,245.76	**PE:** €121,009,874.79 €(36,086.17)	113,932,074	€8,829,735.74
09/24/18	↗ **K** (capitalization of reserves) [4] **SOP** from 06/01/18 to 08/31/18	245,252	€19,007.03	€(1,170.10) **PE:** €6,080,783.39	114,177,326	€8,848,742.77
	↘ **K** (cancelation of treasury shares)	(1,565,426)	€(121,320.51)	€(84,722,908.44)	112,611,900	€8,727,422.25
12/17/18	↗ **K** (capitalization of reserves) [4] **SOP** from 09/01/18 to 11/30/18	376,366	€29,168.37	€(16,980.25) **PE:** €2,472,489.62	112,988,266	€8,756,590.62
02/01/19	**SOP** from 12/01/18 to 12/31/18	5,712	€442.68	**PE:** €95,297.37	112,993,978	€8,757,033.30
	↘ **K** (cancelation of treasury shares)	(1,522,728)	€(118,011.42)	[5]	111,471,250	€8,639,021.88
04/11/19	**SOP** from 01/01/19 to 03/31/19	140,637	€10,899.36	**PE:** €2,069,005.61	111,611,887	€8,649,921.24
06/20/19	↗ **K** (capitalization of reserves) [4] **SOP** from 04/01/19 to 05/31/19	80,691	€6,253.55	€(505.15) **PE:** €1,695,064.51	111,692,578	€8,656,174.80
07/04/19	↗ **K** reserved for employees [3]	1,021,350	€79,154.63	**PE:** €69,679,050.38	112,713,928	€8,735,329.42
09/20/19	↗ **K** (capitalization of reserves) [4] **SOP** from 06/01/19 to 08/31/19	1,335,056	€103,466.84	€(91,708.00) **PE**: €3,915,861.71	114,048,984	€8,838,796.26
	↘ **K** (cancelation of preference shares)	(12,123)	€(939.53)	€(939.53)	114,036,861	€8,837,856.73
10/04/19	↗ **K** (conversion of OCEANE) **SOP** from 09/01/19 to 09/30/19	1,983,134	€153,692.89	**PC:** €102,505,142.51 **PE:** €2,040,811.41	116,019,995	€8,991,549.61
10/15/19	↗ **K** (capitalization of reserves) [4] ↗ **K** (conversion of OCEANE)	4,554,573	€352,979.41	€(12,720.31) **PC:** €239,171,547.50	120,574,568	€9,344,529.02
12/13/19	↗ **K** (capitalization of reserves) [4] **SOP** from 10/01/19 to 11/30/19	93,699	€7,261.67	€(5,631,46) **PE:** €463,833.95	120,668,267	€9,351,790.69
	↘ **K** (cancelation of preference shares)	(2,409)	€(186.70)	€(186.70)	120,665,858	€9,351,604.00
02/25/20	↗ **K** (capitalization of reserves) [4] **SOP** from 12/01/19 to 01/31/20	190,130	€14,735.08	€(11,894.16) **PE:** €1,078,510.04	120,855,988	€9,366,339.07
04/20/20	↗ **K** (capitalization of reserves) [4] **SOP** from 02/01/20 to 03/31/20	397,610	€30,814.78	€(23,443.75) **PE:** €2,476,364.09	121,253,598	€9,397,153.85
06/18/20	↗ **K** (capitalization of reserves) [4] **SOP** from 04/01/20 to 05/31/20	846,262	€65,585.31	€(63,186.91) **PE:** €1,059,503.69	122,099,860	€9,462,739.15
09/22/20	↗ **K** reserved for employees [3] ↗ **K** (capitalization of reserves) [4] **SOP** from 06/01/20 to 08/31/20	1,237,312	€95,891.68	€(24.65) **PE:** €71,411,956.50	123,337,172	€9,558,630.83
	↘ **K** (cancelation of preference shares)	(4,706)	€(364.72)	€(346.72)	123,332,466	€9,558,266.12
12/14/20	**SOP** from 09/01/20 to 11/30/20	160,159	€12,412.32	**PE:** €5,051,550.57	123,492,625	€9,570,678.44
	↘ **K** (cancelation of preference shares)	(1,500)	€(116.25)	€(116.25)	123,491,125	€9,570,562.19
04/07/21	**SOP** from 12/01/20 to 03/31/21	75,551	€5,855.20	**PE:** €3,101,875.29	123,566,676	€9,576,417.39

(1) Share subscription options

(2) Share capital (leading to a revision of the articles of association and K-bis (company registry document))

(3) Capital increase reserved for (i) employees that are members of a Group savings scheme, and/or (ii) employees outside of the Group savings scheme and (iii) a financial institution as part of (ii)

(4) Definitive vesting of free shares (articles L. 225-197-1 et seq. and L. 22-10-59 et seq. of the French commercial code)

(5) Charged against the "Other reserves" account

7.3.2 EMPLOYEE SHARE OWNERSHIP THROUGH COMPANY MUTUAL FUNDS (FCPE)

As at March 31, 2021, employees held 4,983,600 shares, or 4.03% of the capital, through company mutual funds.

This ownership is the result of capital increase transactions reserved for employees of companies (included in the same scope of consolidation or accounting combination under the meaning of the second paragraph of article L. 3344-1 of the French labor code as the Company) belonging to the Ubisoft group savings scheme pursuant to the delegations granted to the Board of directors by the Shareholders' General Meeting, or of share disposals, in application of the provisions of article L. 3332-24 of the French labor code, within the context of the share buyback programs approved by the Shareholders' General Meeting.

During the financial year ended March 31, 2021, a share disposal as referred to in the paragraph above was carried out on September 22, 2020 *(see 7.2.4.2)*.

7.3.3 BREAKDOWN OF CAPITAL AND VOTING RIGHTS

7.3.3.1 Change over the last three financial years

	03/31/21			03/31/20			03/31/19		
	Shares	Gross voting rights (1)	Net voting rights (2)	Shares	Gross voting rights (1)	Net voting rights (2)	Shares	Gross voting rights (1)	Net voting rights (2)
	(in %)	*(in %)*	*(in %)*	*(in %)*	*(in %)*	*(in %)*	*(in %)*	*(in %)*	*(in %)*
Guillemot Brothers Ltd (3)	**16,336,031**	**23,641,735**	**23,641,735**	**16,536,031**	**24,041,735**	**21,011,432**	**17,406,414**	**25,062,178**	**22,031,875**
	13.220%	17.433%	17.496%	13.672%	18.068%	15.797%	15.595%	20.258%	18.036%
Yves Guillemot	**973,951 (4)**	**1,907,124**	**1,907,124**	**935,294 (4)**	**1,822,134**	**1,822,134**	**934,900 (4)**	**1,822,134**	**1,822,134**
	0.788%	1.406%	1.411%	0.773%	1.369%	1.370%	0.838%	1.473%	1.492%
Claude Guillemot	**745,369**	**1,478,238**	**1,478,238**	**745,369**	**1,468,238**	**1,468,238**	**732,869**	**1,455,738**	**1,455,738**
	0.603%	1.090%	1.094%	0.616%	1.103%	1.104%	0.657%	1.177%	1.192%
Michel Guillemot	**495,918**	**884,633**	**884,633**	**501,215**	**879,930**	**879,930**	**388,715**	**767,430**	**767,430**
	0.401%	0.652%	0.655%	0.414%	0.661%	0.662%	0.348%	0.620%	0.628%
Gérard Guillemot	**456,284**	**911,943**	**911,943**	**455,659**	**901,318**	**901,318**	**455,659**	**901,318**	**901,318**
	0.369%	0.672%	0.675%	0.377%	0,677%	0.678%	0.408%	0.729%	0.738%
Christian Guillemot	**112,135**	**219,260**	**219,260**	**107,292 (5)**	**213,750**	**213,750**	**107,292 (5)**	**213,750**	**213,750**
	0.091%	0.162%	0.162%	0.089%	0.161%	0.161%	0.096%	0.173%	0.175%
Other members of the Guillemot family	**74,759**	**144,676**	**144,676**	**74,239**	**144,103**	**144,103**	**83,094**	**162,958**	**162,958**
	0.061%	0.107%	0.107%	0.061%	0.108%	0.108%	0.074%	0.132%	0.133%
Guillemot Corporation SA	**443,874**	**887,748**	**887,748**	**443,874**	**887,748**	**887,748**	**443,874**	**887,748**	**887,748**
	0.359%	0.655%	0.657%	0.367%	0.667%	0.667%	0.398%	0.718%	0.727%
CONCERT (6)	**19,638,321**	**30,075,357**	**30,075,357**	**19,798,973**	**30,358,956**	**27,328,653**	**20,552,817**	**31,273,254**	**28,242,951**
	15.893%	*22.177%*	*22.257%*	*16.369%*	*22.816%*	*20.547%*	*18.415%*	*25.279%*	*23.121%*
Ubisoft Entertainment SA	**485,745**	**485,745**	**0**	**53,253**	**53,253**	**0**	**1,558,212**	**1,558,212**	**0**
	0.393%	0.358%	-	0.044%	0.040%	-	1.396%	1.260%	-
Employees (7)	**4,983,600**	**5,614,177**	**5,614,177**	**4,637,058**	**5,300,586**	**5,300,586**	**4,358,520**	**4,981,615**	**4,981,615**
	4.033%	4.140%	4.155%	3.834%	3.984%	3.985%	3.905%	4.027%	4.078%
Public	**98,459,010**	**99,439,195**	**99,439,195**	**96,461,814**	**97,347,241**	**100,377,544**	**85,142,338**	**85,899,858**	**88,930,161**
	79.681%	73.325%	73.588%	79.753%	73.160%	75.468%	76.284%	69.435%	72.801%
TOTAL	**123,566,676**	**135,614,474**	**135,128,729**	**120,951,098**	**133,060,036**	**133,006,783**	**111,611,887**	**123,712,939**	**122,154,727**
	100%	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*	*100%*

(1) Number of "gross" or "theoretical" voting rights used as a basis for calculating the crossing of legal thresholds

(2) Number of "net" voting rights or "exercisable at the General Meeting"

(3) Forward sales contract, with promises of sale or purchase that may be settled with securities or cash, signed on 09/05/16 and expiring 06/22/23 (amendment dated 06/22/20) involving 4,000,008 shares pledged to the bank and which may be borrowed by it under certain terms and conditions

Forward sales contract, with promises of sale or purchase that may be settled with securities or cash, signed on 09/01/17 and expiring 09/19/22 (amendment dated 09/19/19) involving 2,000,016 shares pledged to the bank and which may be borrowed by it under certain terms and conditions

Acquisition of 3,030,303 shares on 03/20/18 as part of Vivendi SA's disposal of its investment, through structured financing of (i) a pre-paid forward agreement (2,424,242 shares) with physical or cash settlement and (ii) a pre-paid forward agreement (606,061 shares) with physical or cash settlement. Pledge of 3,030,303 shares to the bank. Transactions to be settled upon maturity in March 2024 (amendments dated 03/19/21) or at the initiative of Guillemot Brothers Ltd, through a settlement by anticipation

(4) Including:

- *as of 03/31/21: 394 AGAP without voting rights (see 4.2.3.3)*
- *as of 03/31/20: 1,727 AGAP without voting rights (see 4.2.3.3)*
- *as of 03/31/19: 1,333 AGAP without voting rights (see 4.2.3.3)*

(5) Including at 03/31/20 and 03/31/19 167 AGAP without voting rights (see 4.2.3.3)

(6) The concert, comprising Guillemot Brothers Ltd, Guillemot Corporation SA and the Guillemot family, held 10,437,430 shares with double voting rights at 03/31/21

(7) Shares held by employees through Company mutual funds (FCPE) (see 7.3.2)

7.3.3.2 Breakdown of capital and voting rights at April 30, 2021

	Capital		Gross voting rights (1)		Net voting rights (2)	
	Number of shares	%	Number	%	Number	%
Guillemot Brothers Ltd	16,336,031	13.219%	23,641,735	17.432%	23,641,735	17.552%
Yves Guillemot (3)	973,951	0.788%	1,907,124	1.406%	1,907,124	1.416%
Claude Guillemot	745,369	0.603%	1,478,238	1.090%	1,478,238	1.097%
Michel Guillemot	495,918	0.401%	884,633	0.652%	884,633	0.657%
Gérard Guillemot	456,284	0.369%	911,943	0.672%	911,943	0.677%
Christian Guillemot	112,135	0.091%	219,260	0.162%	219,260	0.163%
Other members of the Guillemot family	74,759	0.060%	144,676	0.107%	144,676	0.107%
Guillemot Corporation SA	443,874	0.359%	887,748	0.655%	887,748	0.659%
CONCERT	**19,638,321**	**15.892%**	**30,075,357**	**22.176%**	**30,075,357**	**22.328%**
Ubisoft Entertainment SA	927,419	0.750%	927,419	0.684%	0	-
Employees (4)	4,959,781	4.014%	5,590,358	4.122%	5,590,358	4.150%
Public	98,050,558	79.344%	99,030,177	73.019%	99,030,177	73.521%
TOTAL	**123,576,079**	**100%**	**135,623,311**	**100%**	**134,695,892**	**100%**

(1) Number of "gross" or "theoretical" voting rights used as a basis for calculating the crossing of legal thresholds

(2) Number of "net" voting rights or "exercisable at the General Meeting"

(3) Including 394 AGAP without voting rights (see 4.2.3.3).

(4) Shares held by employees through Company mutual funds (FCPE) (see 7.3.2)

7.3.3.3 Shareholder holding over 5% of the share capital as at May 11, 2021 (1)

Shareholder	% capital (2)	% gross voting rights (2) (3)	% net voting rights (2) (4)
Baillie Gifford & Co (5)	5.18%	4.72%	4.75%

(1) Information provided on the basis of statements made to the Company and/or to the AMF and summarized hereafter, or contained in the list of registered shareholders managed by Caceis Corporate Trust

(2) Based on the number of shares and voting rights as at April 30, 2021

(3) Number of "gross" or "theoretical" voting rights used as a basis for calculating the crossing of legal thresholds

(4) Number of "net" voting rights or "exercisable at the General Meeting"

(5) Acting as "discretionary investment manager"

7.3.3.4 Crossing of legal thresholds

During the financial year ended March 31, 2021, and until May 11, 2021, it was disclosed that the following legal thresholds had been crossed:

Name of shareholder(s)	Threshold(s) crossed *(in %)*	Thresholds crossed: share capital/ voting rights	Direction of threshold crossing	Crossing dates Highlighted = Declaration of intent **In bold** = Last declaration made by the shareholder on 05/11/21
Baillie Gifford & Co [(1)]	5%	Capital	Downward	05/21/20 – 05/28/20 – 06/11/20 – 10/28/20 – 11/02/20 – 11/18/20
			Upward	05/25/20 – 06/09/20 – 06/15/20 – 10/30/20 – 11/03/20 – **03/30/21**
BlackRock Inc.	5%	Capital	Downward	05/27/20 – 06/03/20 – 06/12/20 – 06/18/20 – 06/30/20 – 07/03/20 07/14/20 – 07/21/20 – 07/31/20 – 08/28/20 – 09/02/20 – 09/10/20 09/14/20 – 09/29/20 – 10/05/20 – 01/01/21 – 01/11/21 – **01/26/21**
			Upward	05/22/20 – 06/02/20 – 06/05/20 – 06/16/20 – 06/24/20 – 07/01/20 07/07/20 – 07/15/20 – 07/22/20 – 08/03/20 – 08/31/20 – 09/03/20 09/11/20 – 09/15/20 – 10/02/20 – 12/29/20 – 01/06/21 – 01/25/21
		Voting rights	Downward	07/30/20 – 08/07/20 – 08/13/20 – 08/17/20 – 08/24/20
			Upward	07/29/20 – 08/04/20 – 08/10/20 – 08/18/20
Crédit Agricole Corporate and Investment Bank [(2)]	10%	Capital	Downward	06/16/20 – 09/14/20 – 04/08/21
			Upward	04/07/20 – 07/08/20 – 09/22/20 – **04/12/21**
		Voting rights	Downward	06/16/20 – 09/14/20 – 03/22/21
			Upward	04/07/20 – 07/08/20 – 09/22/20
JP Morgan Chase & Co. [(3)]	15%	Capital	Downward	06/11/20
			Upward	05/22/20
	10%	Voting rights	Downward	06/22/20
			Upward	**06/26/20**
JP Morgan Chase & Co. [(4)]	10%	Voting rights	Downward	06/29/20
			Upward	**07/08/20**
JP Morgan Securities plc	15%	Capital	Downward	06/11/20
			Upward	05/22/20
	10%	Voting rights	Downward	06/22/20 – 06/29/20
			Upward	06/26/20 – **07/08/20**
Morgan Stanley & Co. International plc [(5)]	5%	Capital	Downward	11/26/20 – **12/18/20**
			Upward	10/26/20 –11/27/20
Morgan Stanley Corp. [(6)]	5%	Voting rights	Upward	**12/04/20**
Morgan Stanley Corp. [(7)]	5%	Capital	Upward	**10/21/20**
Morgan Stanley Corp. [(8)]	5%	Capital	Downward	**12/18/20**
		Voting rights	Downward	**12/18/20**

(1) Acting as "discretionary investment manager"

(2) Controlled by Crédit Agricole SA

(3) Indirect crossing through JP Morgan Securities plc and JP Morgan Securities LLC (controlled at the highest level by JP Morgan Chase & Co.)

(4) Indirect crossing through JP Morgan Securities plc, JP Morgan Securities LLC and JP Morgan GT Corporation (controlled at the highest level by JP Morgan Chase & Co.)

(5) Controlled by Morgan Stanley Corp.

(6) Indirect crossing through its subsidiaries Morgan Stanley & Co. International plc, Morgan Stanley & Co. LLC, Morgan Stanley Europe SE, Morgan Stanley France SA, Prime Dealer Services Corp. and Morgan Stanley Capital Services LLC

(7) Indirect crossing through its subsidiaries Morgan Stanley & Co. International plc, Morgan Stanley & Co. LLC, Morgan Stanley France SA and Morgan Stanley Europe SE

(8) Indirect crossing through its subsidiaries Morgan Stanley Capital Services LLC, Morgan Stanley & Co. LLC and Prime Dealer Services Corp.

7.4 Securities market

7.4.1 PROVIDER OF SECURITIES SERVICES

CACEIS Corporate Trust
Ubisoft Shareholder Relations
14, rue Rouget de Lisle
92862 Issy-les-Moulineaux Cedex 09, France
Tel.: +33 (0)1 57 78 34 44

7.4.2 UBISOFT SHARE DATA SHEET

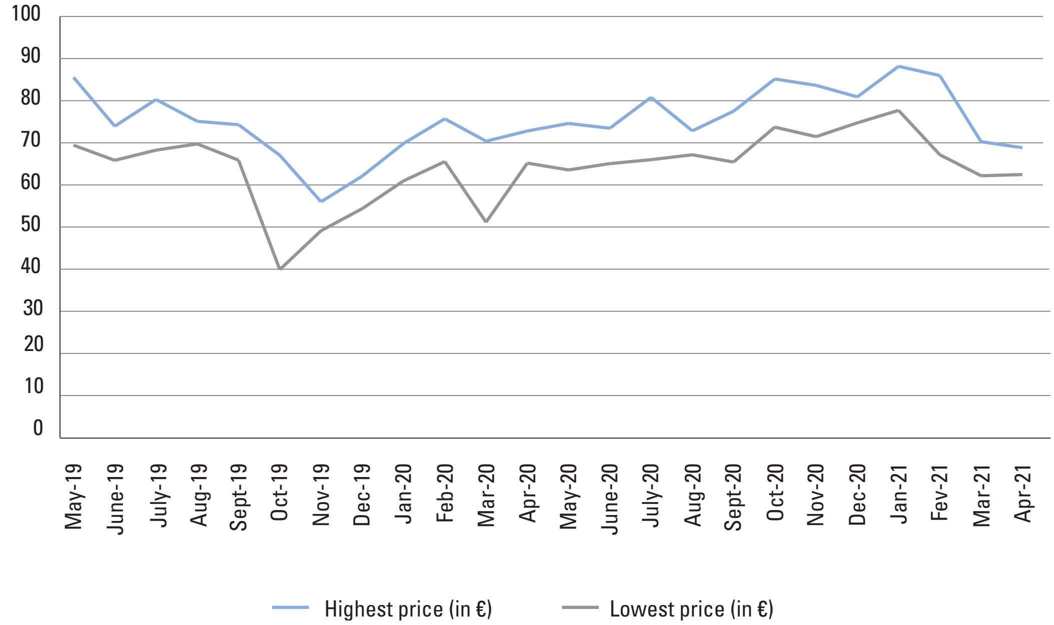
ISIN code	FR0000054470
Place listed	Euronext Paris – Compartment A
Par value	€0.0775
Number of shares outstanding as at 03/31/21	123,566,676
Closing price on 03/31/21 (1)	€64.88
Market capitalization as at 03/31/21 (2)	€8,016,557,488.32
Initial public offering price on 07/01/96	€38.11
Five-for-one stock split on 11/11/00	€7.62
Two-for-one stock split on 12/11/06	€3.81
Two-for-one stock split on 11/14/08	€1.90

(1) Source Euronext
(2) After deduction of 6,912 unlisted class B preference shares

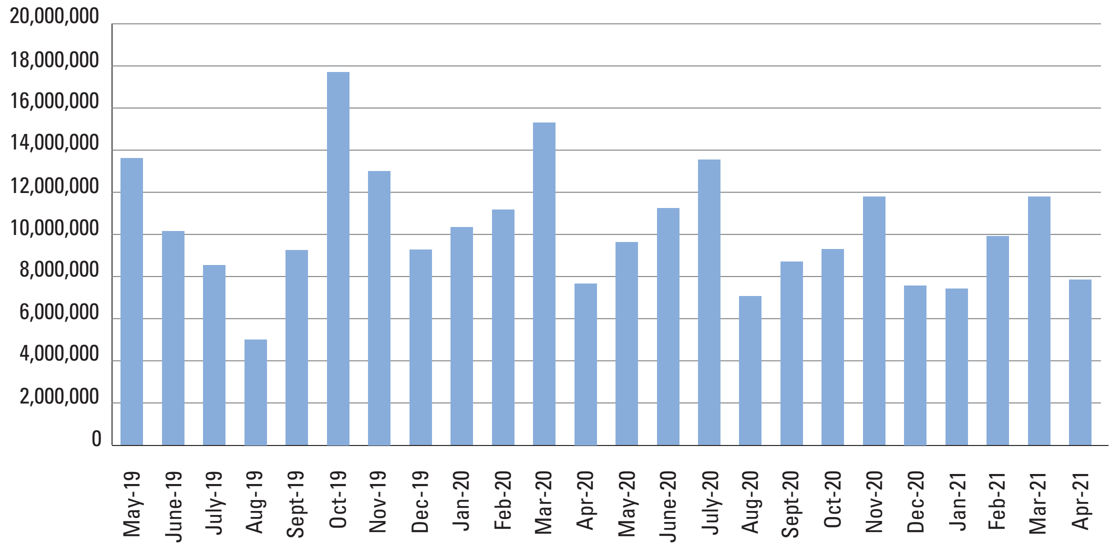
7.4.3 CHANGE IN THE SHARE PRICE OVER THE LAST 24 MONTHS

Month	Highest price *(in euros)*	Lowest price *(in euros)*	Volume traded *(in shares)*
2019			
May 2019	€85.54	€69.44	13,620,167
June 2019	€73.94	€65.84	10,147,757
July 2019	€80.28	€68.26	8,530,496
August 2019	€75.10	€69.74	5,010,434
September 2019	€74.30	€65.88	9,243,153
October 2019	€67.04	€39.89	17,710,390
November 2019	€56.00	€49.13	13,010,180
December 2019	€62.10	€54.38	9,272,954
2020			
January 2020	€69.84	€60.96	10,345,643
February 2020	€75.70	€65.54	11,167,525
March 2020	€70.38	€51.16	15,307,071
April 2020	€72.80	€65.18	7,668,311
May 2020	€74.60	€63.56	9,625,569
June 2020	€73.46	€65.06	11,235,024
July 2020	€80.80	€66.00	13,549,135
August 2020	€72.84	€67.16	7,069,365
September 2020	€77.50	€65.44	8,698,168
October 2020	€85.14	€73.72	9,287,212
November 2020	€83.64	€71.46	11,785,584
December 2020	€80.90	€74.74	7,574,080
2021			
January 2021	€88.16	€77.70	7,421,288
February 2021	€85.96	€67.16	9,918,485
March 2021	€70.26	€62.18	11,780,988
April 2021	€68.84	€62.46	7,856,464

CHANGE IN THE SHARE PRICE



VOLUME TRADED (IN SHARES)



7.4.4 OCEANE AND BONDS

7.4.4.1 OCEANE

Issue date	09/24/19 (1)
Issue amount	€499,999,897.17
Number issued	4,361,859
Conversion and/or exchange for ordinary shares FY21	N/A
Repayment in cash FY21	N/A
Par value	€114.63 (issue premium of 65%)
Issue price	105.25% of par
Nominal interest rate	N/A
Conversion ratio	1 new or existing share for 1 OCEANE
Date of settlement-delivery	09/24/19
Bond duration	5 years
Expiry date (2)	09/24/24
Private placement	In France and outside France (3)
Listing of the OCEANE	Euronext Access™ market in Paris (ISIN code FR0013448412)
Dividend rights of underlying shares	Immediate dividend rights
OCEANE at 03/31/21	4,361,859

(1) Delegation of authority of the General Meeting of 07/02/19 (21st resolution)/Subdelegation of the Board of directors to the Chairman and Chief Executive Officer on 09/09/19
(2) Early redemption possible as from 09/24/22 at the option of the Company under certain conditions (see press release dated 09/17/19)
(3) With the particular exception of the United States of America, Japan and Australia

7.4.4.2 Bonds valid as at March 31, 2021

"2018" BOND ISSUE

Date	01/30/18
Duration	5 years
Total nominal amount	€500,000,000
Interest	1.289% per year
Number of bonds	5,000
Par value	€100,000
ISIN code	FR0013313186
Rank	Direct, unconditional, unsubordinated and unsecured commitments of the Company ranking pari passu and without preference among themselves with other present and future unsubordinated and unsecured obligations of the Company
Change of control	Change of control clause that would trigger early redemption of bonds at the request of each bondholder in the event of a change of control of the Company
Early redemption	Applicable in the assumption of the occurrence of certain usual default cases for this type of transaction and/or notably a change in the Company's situation

The prospectus relating to the listing of the bonds can be consulted on the website of the French Financial Markets Authority *(Autorité des Marchés Financiers)*: www.amf-france.org.

"2020" BOND ISSUE

Date	11/24/20
Duration	7 years
Total nominal amount	€600,000,000
Interest	0.878% per year
Number of bonds	6,000
Par value	€100,000
ISIN code	FR0014000087
Rank	Direct, unconditional, unsubordinated and unsecured commitments of the Company ranking pari passu and without preference among themselves with other present and future unsubordinated and unsecured obligations of the Company
Change of control	Change of control clause that would trigger early redemption of bonds at the request of each bondholder in the event of a change of control of the Company
Early redemption	Applicable in the assumption of the occurrence of certain usual default cases for this type of transaction and/or notably a change in the Company's situation

The prospectus relating to the listing of the bonds can be consulted on the website of the French Financial Markets Authority *(Autorité des Marchés Financiers)*: www.amf-france.org.

7.5 Additional information

7.5.1 PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND THE STATUTORY AUDITORS

Name and function of the person responsible for the Universal Registration Document/ Person responsible for the information

Yves Guillemot

Chairman and Chief Executive Officer

2, avenue Pasteur

94160 Saint-Mandé

Tel.: +33 (0)1 48 18 50 00

www.ubisoft.com – Investors Center

Statement by the person responsible for the Universal Registration Document

"I confirm that the information contained in this Universal Registration Document is, to the best of my knowledge, accurate and free from any omission likely to affect its import.

I confirm that, to my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and provide a true and fair view of the assets and liabilities, financial position and results of the Company and all companies consolidated therein, and that the management report information (see Cross-reference table presented on pages 334 and 335) is a true presentation of the evolution of the business activity, revenue and financial position of the Company and all companies consolidated therein, as well as a description of the main risks and uncertainties facing them."

Signed in Saint-Mandé, on June 10, 2021

Yves Guillemot,
Chairman and Chief Executive Officer

Statutory Auditors

Principal	Alternate member	Date of 1st nomination	Expiration of current term
KPMG SA **Represented by Vincent Broyé** Parc Edonia Rue de la Terre Victoria CS 46806 F-35768 Saint-Grégoire Cedex	N/A	2003	2025
MAZARS SA **represented by Julien Maulavé** 12, rue Anita Conti F-56000 Vannes	**CBA SA** 61, rue Henri Regnault Tour Exaltis F-92400 Courbevoie	2016	2022

Fees for the period between April 1, 2020 and March 31, 2021 are detailed in 6.1.2.22 (article L. 820-3, I of the French commercial code).

7.5.2 INFORMATION INCORPORATED BY REFERENCE

Pursuant to article 19 of Regulation (EU) 2017-1129, the following information is incorporated by reference in this Universal Registration Document:

- the consolidated and separate financial statements and the relevant Statutory Auditors' reports for the financial year ended March 31, 2020, presented on pages 186 to 294 of the Universal Registration Document filed with the AMF on June 5, 2020 under number D. 20-0520;
- the consolidated and separate financial statements and the relevant Statutory Auditors' reports for the financial year ended March 31, 2019, presented on pages 162 to 268 of the registration document filed with the AMF on June 7, 2019 under number D. 19-0547.

The parts of these documents not included are either not applicable to the investor or covered by another section of the Universal Registration Document.

7.5.3 DOCUMENTS AVAILABLE TO THE PUBLIC

This Universal Registration Document can also be consulted on the websites of the Company (www.ubisoft.com) and of the *Autorité des marchés financiers* (www.amf-france.org).

The Company's articles of association, internal rules of the Board of directors, minutes of General Meetings, and other documents of the Company as well as historical financial information of the Company and all assessments or statements made by experts at the Company's request that must be made available to shareholders in accordance with applicable legislation, can be consulted at the Company's registered office. Some of these documents are available on the Company's website (www.ubisoft.com), which also contains the Group's press releases and financial information.

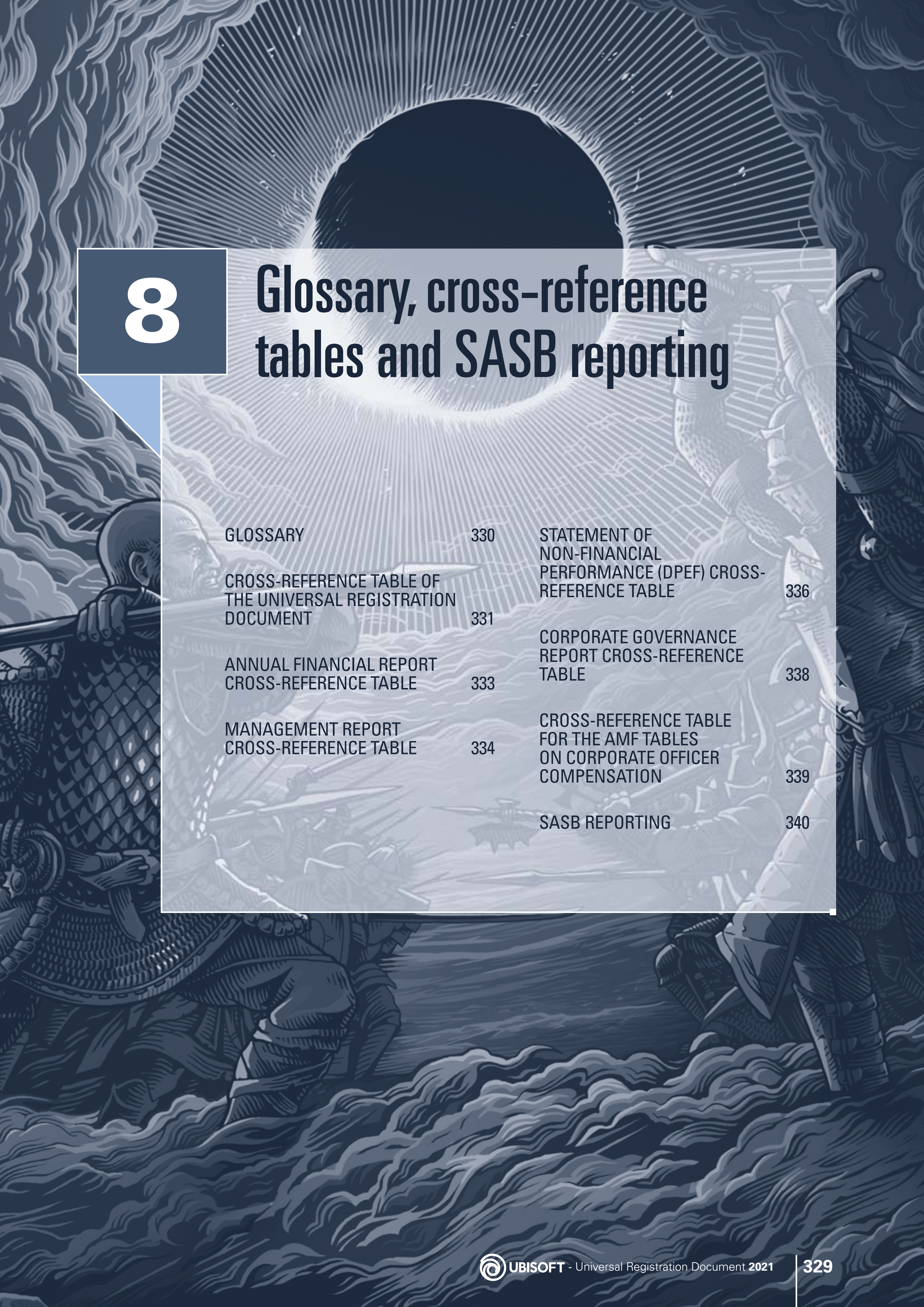
Regulatory information within the meaning of the AMF's General Regulation is available on the Company's website (www.ubisoft.com).

The information on this site is not part of this Universal Registration Document unless it is expressly incorporated for reference purposes.

7.5.4 FINANCIAL REPORTING CALENDAR FOR THE 2021-2022 FINANCIAL YEAR

	Date
Q1 sales	Week of July 19, 2021
H1 results	Week of November 1, 2021
Q3 sales	Week of February 14, 2022
Year-end results	Week of May 16, 2022

These dates are provided for information purposes only and will be confirmed during the year.



8 Glossary, cross-reference tables and SASB reporting

Glossary

AAA

Term used to describe those games within the video gaming industry which are given the largest production and development budgets. Pronounced "triple A," the term is analogous to the word "blockbuster" in the cinema industry.

AVATAR

Graphical representation of the player or his/her alter-ego/character in a game's universe.

BACK CATALOG

All games produced by the Group excluding recent productions.

CLOUD COMPUTING

General term used to designate the storage of and access to data or services via a network, usually the internet.

CLOUD GAMING

Technology enabling high-definition gaming from any kind of support (PC, tablet, smartphone, etc.), for which the player needs an appropriate internet connection. The game is held on a remote server and is installed on extremely high performance machines allowing the game to be played under optimal conditions. Cloud gaming therefore offers the possibility of playing anytime, anywhere, on any screen, without the need for the player to own the equipment (consoles or expensive PC, etc.) usually necessary to play the chosen game.

DOWNLOADABLE CONTENT (DLC)

Digital content for an already installed game, available via digital distribution platforms and within games offering extensions, new missions, avatars, themes, gaming modes, etc.

E-SPORT

Form of competition using video games, most frequently in multi-player mode, and organized in particular between professional gamers.

FREE-TO-PLAY

Any video game which allows users to play without being obliged to pay. Free games therefore generate revenue via other means such as in-game purchases or integrated advertising.

LIVE SERVICES

Also known as "live" gaming, this offer refers to games that provide players with an uninterrupted experience via new content, free updates, premium downloadable content (DLC), and other add-ons which extend the life of the game.

MACHINE LEARNING

Artificial intelligence-based technology enabling a computer or machine to carry out automated learning, by using data, statistical models and algorithms, in order to be able to perform a certain number of complex operations.

OPEN MODE GAMING

Type of video game in which a player can move about without restriction and choose how and when to tackle his/her objectives.

OPERATION

Final phase of the exploitation process which includes the production of downloadable content (DLC) after launch.

PAYMIUM

Game in which purchases are available to allow the player to extend, facilitate, or reinforce the gaming experience, in contrast to "Premium" games in which the player cannot make any purchases after the initial download cost, in order to complete the game.

ROLE PLAYING GAME (RPG)

Game using role play, in which the player embodies a character that he/she then develops as the game progresses. Most RPGs are based on a points system and levels of experience. The more the character interacts with the relevant universe, the more points are acquired and the character moves up from level to level in order to complete the game.

SEASON PASS

Service purchased by a user which allows payment to be made in advance in order to receive the entire downloadable content of a game, including downloadable content not yet published.

STREAMING

Principle of uninterrupted provision of online content. This technology therefore allows a player to receive content via a PC, tablet, or smartphone without actual possession of the physical (CD, DVD, etc.) or digital (downloaded file) content.

Streaming is therefore the opposite of a download as there is no need to receive all of the multimedia data before use.

Cross-reference table of the Universal Registration Document

This Universal Registration Document has been compiled in accordance with the provisions of Regulation (EU) 2017-1129 of June 14, 2017 (the "Prospectus 3" regulation), the associated delegated regulations, in particular, annexes 1 and 2 to delegated Regulation (EU) 2019-980 of March 14, 2019, the guidelines issued by the European Financial Markets Authority and Position-Recommendation issued by the French Financial Markets Authority (AMF) no. 2021-02 of January 8, 2021, as amended on April 29, 2021 (the "Guide to the drafting of Universal Registration Documents").

		2021 Universal Registration Document	
Section headings of annex 1 to delegated Regulation (EU) 2019-980 of March 14, 2019		Parts	Pages
1.	**PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS, AND COMPETENT AUTHORITY APPROVAL**		
1.1	Identity of the person responsible for information	7.5.1	326
1.2	Declaration by the person responsible for information	7.5.1	326
1.3	Expert report or declaration		N/A
1.4	Statement on information obtained from third parties		N/A
1.5	Declaration of filing with the competent authority		1
2	**STATUTORY AUDITORS**	**7.5.1**	**326**
3.	**RISK FACTORS**	**3.1**	**28**
4.	**INFORMATION ABOUT THE COMPANY**		
4.1	Corporate name and trading name	7.1.1	308
4.2	Place of registration, registration number, and legal entity identifier (LEI)	7.1.1	308
4.3	Date of incorporation and length of life	7.1.1	308
4.4	Registered office (principal place of business), legal form, applicable legislation, country of incorporation, general management (place of practice), website	7.1.1	308
5.	**BUSINESS OVERVIEW**		
5.1	Main activities	2.1 and 2.4.2	10 and 17
5.2	Primary markets	1 and 3.1.1	5 and 29
5.3	Significant events in the development of the business	2.2 and 2.3	14 and 15
5.4	Strategy and objectives	2.1 and 2.7	10 and 25
5.5	If material, dependence on patents or licenses, industrial, commercial or financial contracts, or new manufacturing processes	3.1.1	29
5.6	Basis for statements regarding competitive position	2.1 and 3.1.1	10 and 29
5.7	Investments	2.5.2	19
6	**ORGANIZATIONAL STRUCTURE**		
6.1	Brief description and position within the Group/Organizational structure	2.4	17
6.2	List of significant subsidiaries	2.4	17
7	**REVIEW OF THE FINANCIAL POSITION AND EARNINGS**		
7.1	Financial position	2.6.3	23
7.2	Operating results	2.6.2	22
8.	**CASH AND CAPITAL**		
8.1	Information on the capital	2.5.3, 2.6.2 and 6.1.2.19	20, 22 and 255
8.2	Cash flows	2.5.3 and 2.6.3	20 and 23
8.3	Information on borrowing requirements and funding structure	2.5.3	20
8.4	Restrictions on the use of capital	2.5.3	20
8.5	Anticipated sources of funds needed to fulfill commitments referred to in item 5.7	2.5.3	20

Section headings of annex 1 to delegated Regulation (EU) 2019-980 of March 14, 2019		2021 Universal Registration Document Parts	Pages
9.	**REGULATORY ENVIRONMENT**	**3.1.3**	**35**
10.	**INFORMATION REGARDING TRENDS**	**2.1 and 2.7**	**10 and 25**
11.	**PROJECTED OR ESTIMATED INCOME**	**2.7**	**25**
12.	**ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BODIES AND EXECUTIVE MANAGEMENT**		
12.1	Members of administrative and management bodies	4.1.1.1, 4.1.1.2 and 4.1.2.3.5	47, 50 and 76
12.2	Conflicts of interest on the level of the administrative and management bodies	4.1.2.3.5	76
13.	**COMPENSATION AND BENEFITS**		
13.1	Compensation paid and benefits in kind	4.2.2	104
13.2	Provisions recognized for the purposes of paying pensions, retirement benefits or other benefits	6.1.2.10 note 14	215
14.	**FUNCTIONING OF ADMINISTRATIVE AND MANAGEMENT BODIES**		
14.1	Date of expiration of current term of office and period during which the person has served in that office	4.1.1.2	50
14.2	Service agreements binding members of administrative and management bodies and the Company or any of its subsidiaries	4.1.2.3.5	76
14.3	Information on the Audit Committee and the Nomination, Compensation and Governance Committee	4.1.2.4.3	83
14.4	Statement of compliance with the current corporate governance regime	4.1 and 4.1.2.1	46 and 66
14.5	Potential material impacts on the corporate governance	4.1.2.3.4	75
15.	**EMPLOYEES**		
15.1	Number of employees	5.4.1.1	156
15.2	Shareholdings and share subscription and/or purchase options	4.1.1.2, 4.2.3.3 and 5.4.1.2	50, 131 and 157
15.3	Arrangements for involving the employees in the share capital of the Company	5.4.1.2 and 7.3.2	157 and 317
16.	**MAIN SHAREHOLDERS**		
16.1	Shareholders with over 5% of the share capital or voting rights	7.3.3.3	319
16.2	Existence of different voting rights	7.1.1 and 7.1.2	308 and 310
16.3	Control of the issuer	7.3.3.2	319
16.4	Any arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control	7.1.2	310
17.	**RELATED PARTY TRANSACTIONS**	**4.1.2.3.5 and 6.1.2.16 note 35**	**76 and 242**
18.	**FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**		
18.1	Historical financial information	6 and 7.5.2	195 and 327
18.2	Interim and other financial information		N/A
18.3	Auditing of historical annual financial information	6.2, 6.4 and 7.5.2	262, 300 and 327
18.4	Pro forma financial information		N/A
18.5	Dividend policy	6.6 and 7.1.1	306 and 308
18.6	Legal proceedings and arbitration	3.1.3	35
18.7	Significant change in financial position	6.1.2.21	259
19.	**ADDITIONAL INFORMATION**		
19.1	Capital	7.2, 7.3 and 7.4.4	311, 316 and 324
19.2	Memorandum and articles of association	7.1.1	308
20.	**IMPORTANT AGREEMENTS**		**N/A**
21.	**DOCUMENTS AVAILABLE**	**7.5.3**	**327**

Annual financial report cross-reference table

This Universal Registration Document incorporates all the items of the annual financial report referred to in article L. 451-1-2 of the French monetary and financial code and article 222-3 of the AMF's General Regulation.

	2021 Universal Registration Document	
Information required by legal and regulatory obligations	Parts	Pages
Separate financial statements of the Company	6.3	267
Consolidated financial statements of the Group	6.1	196
Statutory Auditors' report on the separate financial statements	6.4	300
Statutory Auditors' report on the consolidated financial statements	6.2	262
Management report containing at least the information mentioned in articles L. 225-100-1, L. 22-10-35 and L. 225-211, paragraph 2nd of the French commercial code	*See Management report cross-reference table*	334
Statement by the person responsible for the information contained in the Universal Registration Document	7.5.1	326

Management report cross-reference table

The management report and the consolidated report on the Group's management are presented as a single report, in accordance with article L. 225-100-1, II-paragraph 2, of the French commercial code. This Universal Registration Document includes all of the information comprising this single report for the FY21, as determined by the Board of directors of the Company on May 11, 2021, in accordance with articles L. 225-100 et seq., L. 22-10-35 et seq., L. 232-1 et seq., L. 233-6 et seq. and R. 225-102 et seq. of the French commercial code.

	2021 Universal Registration Document	
Information required by legal and regulatory obligations	Parts	Pages
BUSINESS CARRIED OUT BY THE COMPANY AND THE GROUP		
Situation, business, and results recorded by the Company and the Group over the past financial year	1, 2.1, 2.3 and 2.6	5, 10, 15 and 21
Sales of subsidiaries and controlled companies by activity	2.4.2 and 6.3.4.11	17 and 298
Analysis of the evolution of the business, sales and financial position of the Company and the Group over the past financial year	2.6.2 and 2.6.3	22 and 23
Financial and non-financial key performance indicators	2.6.1 and 5	21 and 143
Future development of the Company and the Group and future prospects	2.1 and 2.7	10 and 25
Significant events having occurred between the closing date of the financial year and the date of finalization of the management report	6.1.2.21	259
Description of the main risks and uncertainties	3.1	28
Financial risks linked to the effects of climate change and mitigation measures adopted	5.7	174
R&D activities	2.5.1	19
Existing branches	2.4.3	18
Internal control and risk management procedures put in place by the Company relating to the preparation and processing of financial and accounting information	3.2.4	42
Policy relating to the financial risk management and the use of financial instruments	6.1.2.8 note 5, 6.1.2.17 and 6.1.2.18	208, 243 and 250
Financial sanctions or injunctions for anti-competitive practices		N/A
OTHER ACCOUNTING AND/OR FINANCIAL INFORMATION		
Non tax deductible expenses		N/A
Details of dividends and other revenue distributed or paid over the past three financial years	6.6	306
Table showing the income of the Company over the past five financial years	6.6	306
Deadline for payment of trade payables and settlement of trade receivable balances	6.3.4.2 note 5 and 6.3.4.3 note 12	273 and 276
SHARE CAPITAL AND OWNERSHIP		
Structure and changes to the share capital	7.2 and 7.3.1	311 and 316
Shareholding structure and changes made during the financial year	7.3.3	318
Statement of employee profit-sharing as at the closing date of the financial year	5.4.1.2 and 7.3.2	157 and 317
List of subsidiaries and companies controlled by the Company	2.4.3	18
Disposal of shares in order to regularize cross shareholdings		N/A
Significant equity and control investments during the financial year in companies whose registered office is located in France	2.4.1	17
Sales and purchases by the Company of its own shares	7.2.4	313
Crossing of legal thresholds declared to the Company	7.3.4	320
Transactions carried out on the Company's securities by executives, senior managers and persons closely related to them	4.1.2.3.5	78
Adjustment upon the issue of securities granting access to the capital		N/A

	2021 Universal Registration Document	
Information required by legal and regulatory obligations	Parts	Pages
INFORMATION ON CORPORATE SOCIAL RESPONSIBILITY (CSR)		
Statement of non-financial performance (DPEF)	*See DPEF cross-reference table*	336
Duty of Care Plan	5.8	184
CORPORATE GOVERNANCE		
Corporate governance report	*See corporate governance report cross-reference table*	338

Statement of non-financial performance (DPEF) cross-reference table

This Universal Registration Document incorporates all the items which constitute the consolidated statement of non-financial performance referred to in articles L. 225-102-1, R. 225-105 et seq., *L. 22-10-36 and R. 22-10-29 of the French commercial code.*

	2021 Universal Registration Document	
Information required by legal and regulatory obligations	Parts	Pages
Business model	2.1	10
Description of the main risks linked to the business of the Company and the Group	3.1.1, 5.3.3, 5.4.4, 5.6.4 and 5.7.6	29, 155, 167, 174 and 183
Description of the policies introduced by the Company or Group to prevent, identify, and mitigate the occurrence of risks	3.2, 5.3.3, 5.4.4, 5.6.4 and 5.7.6	38, 155, 167, 174 and 183
Results generated by policies, including key performance indicators	5.4, 5.5 and 5.7	156, 167 and 174
SOCIAL INFORMATION		
Employment		
Total staff and breakdown of employees	5.4.1.1	156
♦ By gender	5.4.2.1	160
♦ By age	5.4.1.1	156
♦ By geographical region	5.4.2.1	160
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Compensation and its evolution	5.4.1.2	157
Organization of labor		
Organization of working hours	5.4.1.4	160
Absenteeism	5.4.3.2	165
Health and safety		
Health and safety conditions in the workplace	5.4.3.2	165
Occupational accidents, in particular their frequency and severity, and occupational illnesses	5.4.3.2	165
Employee relations		
Organization of the dialog with employees, in particular, procedures for the provision of information and consultation and negotiation with employees	5.4.3.3	166
Collective agreements, particularly regarding health and safety conditions in the workplace	5.4.3.3	166
Training		
Policies relating to the provision of training	5.4.1.2 and 5.4.1.3	157 and 158
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Equal opportunity		
Measures taken to encourage gender equality	5.4.2.1 and 5.4.2.2	160 and 163
Measures taken in favor of the employment and integration of disabled people	5.4.2.1	160
Anti-discrimination policy	5.4.2.1 and 5.4.3.1	160 and 164

Information required by legal and regulatory obligations	2021 Universal Registration Document Parts	 Pages
ENVIRONMENTAL INFORMATION		
Circular economy		
Waste prevention and management	5.7.3 and 5.7.5	175 and 181
Prevention, recycling, reuse, other forms of recovery and disposal of waste	5.7.3 and 5.7.5	175 and 181
Actions to prevent food waste	5.1.5	145
Sustainable use of resources		
Raw material consumption and measures taken to use raw materials more efficiently	5.7.4	177
Energy consumption and measures taken to improve energy efficiency and the use of renewable energies	5.7.4	177
Climate change		
Significant sources of greenhouse gas emissions from the Company's business activities, in particular, through the use of the goods and services produced	5.7.4	177
Adapting to the consequences of climate change	5.7.4 and 5.7.6	177 and 183
SOCIETAL INFORMATION		
Societal commitments in favor of sustainable development		
Impact of the Company's business in relation to employment and local development	5.5.1	167
Impact of the Company's business on the local communities	5.5.1	167
Relations with the Company's stakeholders and methods of dialog adopted	5.2.5	151
Partnership or sponsorship initiatives	5.5.2	170
Subcontractors and suppliers		
Consideration of employee-related and environmental issues in the purchasing policy	5.6.1	173
Importance of subcontracting and consideration in supplier and subcontractor relations of their employee-related and environmental responsibilities	5.6.1 and 5.6.3	173 and 174
Fair operating practices		
Measures taken to protect consumer health and safety	5.3.2	153
COMBATING CORRUPTION		
Actions taken to prevent corruption	3.2.2, 5.2.3 and 5.4.1.3	40, 150 and 158
PREVENTING TAX EVASION	**5.2.4**	**151**
ACTIONS TAKEN TO PROTECT HUMAN RIGHTS		
Promotion of the stipulations of the International Labor Organization		
♦ Regarding respect for freedom of association and the right to collective bargaining	5.4.3.3	166
♦ For the elimination of workplace and professional discrimination	5.4.2.1	160
♦ For the abolition of forced or compulsory labor	5.6	173
♦ For the effective abolition of child labor	5.6	173
Other actions undertaken to protect human rights	**5.2**	**148**

Corporate governance report cross-reference table

This Universal Registration Document incorporates all the items which constitute the corporate governance report referred to in articles L. 225-37 et seq. *of the French commercial code.*

	2021 Universal Registration Document	
Information required by legal and regulatory obligations	Parts	Pages
Corporate officers' compensation policy ("Ex Ante" vote)	4.2.1	90
Total compensation and benefits of all kinds paid or awarded to corporate officers ("Ex Post" vote)	4.2.2	104
Equity ratios between the level of total compensation of the Company's executive corporate managing officers and the median and average compensation of employees ("Ex Post" vote)	4.2.2.1.3	109
List of offices and positions held in any company by each of the corporate officers	4.1.1.2.2	51
Agreements signed between (i) a corporate officer or a significant shareholder and (ii) a controlled company	4.1.2.3.5	76
Table summarizing the current valid delegations on share capital increases granted by the General Meeting	7.2.3	312
General management methods	4.1.2.2.1	68
Composition of the Board of directors	4.1.1.1 and 4.1.1.2.1	47 and 50
Conditions governing the preparation and organization of the work of the Board of directors	4.1.2.3.6	78
Description of the diversity policy applicable to the members of the Board of directors	4.1.2.3.3	72
Gender balance	4.1.2.2.3 and 5.4.2.1	69 and 160
Limitations imposed by the Board of directors on the powers of the Chief Executive Officer	4.1.2.2.1	68
Reference made to a corporate governance code and application of the "Comply or explain" principle	4.1.2.1	66
General Meeting and participation methods	7.1.1	308
Rights attached to the shares	7.1.1	308
Procedure put in place by the Board of directors in order to assess all arm's length agreements currently in place	4.1.2.3.5	76
Factors likely to have an impact in the event of a public offering	7.1.2	310
Information on the conditions applicable to the exercise of share purchase and/or subscription options granted to executive corporate managing officers and/or to the retention of shares	4.2.1.3	93
Information on the conditions relating to the retention of shares awarded free of charge to executive corporate managing officers	4.2.1.3	93

Cross-reference table for the AMF Tables on corporate officer compensation

This Universal Registration Document incorporates all the AMF Tables in accordance with Annex 2 of AMF Position-Recommendation no. 2021-02 of January 8, 2021, as amended on April 29, 2021 (the "Guide to the drafting of Universal Registration Documents").

		2021 Universal Registration Document	
		Parts	Pages
Table no. 1	Summary of the compensation and options and/or shares awarded to the executive corporate managing officers	4.2.2.1.4	112
Table no. 2	Summary of the compensation paid or allocated by the Company and by any company (article L. 233-16 of the French commercial code) to the executive corporate managing officers	4.2.2.1.4	113
Table no. 3	Table on the compensation received by non-executive corporate officers	4.2.2.1.4	117
Table no. 4	Share purchase and/or subscription options allocated during the financial year to each executive corporate managing officer by the Company and by all Group companies	4.2.2.1.4	115
Table no. 5	Share purchase and/or subscription options exercised during the financial year by each executive corporate managing officer	4.2.2.1.4	115
Table no. 6	Performance shares allocated during the financial year to each executive corporate managing officer by the Company and by all Group companies	4.2.2.1.4	115
Table no. 7	Performance shares that became available during the financial year for each executive corporate managing officer	4.2.2.1.4	116
Table no. 8	Summary of share purchase and/or subscription option plans valid as at March 31, 2021	4.2.3.6	140
Table no. 9	Stock options granted to and exercised by the ten employee grantees other than executive corporate managing officers who received or exercised the largest number of options	4.2.3.4	135
Table no. 10	Summary of free share plans valid as at March 31, 2021	4.2.3.5	136
Table no. 11	Summary table of compensation and benefits owed as a result of executive corporate managing officers of the Company leaving office	4.2.2.1.4	116

SASB reporting

Topic	Accounting metric	Category	Unit of measure	Code	Reference
Environmental footprint of hardware infrastructure	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	Quantitative	Gigajoules (GJ), percentage (in %)	TC-SI-130a.1	1. Total energy consumption in 2020 (electricity, fuel oil and gas): 299,721 GJ of which 288,802 GJ of electricity (i.e. 80,223 MWh) 2. 96.4% of Ubisoft's total energy consumption is electricity – For more information see 5.7.4 Reducing its footprint 3. According to the RE100 criteria, 61.8% of the electricity consumption in Ubisoft offices comes from renewable sources. 26.5% of Ubisoft's total energy consumption is linked to renewable energy certificates and guarantees of origin NB: Ubisoft's reporting *does* not use the same units of measurement or methodology as SASB.
	(1) Total water withdrawn (2) Total water consumed, percentage of each in regions with high or extremely high baseline water stress	Quantitative	Thousand cubic meters (in m^3), percentage (in %)	TC-SI-130a.2	Due to the nature of its business, water consumption is not one of Ubisoft's main impacts. Since 2017, this criterion is therefore no longer reported in the DPEF.
	Discussion of the integration of environmental considerations into the strategic planning of data center needs	Discussion and analysis	N/A	TC-SI-130a.3	58.4% of Ubisoft's data center energy consumption is linked to renewable energy certificates and guarantees of origin. In this respect, several of the Group's partners have made sustainable development commitments and joined collective initiatives such as the Data Center Climate Neutral Pact. NB: Ubisoft's reporting *does* not use the same units of measurement or methodology as SASB.

Topic	Accounting metric	Category	Unit of measure	Code	Reference
Data privacy and freedom of expression	Description of policies and practices relating to behavioral advertising and user privacy	Discussion and analysis	N/A	TC-SI-220a.1	5.3.2 Offering our players a safe gaming environment for a positive gaming experience – Protecting players' personal data 5.8 Duty of Care Plan – Risks linked to the use by the Group of player and team personal data
	Number of users whose information is used for secondary purposes	Quantitative	Number, percentage (in %)	TC-SI-220a.2	5.3.2 Offering our players a safe gaming environment for a positive gaming experience – Protecting players' personal data 5.8 Duty of Care Plan – Risks linked to the use by the Group of player and team personal data
	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Quantitative	Reporting currency	TC-SI-220a.3	Note 34 "Other liabilities" in the consolidated financial statements
	(1) Number of law enforcement requests for user information (2) Number of users whose information was requested (3) Percentage resulting in disclosure	Quantitative	Number, percentage (in %)	TC-SI-220a.4	5.3.2 Offering our players a safe gaming environment for a positive gaming experience – Protecting players' personal data 5.8 Duty of Care Plan – Risks linked to the use by the Group of player and team personal data
	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Discussion and analysis	N/A	TC-SI-220a.5	3.1.1 Business risks
Data security	(1) Number of data breaches (2) Percentage involving personally identifiable information (PII) (3) Number of users affected	Quantitative	Number, percentage (in %)	TC-SI-230a.1	5.8 Duty of Care Plan – Risks linked to the use by the Group of player and team personal data
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Discussion and analysis	N/A	TC-SI-230a.2	5.3.2 Offering our players a safe gaming environment for a positive gaming experience – Protecting players' personal data 5.8 Duty of Care Plan – Risks linked to the use by the Group of player and team personal data
Recruiting and managing a global, diverse and skilled workforce	Percentage of employees that are: (1) Foreign nationals (2) Located offshore	Quantitative	Percentage (in %)	TC-SI-330a.1	19.1% of team members work in a country other than their nationality. 5.4.2.1. Reinforcing diversity and inclusion within our teams
	Employee engagement as a percentage	Quantitative	Percentage (in %)	TC-SI-330a.2	5.4.1.2 Supporting the development of each team member
	Percentage of gender and racial/ethnic group representation for (1) Management (2) Technical staff (3) All other employees	Quantitative	Percentage (in %)	TC-SI-330a.3	5.4.2.1 Strengthening diversity and inclusion within our teams

Topic	Accounting metric	Category	Unit of measure	Code	Reference
Intellectual property protection and competitive behavior	Total amount of monetary losses resulting as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative	Reporting currency	TC-SI-520a.1	Note 34 "Other liabilities" in the consolidated financial statements
Managing systemic risks from technology disruptions	Number or duration of: (1) Performance issues (2) Service disruptions (3) Total customer downtime	Quantitative	Number, days	TC-SI-550a.1	3.1.1 Business risks
	Description of business continuity risks related to disruption of operations	Discussion and analysis	N/A	TC-SI-550a.2	5.8 Duty of Care Plan

NOTES

NOTES

"This is a translation into English of the Universal Registration Document of the Company issued in French and it is available on the website of the Issuer."

Joint-stock company (French "*SA*") with a share capital of €9,576,417.39
Registered office: 2, rue du Chêne Heleuc
56910 Carentoir, France
335 186 094 RCS Vannes

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UBISOFT

REGISTERED OFFICE
2, rue du Chêne Heleuc
56910 Carentoir, France

EXECUTIVE MANAGEMENT
2, avenue Pasteur
94160 Saint-Mandé, France
Téléphone : +33 (0)1 48 18 50 00

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